

Ottershaw

Housing Needs Assessment (HNA)

November 2022

Ottershaw Neighbourhood Plan Housing Needs Assessment

Quality information

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Ottershaw Neighbourhood Plan Housing Needs Assessment

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List of acronyms used in the text:

DLUHC	Department for Levelling Up, Housing and Communities (DLUHC - formerly MHCLG)
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LHN	Local Housing Need
LPA	Local Planning Authority
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
ONF	Ottershaw Neighbourhood Forum
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RBC	Runnymede Borough Council
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

1. Ottershaw is a Neighbourhood Plan area located in the borough of Runnymede in Surrey. The proposed Neighbourhood Plan period starts in 2021 and extends to 2030 (Neighbourhood Plan1), coinciding with the end of the current adopted Local Plan for Runnymede. Neighbourhood Plan2 which will supersede Plan1 is currently scoped to run to 2040 alongside the emerging Runnymede Borough Council (RBC) Local Plan.
2. Two existing major allocations in the Neighbourhood Area (NA) are likely to meet the majority of the minimum level of growth assigned to Ottershaw in the current Local Plan (298 dwellings).

Tenure and Affordability

3. The tenure profile of Ottershaw is characterised by a more than average predominance of owner occupation, 76% of all households in the 2011 Census. The second most popular tenure, at 12%, is private renting, which more than doubled as a share between 2001 and 2011. Affordable housing is the tenure of 11% of households, comprising 10% renting and 1% living in a shared ownership property.
4. Affordability is an acute and increasing issue in the NA. Average house prices, after an initial dip from 2011 – 2012, have steadily increased, with mean prices in 2020 almost double to what they were in 2012. The cheapest housing type (flats) grew by the greatest amount between 2011-2020, more than doubling in that time. This is likely to worsen affordability particularly for those in Ottershaw with the lowest incomes.
5. The Ottershaw housing market appears to have a slightly larger number of transactions at the lower end and slightly fewer transactions at the higher end (based on prices, since transactions data does not include the size of properties). However, since 2018 lower quartile prices have been catching up, rising more steeply than all other house prices and closing most of the gap with average prices.
6. The latest house price measurements show a mean of £572,477, a median of £487,500, and a lower quartile average of £412,500. The highest house price recorded in 2020 was £1,300,000 and the lowest was £195,000, thus showing a considerable range in prices, even if it is narrowing. Average prices in Ottershaw are considerably higher than those across the local authority area as a whole. The development of Ottershaw Park, which includes very high value flats, will have had an effect of raising average prices in recent years, although this impacts mean averages more than median figures.
7. The average total household income before housing costs in the NA was £58,000 in 2018. Runnymede's gross individual lower quartile annual earnings were £16,701 in the same year (equating to an income of £33,402 for households with two lower quartile earners), thus demonstrating very large differences in spending power.
8. Local households on average incomes are unable to access even entry-level homes in Ottershaw unless they have the advantage of a very large deposit, with the median house price requiring an annual income which is more than twice the current household average. Private renting on the other hand is affordable to those on average earnings.

9. There is a relatively large group of households in Ottershaw who may be able to afford to rent privately but cannot afford home ownership. On average incomes, the affordable housing products for sale which would be affordable include rent to buy (the most affordable), followed by shared ownership at a maximum 10% share, and First Homes at a minimum 50% discount (while 45% is sufficient, the options are 30%, 40% or 50%). It is worth emphasising that, while theoretically affordable, these tenure products are rare within the NA, with only 13 shared ownership properties existing at the time of the 2011 Census. Two upcoming developments are understood to be bringing forward more such options, but availability will remain limited overall within the NA in the near term.
10. The only tenure affordable to those households with two lower quartile incomes is social renting. Households with a single lower earner are unable to afford any of the tenures considered including the smallest socially rented units without recourse to benefits. They may need to reside in a shared house using benefits or even move away to a location that offers suitable accommodation at more affordable levels
11. When the 2018 Runnymede SHMA figures are pro-rated to Ottershaw, based on its fair share of the population, this equates to an affordable housing need of 17.2 homes per annum predominately for social/affordable rent. This totals to a need for 155 affordable rented homes over the initial Neighbourhood Plan period to 2030 and for 327 homes to 2040. Note that the SHMA figures are for the period 2016-2036 and are used here as a broad indicator of annual need, which is then applied and extrapolated to the time horizon of the Neighbourhood Plan.
12. A separate calculation of affordable housing need for sale results in 16.2 households per annum who may be interested in affordable home ownership, equating to 146 units needed over the initial Plan period to 2030 or 141 over the Plan period to 2040. However, this need is less pressing than that for affordable rented units because of the circumstances of the households in question. It is notable that the figure for 2030 is slightly lower than that for 2040. Effectively the result is that the scale of need for affordable home ownership is the same, whether the plan period ends in 2030 or 2040, at 140-146. If the former, the same quantity just needs to be built in a more concentrated period.
13. In Policy SL20 the adopted Local Plan requires that 30% of homes on sites smaller than 10 units and 35% of homes on larger sites should be in affordable tenures. It is not possible to predict precisely what combination of sites (and thus affordable housing requirements) will apply to development in Ottershaw in future years. Regardless of whether a 30% or a 35% affordable housing requirement is assumed overall, the expected level of housing delivery in Ottershaw will not meet the quantity of demand identified in projected estimates of need for affordable housing. Expected Affordable Housing delivery at a 30% requirement is in the region of 89 affordable homes, which is far below the potential need identified here. Therefore, the policy requirement (whether 30% or 35% as appropriate) should be met wherever possible to maximise affordable housing delivery in the NA. While this is not in the control of the Neighbourhood Plan, being negotiated by the LPA on a site-by-site basis with regard to viability concerns, the evidence here highlights its importance.
14. It is not recommended that the Local Plan policy requirement be exceeded in the Neighbourhood Plan because such steps are rarely accepted by planning inspectors on the grounds that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, furthermore, have the effect of discouraging new

building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.

15. Further avenues for delivering greater quantities of Affordable Housing, and particularly affordable rented housing, could also be explored by the Forum. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.
16. On the basis of the considerations listed in the 'Affordable Housing policy guidance' section of this report, it is proposed that of the Affordable Housing that is delivered in Ottershaw over the lifetime of the Neighbourhood Plan, around 70% of this should be offered as affordable rented tenures with the remaining 30% offering a subsidised route to home ownership.

Type and Size

17. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.
18. Looking at data from the 2011 Census, the Ottershaw Village Profile, and the VOA (from 2020), detached and semi-detached properties (houses and bungalows) are the most common dwelling types in Ottershaw, with bungalows and detached houses making up a higher than average proportion of properties than evident across the borough and country. Conversely, the NA has a slightly lower proportion of flats and semi-detached houses. Terraces make up a higher proportion of dwellings in Ottershaw than across Runnymede but a lower proportion than across England.
19. In terms of dwelling size, properties in Ottershaw were comparatively large, with a lower proportion of all housing being comprised of smaller and medium dwellings (i.e. with 1, 2 or 3 bedrooms) than wider averages, and a higher proportion being comprised of larger homes than wider Runnymede and England.
20. LPA completions and a comparison of 2020 VOA data with 2011 Census data shows that there has been only limited construction in the NA in recent years (18 completions according to Runnymede Council completions data and 23 additional dwellings comparing the Census to the VOA data). It appears the largest increase was in 3 bedroom dwellings. However, the relative mix of properties has not changed substantially. It is important to note that these figures can only take new construction into account. The equally important changes to the housing stock brought about by extensions and other changes to existing properties is not recorded centrally, but may also have a significant impact – typically in the direction of enlarging many homes.
21. As regards age structure and household composition, the NA population has a relatively similar but marginally older age profile compared to the rest of the borough and country. The key differences are a significantly lower proportion of 16-24 year olds, a slightly

lower proportion of 25-44 year olds, and a higher proportion of 54-64 and 65-84 year olds. Since 2011, the proportion of all younger and middle age groups (aged 0-64) has shrunk, while the combined proportion of the two oldest age groups (aged 65 and over) has increased.

22. The three largest age groups in 2020, each making up between a quarter and a third of the Ottershaw population, were those aged 45-64 (28%), 25-44 (23%), and 65-84 (19%). Young persons aged 16-24 and the oldest group, aged 85 and over, were the smallest categories (approximately 5-7% each). Children aged under 16 made up 18% of the population. Ottershaw's population also has a slightly lower proportion of one person households (particularly younger one person households under the age 65) and 'other' households (composed of multiple families or non-related individuals) than the rest of the borough and the country, and in return, a higher than average proportion of family households.
23. Households are more likely to under-occupy their home than to be over-crowded in Ottershaw. Nearly half of all households in the NA (42%) live in a home with two or more spare bedrooms, and more than three quarters (76%) live in a home with at least one spare bedroom. Only 2% of the Ottershaw population were over-occupying their homes. The most likely to under-occupy are couples with no children and households aged 65 or over (of these, 90-95% have more than 1 bedroom). Within the family category, those with children are less likely to over-occupy their home than those without children. The most likely to over-occupy their home/ be over-crowded are 'other household types' with and without dependent children.
24. In many areas around the country, including in Runnymede as a whole, population growth to 2030 and 2040 is expected to be very much driven by the oldest households aged 65 and over. The picture for Ottershaw is a little more nuanced. Households headed by this age group are still projected to increase significantly by 17% by 2030 and by 42% by 2040. However, when looking at the extended plan period to 2040, another two groups are also expected to grow significantly, which are households headed by a reference person aged 25-34 (projected to increase by 28%) and by the youngest group aged 24 and under (by 17%). However, these groups are growing from a lower baseline. The latter two groups are likely to contain many young families looking to "get onto the housing ladder".
25. By 2030, the households headed by someone aged 65 or over are projected to only be the second largest group of households (33% of all households), while the largest group is projected to be those households headed by 35-54 year olds (38%). However, by 2040, the oldest age group will have become the largest, with households with a reference person aged 65 and over making up 37% of all households, and those with a reference person aged 35 to 54 making up a relatively lower 33%.
26. Our model suggests that what is most needed to be built in Ottershaw over the plan period is 3 bedroom properties; followed by 2 bedroom and 1 bedroom properties. No further larger properties with 4 or more bedrooms are required to achieve the target mix. However, while prioritising mid-sized and smaller homes, a variety of housing should be provided to cater for households' different needs, incomes, sizes, and life-stages. The final recommended housing size mix for Ottershaw, as suggested by our model, is 27.4% 1 bed homes, 33.5% 2 bed homes, 39.1% 3 bed homes, and no further 4+ bed homes. These percentages may be too precise to be applied through policy and

may be rounded or adjusted to reflect additional evidence such as survey or consultation findings.

27. This chimes with the results of the Runnymede SHMA and of the Ottershaw Community Opinion Survey. The Survey found that the indicated preference of respondents was for 3-4 bedroom homes, followed by 2-3 bedroom homes for owner occupation. The other categories that were deemed to be needed, although to a lesser extent, were sheltered / retirement accommodation and care homes, followed by 1-2 bed homes for owner occupation.
28. Looking at the types and sizes of the housing that is planned for on the two major allocation sites in Ottershaw, it appears that largely the mix being planned and delivered is not too dissimilar from what is needed on the basis of our analysis.

Specialist Housing for the Older People

29. Ottershaw has a current specialist offer of two schemes, which equates to a provision of 125 units per 1,000 population of over 75-year-olds (67 units for 537 individuals, based on ONS 2020 population estimate of the over 75 population in the NA). The Housing LIN model recommends a provision of 251 units per 1,000 population, which shows that Ottershaw has relatively limited provision considering the size of its current elderly population.
30. All of the existing specialist units currently available in Ottershaw are offered as retirement housing without onsite care, available for social rent. There is therefore a potential gap in the market both for specialist housing of all forms available for market purchase, and for accommodation offering additional onsite care (although a scheme of this type is located close to the NA boundary).
31. Currently, 82% of 55-75 year olds in Runnymede own their own home, renters making up 18% (about two thirds social and one third private renters). The population of over 75s is projected to increase by 15% in Ottershaw over the initial plan period to 2030, and by 36% by 2040. Approximately the same percentage increase levels are expected across Runnymede.
32. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
33. These two methods of estimating the future need in Ottershaw produce a range of 20 to 23 specialist accommodation units that might be required during the initial Plan period to 2030, and a range of 49 to 57 units to the end of extended Plan period to 2040. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. However, as the existing provision of elderly accommodation in Ottershaw is relatively generous compared to the size of the current elderly population, this assumption appears reasonable.
34. The SHMA concurs that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings across the borough.
35. The largest part of the additional future demand is likely to be for sheltered housing. This equates to a higher level of demand than for extra care accommodation in both estimates to 2030 and 2040. As the current provision in Ottershaw is limited to

sheltered accommodation only, the NP may wish to encourage a higher future supply of extra care and market ownership provision, to prevent future gaps or imbalances in the market.

36. Regarding the balance between affordable and market provision, the current provision is largely for affordable rent, while there is more future demand for market sale than affordable properties. The NP may wish to encourage future provision to diversify the current offering, with market and extra care options particularly encouraged.
37. It is worth noting that Neighbourhood Plans cannot set the proportion of housing (specialist or otherwise) that should be affordable, as this has to be in line with Local Plan policy. In the case of Runnymede, the adopted Local Plan policy SL20 on affordable housing sets a target of 30% of all net additional new housing to be delivered as affordable, with 35% delivery required for developments of 10+ dwellings, subject to viability (note that in Ottershaw, the majority of the set minimum housing requirement is expected to be met by the two major allocation sites).
38. If sufficient schemes of specialist accommodation were to come forward and if all schemes consisted of 10 or more dwellings, this would suitably address the need for affordable specialist housing provision. However, given that no affordable housing was delivered in Ottershaw over the last decade according to Runnymede completions figures, it appears unlikely that many affordable specialist units will be delivered in the near future.
39. That said, the Brockhurst Care Home within the NA is due to be rebuilt to provide some form of elderly care in the region of 20 units, which would make a helpful contribution to the specialist housing needs identified here. It is not known what proportion of these units will be offered as affordable housing tenures. The evidence provided in our housing needs assessment should, however, be useful in supporting the negotiation for the provision of affordable housing on this and/or future specialist housing schemes in Ottershaw, subject to other relevant policy and evidence.
40. Given that there is unlikely to be a large volume of additional specialist supply, at least during the initial Plan period to 2030 based on current available information, another avenue open to the Neighbourhood Plan would be to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan. Especially considering that there is an as yet unpermitted major development application on a Local Plan allocations site, the NP group could lobby for such provisions or for specialist accommodation on this site. Finally, the NP could also encourage the adaptation of existing properties through grant schemes and other means, although it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock.
41. Local Plan policy SL23 provides explicit support for specialist accommodation for older persons, including sheltered housing, care homes and other appropriate forms of accommodation on suitable sites, to meet needs that have been identified in the Council's SHMA. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify applying such a target in the Neighbourhood Plan if this avenue has the support of the LPA.
42. It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, the localised evidence gathered here

would further justify this, and the SHMA concurs. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.

43. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
44. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
45. It is considered that Ottershaw's position in the settlement hierarchy, its local shops and services offer, and its public transport accessibility (no train station but some bus services) makes it a relatively less suitable, but not entirely unsuitable location for specialist accommodation, on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the specialist accommodation need arising from Ottershaw entirely within the Neighbourhood Plan area boundaries, it is recommended that at least some of it could be provided in a 'hub and spoke' model. In the case of Ottershaw, Addlestone may be considered to have potential to accommodate some of the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would overlap to some extent, but not entirely. Unfortunately, the level of provision (and potential unmet need) in Addlestone is beyond the scope of this assessment, and the Runnymede SHMA does not consider need and supply down to the scale of specific towns. The capacity of Addlestone is, however, a potentially relevant factor in how far the unmet needs of Ottershaw could be accommodated nearby.
46. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

2. Context

Local context

47. Ottershaw is a Neighbourhood Plan area located in the borough of Runnymede in Surrey, which was designated in October 2020. Ottershaw village is a well-established historic and self-contained community, with its own village character. It is located west of Addlestone, one of Runnymede borough's three main towns.
48. The Neighbourhood Area (NA) boundary for Ottershaw does not conform with a parish boundary but is located within a single borough ward. The NA partially follows the more extensive Ottershaw and West Addlestone electoral ward boundary. However, there are some differences, which were established based on the results of a community consultation exercise¹:
- The NA excludes the south eastern corner of the ward area, as the area east of the M25 was seen as forming part of the Addlestone, rather than the Ottershaw community, and would be better included in a separate Addlestone Neighbourhood Area;
 - As the built-up area south of Spinney Hill was seen as forming part of the Rowtown community, the decision was also taken to exclude all of Rowtown from the NA, as the area of Rowtown (including the Northern area just South of Spinney Hill) is again considered to be a separate community from Ottershaw and would therefore be more logical forming another Neighbourhood Area, with its own Forum & Plan; and
 - Hare Hill Open Space was included in the Ottershaw NA, as this aligns with the postal districts (KT16 vs KT15) and was deemed to form a natural division between Ottershaw and Rowtown although equally enjoyed by residents from both areas.
49. The proposed Neighbourhood Plan (NP) period starts in 2021 and currently extends to 2030, therefore comprising an initial planning period of 9 years for the first Neighbourhood Plan. The end year of 2030 coincides with the end of the current adopted Local Plan for Runnymede. The NP steering committee are hoping to subsequently produce a second Neighbourhood Plan, which will run to 2040. The first plan referendum is anticipated for 2023. The evidence supplied in this report will look forward to the Plan 1 end date of 2030, as well as to the Plan 2 end date of 2040 (also called the initial plan period and the extended plan period in our report). Where possible, the report also provides annualised figures which can be extrapolated to a different term if the Plan period changes.
50. The Runnymede Local Plan describes Ottershaw as follows: "Ottershaw is a mainly residential area of mixed character, with its own identity and sense of place. This is partly derived from the clearly identified 'heart' of the urban area, focused on the former 'The Otter' public house (now a restaurant) and adjoining local shopping parade and community facilities. A noteworthy feature is the Grade II listed The Mansion, at Ottershaw Park. The local centre and the surrounding residential area are located in the urban area whilst other parts of Ottershaw, such as Ottershaw Park, are located in the Green Belt".

¹ For more detail see [Area Selection | Ottershaw Neighbourhood Forum \(ottershawforum.com\)](https://www.ottershawforum.com)

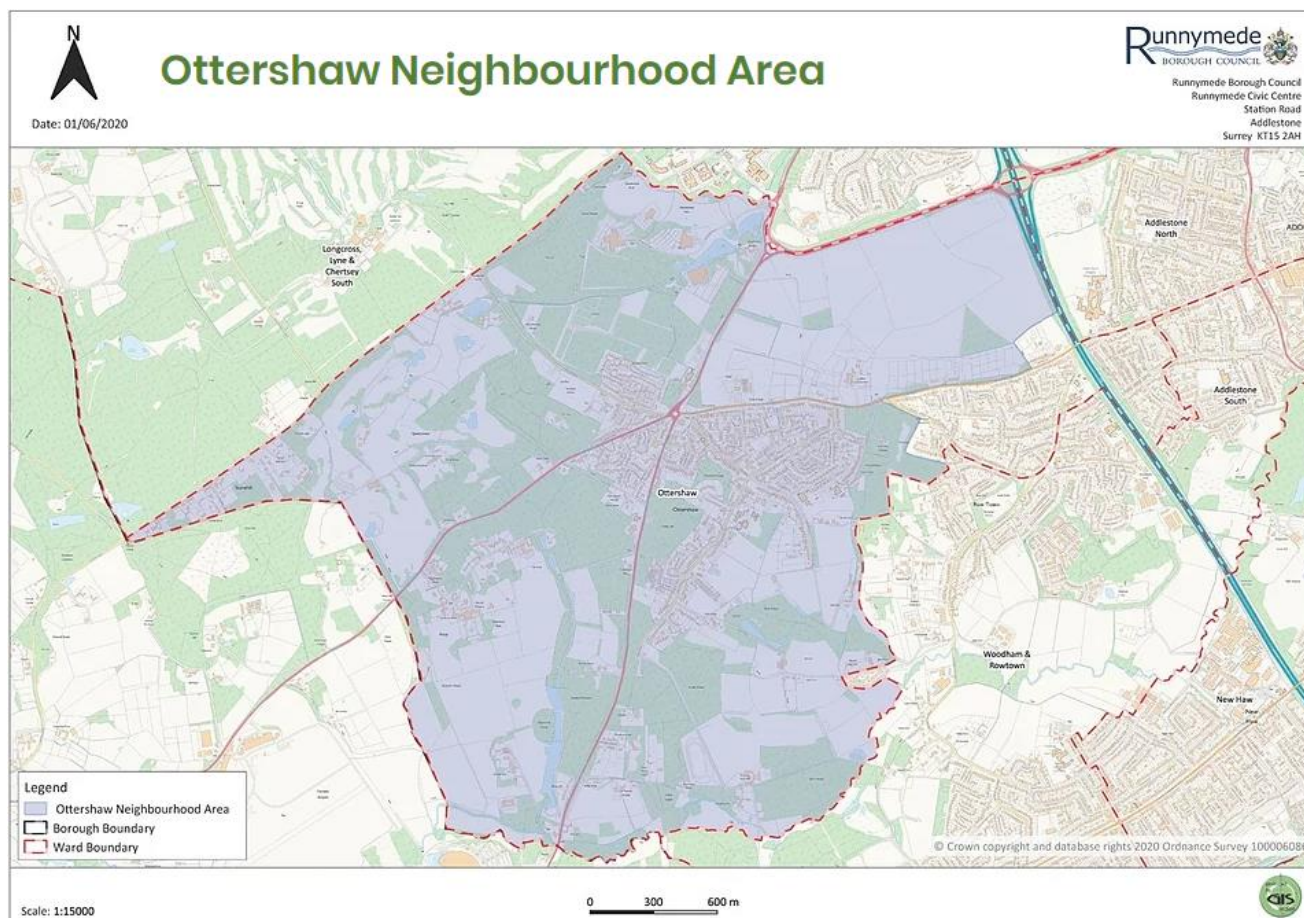
51. The village of Ottershaw does not have its own train station, with the nearest station at Addlestone, 2.5 miles away. The main roads running through the village are the A319 and the A320. The M25 offers the nearest motorway access to the north east, at Addlestone and Chertsey. Ottershaw has access to bus services including to Addlestone, Weybridge, Walton, Chertsey, Staines, and Kingston. The bus services are regular but run infrequently (mostly every hour). There are some issues of congestion reported by the NP forum. The Ottershaw Village Profile report estimates that there are 4,332 cars and vans owned in the NA, equating to an average of 2.6 vehicles per household.
52. In terms of services and amenities, the village includes a local centre which meets the day to day needs of the NA's local community. Its offer includes two nurseries/pre-schools, a junior and middle school, and a school for pupils with special needs; a post office; one pub and a number of restaurants/take-aways; sports provision including for cricket, football, and tennis; a church; a 3-day opening cafe, a social club, GP Surgery (with a new location proposed for one of the new developments), a private dentist, grocery retail outlets and some other shops. The nearest secondary schools are in Chertsey, New Haw and Addlestone.
53. The NA includes some areas of flood risk, including that due to surface water flooding. The south of the NA is most affected by this. The other key constraint is greenbelt land, which covers virtually all the of the NA, outside of existing developments and designated SANGS.
54. For Census purposes, the Neighbourhood Plan area is made up, like the rest of England, of statistical units including Output Areas (OAs), Lower Layer Super Output Areas (LSOAs), and Middle Layer Super Output Areas (MSOAs). The Ottershaw Plan area cannot be perfectly recreated using Census boundaries, but a best-fit can be created using the following three LSOAs, which have been used throughout as a statistical proxy (or best fit) for the NA boundary. The following are the references which can be interrogated for data from the 2011 and 2001 Censuses:

Figure 2-1: Geographies used for Interrogation of Census Data on Ottershaw

Type	Name	GGIS Reference	Nomis Reference for 2001 Census	Nomis Reference for 2011 Census
LSOA	Runnymede 008B	E01030678	1275099094	1249932488
LSOA	Runnymede 008C	E01030679	1275099095	1249932489
LSOA	Runnymede 008D	E01030680	1275099096	1249932490

55. A map of the Plan area appears below in Figure 2.1.

Figure 2-2: Map of the Ottershaw Neighbourhood Plan area²



Source: *Ottershaw Neighbourhood Forum*

56. The statistics show that in the 2011 Census the NA had a total of 4,096 residents, formed into 1,697 households and occupying 1,774 dwellings. The Office for National Statistics (ONS) also produces mid-year population estimates. The mid-2020 population estimate for Ottershaw is 4,175. It is also worth noting that this figure is an estimate only, based on data which is mostly available at local authority level such as administrative registers of births and deaths, data on moves between local authorities, small-area population estimates and official population projections, and not based on a survey count.

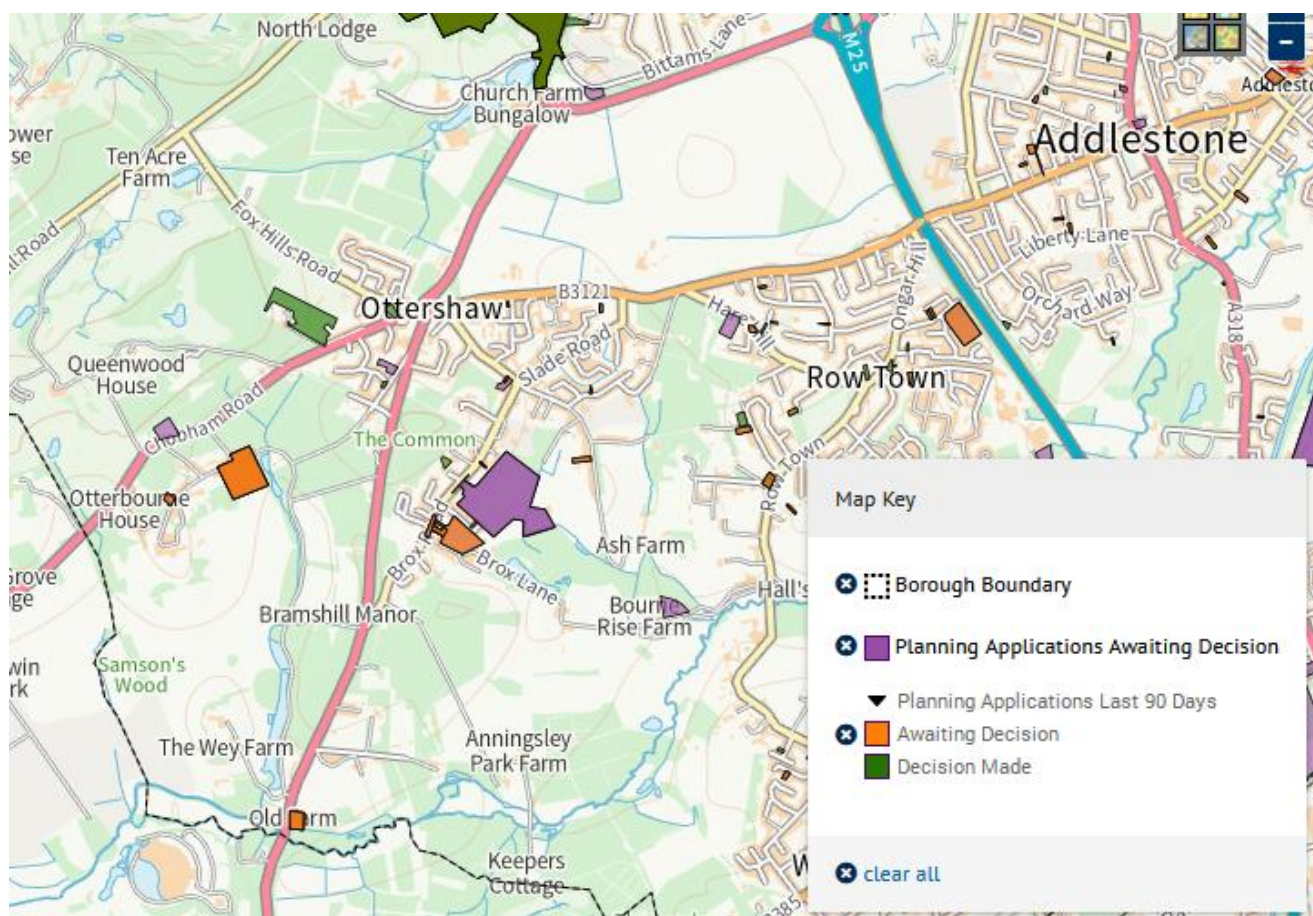
57. Housing completions data from 2011 to 2021 for the designated Ottershaw neighbourhood plan area, shared by the local authority, shows that only 18 net C3 units were delivered, with none of these delivered as affordable housing. The pipeline of permitted developments also shows a further 55 C3 units which are permitted and in some, but not all cases, started. While the Runnymede data does not show which of the pipeline units are affordable, all but one of the developments are under 10 units (the threshold for the adopted local plan policy requirement on affordable housing). The only larger development is one of the two allocation sites, which has a Section 106 agreement dated March 2021 for delivery of 16 affordable dwellings, comprised of 11 Affordable Rented Units and 5 Shared Ownership Units. In addition to the 16 units tallied here, it is understood that other schemes (including the application for Ottershaw

² Available at [Area Selection | Ottershaw Neighbourhood Forum \(ottershawforum.com\)](#)

East) will include affordable housing provision at approximately the minimum rate required in the local plan.

58. The NA appears to be transforming into an area of increasing development pressure and is expected to grow at a faster rate than wider Runnymede, despite past development levels being low. There are two major allocations in the NA and the Runnymede online maps reflect the recent SLAA review which shows that there are currently a number of applications pending decision in and around Ottershaw, with a large volume of land (and a large proportion of all delivery in the Borough) earmarked for potential development in the NA. Based on the results of the recent community opinion survey undertaken by the Ottershaw Neighbourhood Forum, a priority for the Neighbourhood Plan will be about ensuring that any candidate sites are properly explored and ensuring that the village character is maintained and the transport infrastructure and other community services keep pace with any development.

Figure 2-3: Planning Applications awaiting decisions as at 17 October 2022)



Source: Runnymede Borough Council Online Maps³

Planning policy context

59. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁴ In the case of Ottershaw, the relevant adopted development plan for Runnymede consists of the Runnymede Local Plan to 2030, adopted in July 2020⁵; as

³ Available at [Maps - Runnymede Borough Council](#)

⁴ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

⁵ Available at [Adopted 2030 Local Plan \(runnymede.gov.uk\)](#)

well as any made Neighbourhood Plans, alongside policy NRM6 of the South East Plan (which is concerned with development near the Thames Basin Heaths Special Protection Area)⁶; and the policies in the Plan produced by Surrey County Council (which relate to waste and minerals)⁷.

Policies in the adopted local plan

60. Table 2-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Ottershaw.

Table 2-1: Summary of relevant adopted policies in the current development plan for Runnymede

Policy	Provisions
SD1: Spatial Development Strategy (see also Local Plan paragraph 5.25)	<p>Growth aspirations will largely be directed towards the most sustainable, larger settlements in Runnymede (Addlestone, Chertsey, Egham, and their suburbs) and towards the garden village at Longcross.</p> <p>Lower levels of growth will be expected to be accommodated within the local centres of smaller settlements including Ottershaw, respecting and maintaining their position in the centre hierarchy. Residential development in areas such as Ottershaw are expected to come forward through redevelopment within the urban area and on urban extensions, with limited scope for additional retail and employment development.</p> <p>Ottershaw is listed in Table 3 of the policy as having an expected minimum growth delivery of 298 net additional dwellings (including 15 completions and 6 dwellings deriving from the provision of C2 older people’s accommodation – thus a figure of 277 when these are subtracted) and 2 traveller pitches. (Note that based on development that is currently either permitted or at outline application stage on the two allocations sites detailed below, approximately 266 homes are already likely to come forward, covering the majority of this minimum growth).</p> <p>Addlestone including Rowtown, located just to the east of the NA, is expected to grow by a further 1,265 net additional dwellings, (including 693 completions and - 7 dwellings deriving from the provision of C2 older people’s accommodation), 2 traveller pitches, and additional town centre floorspace and employment space.</p>

⁶ Available at [\[ARCHIVED CONTENT\] \(nationalarchives.gov.uk\)](#)

⁷ Available at [Minerals and waste policies and plans - Surrey County Council \(surreycc.gov.uk\)](#)

Policy Provisions

SD2: Site Allocations This policy lists 2 allocations in Ottershaw, totalling a minimum of 240 units:

SLAA site reference	Site	Type of scheme proposed	Timing
14	Brox Road Nursery, Ottershaw	Residential development incorporating a minimum of 40 units	2019-2021
263	Ottershaw East, Brox Road, Ottershaw	Residential development incorporating a minimum of 200 net units and 2 traveller pitches	2023-2027 subject to delivery of necessary mitigation on the A320

The proposed Garden Village at Longcross will also lie near to Ottershaw village (to the north of the NA, including 1,700 residential units, with 250 having been commenced as part of phase 1). Other allocations are also located nearby in Rowtown (two allocations of 40 and 150 units and 2 traveller pitches), Addlestone (two mixed use scheme allocations including 2 x 70 additional residential units) and the South part of Chertsey (Bittams) on the edge of the NA (five schemes with capacity for up to 609 units and a number of traveller pitches).

SL2: Housing Allocation at Brox End Nursery, Ottershaw The site of 1.4ha is located to the south of Ottershaw and allocated for a minimum of 40 net additional C3 dwellings (Note that this has site since been approved and commenced – Planning permission reference RU.20/0675 – Demolition of 183 Brox Road and the development of land for the development of 46 residential dwellings with associated vehicular access, drainage works and landscaping, including provision of open space, with amended plans received 23/10/20).

SL12: Housing Allocation at Ottershaw East, Ottershaw The site of 6.6ha is located to the south east of Ottershaw and allocated for a minimum of 200 C3 dwellings and 2 net additional services Gypsy/Traveller pitches (Note that there is now an full application for this site to deliver c186 dwellings, 0.1ha allocated for a GP Surgery and 2 Travellers pitches - Outline Planning Application RU.21/0672 Ottershaw East, Brox Road, Ottershaw)

SL19: Housing Mix and Size Requirements Development proposals of 10 or more (net) additional dwellings will be required to contribute to meeting the Housing Market Area’s identified housing needs by generally providing a housing mix as set out in the Strategic Housing Market Assessment or any similar evidence for market and affordable units unless evidence demonstrates that such a mix would not be feasible or viable. The policy also stipulates space standards for studios and 1-3 bedroom properties.

Policy	Provisions
SL20: Affordable Housing	Over the period of the Local Plan, for developments of less than 10 units the Council will seek to deliver 30% of all net additional dwellings as affordable units of which about 70% will be provided as Affordable/Social Rent and 30% provided as other forms of affordable housing Development proposals of 10 or more (net) additional dwellings will be expected to provide 35% of dwellings as affordable units with a tenure split as above, which includes 10% of homes for affordable home ownership. This can be negotiated subject to scheme viability.
SL23: Accommodating Older Persons and Students	The Council will support proposals for specialist accommodation for older people, including sheltered housing, care homes and other appropriate forms of accommodation on suitable sites, to meet needs that have been identified in the Council's most up to date Strategic Housing Market Assessment (SHMA).
IE5: Centre Hierarchy, sequential approach and impact assessment	Ottershaw is listed as Local Centre
Policy EE10: Thames Basin Heaths Special Protection Area	Ottershaw is in the Thames Basin Heaths SPA 5km Buffer Zone. All additional residential development (including strategic allocations) beyond the 400m Special Protection Area exclusion zone, but within 5km of the Special Protection Area boundary, need to put in place adequate measures to avoid and mitigate potential effects on the Special Protection Area, to be delivered prior to occupation and in perpetuity and agreed with Natural England.

Source: *Runnymede Local Plan to 2030*

61. Existing allocations and permissions are therefore likely to come close to meeting the minimum level of growth assigned to Ottershaw in the Local Plan, once the second large allocation is permitted. Therefore, the NA is expecting a high level of growth early in its plan period. The Neighbourhood Forum is seeking, through the NP, to influence the type and number of dwellings in local developments, as well their design, to protect and maintain local character.

Policies in the emerging local plan

62. Runnymede has limited information about an emerging Local Plan on their website at the time of writing this HNA. The Local Development Scheme (LDS) 2020 quotes the Local Plan 2030 paragraph 5.19 which states that

63. *'The Council will commence a review of the Runnymede 2030 Local Plan as soon as possible to ensure that it is able to meet the requirement of the NPPF to complete a review of the plan within 5 years of the date of adoption of this plan. In practical terms this will mean that the Borough Council commences its review early in 2021, in order to complete a review*

before the summer of 2025. The Council will be revising its Local Development Scheme during 2020 to confirm the timetable for the review. In accordance with the NPPF, the review will also need to plan for a 15-year period from the date of its adoption (i.e. 2040)'.

64. The next Runnymede Local Plan is therefore expected to have a plan period to 2040 and is due to emerge over the next couple of years. No draft policies are publicly available yet. An initial Issues and Options consultation is proposed by the borough council for late Summer 2022.
65. It is recommended that the Neighbourhood Forum monitors the progress of the new Local Plan as it emerges including through its function on the RBC Emerging Plan Community Planning Panel.

Quantity of housing to provide

66. The NPPF 2021 (paragraphs 66 and 67) requires Local Authorities to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.
67. Runnymede has fulfilled that requirement by providing Ottershaw with a minimum housing requirement figure of 298 dwellings to be accommodated within the Neighbourhood Plan area by the end of the initial Plan period of 2030, as per the recently adopted Local Plan. As confirmed by RBC by email, this figure is attributable to the old ward area as defined in the adopted Local Plan, including the settlement of Ottershaw as well as Lyne and their environs, as opposed to the wider (and more recently established) Neighbourhood Area. A process to align geographies is underway but not concluded at the time of writing. However, the location of the sites that are expected to make up Ottershaw's target suggests that it will remain appropriate for the NA and, as such, this report works on the basis that 298 remains the most accurate representation of the volume of delivery expected in the NA.
68. As mentioned above, this target is expected to already be largely covered by allocations and permissions, most if not all of which are either already commenced or expected to be permitted and delivered in the early years of the plan period. However, the minimum growth requirement may change in the new Local Plan 2040.

3. Approach

Research Questions

69. The following research questions were formulated at the outset of the research through discussion with the Ottershaw Neighbourhood Forum Steering Committee. They serve to direct the research and provide the structure for the HNA.

Tenure and Affordability

70. The neighbourhood planning group would like to understand the needs of the community for housing of varying tenures, as well as the relative affordability of those tenures that should be provided to meet local needs now and into the future.
71. This evidence will allow Ottershaw to establish the right conditions for new development to come forward that is affordable, both in the broader sense of market housing attainable for first-time buyers, and as Affordable Housing for those who may be currently priced out of the market.
72. The neighbourhood planners are interested in exploring the need for Affordable Housing for sale and rent (also known as affordable home ownership) and are therefore eligible for support under the Affordable Housing for sale element of the Neighbourhood Planning Technical Support programme. Analysis and commentary on this issue has been provided where relevant and possible in the HNA.
73. The level of affordable housing projected to be needed will be compared with the level proposed on the two large Local Plan allocations, to see how proposed provision relates to projected need.

RQ 1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

Type and Size

74. The neighbourhood planning group is seeking to determine what size and type of housing would be best suited to the local community, especially in light of the large number of dwellings either allocated or permitted to be delivered early in the plan period.
75. The aim of this research question is to provide the neighbourhood planners with evidence on the types and sizes needed by the local community. This will help to shape future development so that it better reflects what residents need.
76. While this study is not able to advise on space standards or home configurations, it may reveal imbalances between the available stock and demographic trends.
77. Note, however, that the evidence gathered here takes the current population as its starting point and projects forward trends that exist today. It therefore risks embedding features of the housing stock and occupation patterns that the community may actually wish to change. In that sense, the findings in this report might be viewed as the baseline scenario on top of which the community's objectives and primary evidence should be layered to create a more complete picture and vision for the future.
78. The type and size of housing projected to be needed will be compared with the level proposed on the two large Local Plan allocations, to again see how proposed provision relates to projected need.

RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

Specialist Housing for Older People

79. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care.

RQ 3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

Relevant Data

80. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the Neighbourhood Plan level and is locally specific. This includes data from the 2011 Census and a range of other data sources, including:

- ONS population and household projections for future years;
- Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market (for those postcodes within the NA);
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data; and
- 2018 Partial update of the Runnymede-Spelthorne SHMA⁸;
- 2015 Runnymede - Spelthorne SHMA⁹;
- Ottershaw Village Profile October 2021;
- Ottershaw Initial Community Opinion Survey Results & Analysis, March 2021; and
- Completions and pipeline data from Runnymede Borough Council;
- Data drawn from the RBC Mapping service.

81. More recent data sources for the population and existing housing stock will be used wherever possible in this report. However, Census datasets providing, for example, the breakdown of households (as opposed to individuals) by age and the tenure of dwellings, cannot be accurately brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

⁸ Available at [Strategic Housing Market Assessment \(January 2018\) \(runnymede.gov.uk\)](https://www.runnymede.gov.uk)

⁹ Available at [Strategic Housing Market Assessment \(November 2015\) \(runnymede.gov.uk\)](https://www.runnymede.gov.uk)

4. RQ 1: Tenure, Affordability and the Need for Affordable Housing

RQ1: What quantity and tenures of Affordable Housing should be planned for over the Neighbourhood Plan period?

Introduction

82. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the NA and which of them might be most appropriate going forward, based on the relationship between how much they cost and local incomes. Second, it estimates the quantity of Affordable Housing that might be required during the Neighbourhood Plan period. The scale of need for these homes can justify planning policies to guide new development.
83. Tenure refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership). We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF. A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
84. The definition of Affordable Housing set out in the NPPF 2021 makes clear the Government's commitment to home ownership by broadening the definition to include a range of low-cost housing opportunities for those aspiring to own a home. As part of this effort, the Government has recently introduced a new product called First Homes.¹⁰
85. Because the First Homes product is new and expected to be an important part of the strategy for improving access to home ownership, it is worth summarising its key features and implications:
- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
 - The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;
 - After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
 - Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
 - They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
 - In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or

¹⁰ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.

- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes.

Current tenure profile

86. The current tenure profile is a key feature of the Neighbourhood Plan Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.
87. Table 4-1 below presents data on tenure in Ottershaw compared with Runnymede and England from the 2011 Census, which is the most recent available source of this information.
88. There is no current data on the proportion of housing that is rented because the choice to let out a property does not require planning permission or other changes that would be recorded centrally. The 2021 Census will provide the most robust and up-to-date picture of this when the results are released in the coming months. Note that the ONF Ottershaw Village Profile and the Community Surveys also did not include information on tenure.
89. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: In Ottershaw the private rented sector more than doubled in that period (a growth of 115%), a rate of growth that is even higher than the already substantial growth in that sector across the borough and country (83% and 82% respectively). At the same time, the proportion of those living in shared ownership also grew by 30% (although, as this came from a very low starting point, in absolute terms this was only an increase from 10 to 13 households), while the relative percentages of all other tenures either fell or remained roughly the same.
90. Despite the marked relative percentage increase in the private rented sector, in 2011 owner occupation was clearly still the most dominant tenure in Ottershaw. This is also true across Runnymede and England as a whole. However, in Ottershaw this predominance is even more pronounced, with 76% of all households in the NA being owner occupiers. The next most dominant tenure is private renting at 12%, followed by social renting at just under 10%. Shared ownership is the tenure of less than 1% of Ottershaw households.

Table 4-1: Tenure (households) in Ottershaw, 2011

Tenure	Ottershaw	Runnymede	England
Owned; total	76.0%	69.5%	63.3%
Shared ownership	0.8%	1.0%	0.8%
Social rented; total	9.8%	12.9%	17.7%
Private rented; total	12.1%	15.2%	16.8%

Sources: Census 2011, AECOM Calculations

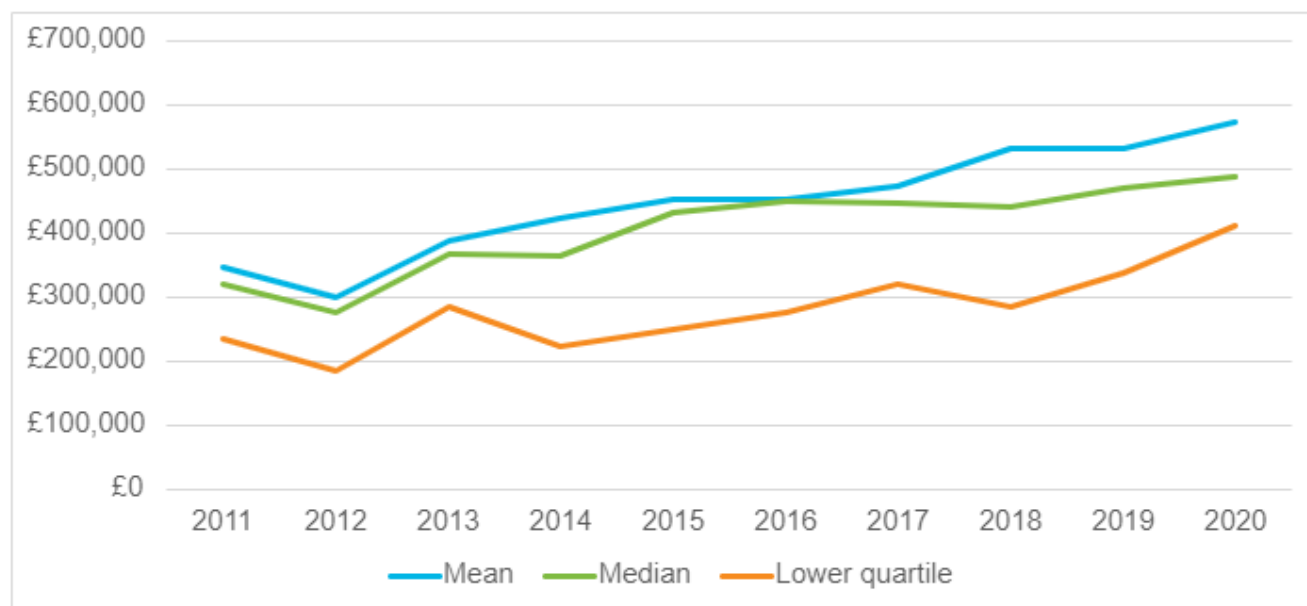
Affordability

House prices

91. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base of plans to examine trends in prices and consider what this reveals about the local housing market.
92. Figure 4-1 below looks at selected measures of house prices in Ottershaw, using Land Registry house price data exclusive to those postcodes within the NA. It shows that average house prices, after an initial dip from 2011 – 2012, have steadily increased, with mean prices in 2020 almost double than what they were in 2012. This does not necessarily mean that the value of every home has doubled – indeed there are many examples identified by the Neighbourhood Forum where this is not the case – but simply that the average in 2020 is almost double the average in 2011. Both the mean (average) and the median (the “middle” value in the list of house prices arranged from least to most) have increased with relatively little fluctuation, with both measurements almost identical. The mean has been the highest and least varied, but only slightly above the median for Ottershaw. A mean higher than the median is quite common.
93. In the case of Ottershaw, the median shows a similar but very slightly lower trajectory than the mean, with only very minor divergences between the two. This is the characteristic of a housing market which has an only very slightly larger number of house prices at the lower end and very slightly fewer house prices at the higher end. In this case, the median, which is the middle number when you sort the data from smallest to largest, lies in the lower range of values (where more of the house prices are). Because the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end (as in, the slightly smaller number of more expensive homes) cause the mean to increase marginally, making it a little higher than the median.
94. The lower quartile prices have also increased, but by less, with greater fluctuation. Particularly between 2013-2018 prices rose and fell, only to return to the same level at the end of the five year period as at the start. However, since 2018, lower quartile prices have been catching up, rising more steeply than all other house price averages and closing most of the gap to the mean and median.
95. The latest house price measurements show a mean of £572,477, a median of £487,500, and a lower quartile average of £412,500. The highest house price recorded in 2020 was £1,300,000 and the lowest was £195,000, thus showing a considerable

range in prices. Average prices in Ottershaw are considerably higher than those across the local authority area as a whole.

Figure 4-1: House prices by quartile in Ottershaw, 2011-2020



Source: Land Registry PPD

96. Table 4-2 below breaks down median annual house prices by type in Ottershaw. It shows that the terraced category grew by the greatest amount between 2011-2020, though other types exhibited similar levels of growth. The moderately higher growth among terraces and flats will at least partially account for the sharper increase in lower quartile prices shown above. Note also that flats delivered as part of the Ottershaw Park development are understood to be similar in price to the largest houses, and will have had the effect of skewing upward the overall and flat prices in recent years.

Table 4-2: House prices by type in Ottershaw, 2011-2020 (£k)

Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Growth
Detached	£455,000	£446,250	£460,000	£545,000	£550,000	£572,500	£600,000	£545,000	£635,000	£637,500	40.1%
Semi-detached	£334,975	£330,000	£365,500	£372,500	£450,000	£450,000	£447,500	£455,000	£428,500	£475,000	41.8%
Terraced	£247,500	£244,500	£282,500	£310,000	£363,500	£342,475	£347,500	£410,000	£346,475	£415,000	67.7%
Flats	£187,000	£161,375	£167,000	£200,000	£215,100	£250,000	£254,750	£250,000	£239,250	£293,000	56.7%
All Types	£320,000	£276,000	£368,000	£365,000	£432,500	£450,000	£447,500	£439,950	£470,000	£487,500	52.3%

Source: Land Registry PPD

Income

97. Household incomes determine the ability of households to exercise choice in the housing market, and consequently the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.

98. The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income before housing costs locally was £58,000 in 2018. A map of the area to which this data applies is provided in Appendix A.
99. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Runnymede's gross individual lower quartile annual earnings were £16,701 in 2018. To estimate, the income of households with two lower quartile earners, this figure is doubled to £33,402.
100. It is immediately clear from this data that there is a very large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

101. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
102. AECOM has determined thresholds for the income required in Ottershaw to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix A.
103. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income.
104. Table 4-3 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.
105. The same information is presented as a graph in Figure 4-2 on a subsequent page, with selected measures from the table presented for clarity.

Table 4-3: Affordability thresholds in Ottershaw (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes?	Affordable on LQ earnings (single earner)?	Affordable on LQ earnings (2 earners)?
Market Housing						
Median House Price	£438,750	-	£125,357	No	No	No
LA New Build Mean House Price	£368,646	-	£105,327	No	No	No
LQ/Entry-level House Price	£371,250	-	£106,071	No	No	No
Average Market Rent	-	£14,506	£48,352	Yes	No	No
Entry-level Market Rent	-	£14,413	£48,044	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£276,413	-	£78,975	No	No	No
First Homes (-40%)	£236,925	-	£67,693	No	No	No
First Homes (-50%)	£197,438	-	£56,411	Yes	No	No
Shared Ownership (50%)	£219,375	£6,094	£82,991	No	No	No
Shared Ownership (25%)	£109,688	£9,141	£61,808	No	No	No
Shared Ownership (10%)	£43,875	£10,969	£49,098	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£10,314	£34,345	Yes	No	No
Social Rent	-	£6,638	£22,104	Yes	No	Yes

Source: AECOM Calculations

106. Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give a sufficiently robust indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups, but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact. These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

107. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income of £125,357, which is more than twice the current household average of £58,000.
108. Private renting on the other hand is affordable to those on average earnings, but households made up of one or even two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances, especially as the average rents in Ottershaw would require a household with access to two lower quartile incomes to spend more than 43% of their income on rent. For a household with only one lower quartile earner, this would increase to an impossible 87%. Entry-level market rents are also not much below the average: 2-bedroom properties are a close representation of the overall average because there are similar numbers of rental properties both above and below this size category.

Affordable home ownership

109. There is a relatively large group of households in Ottershaw who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £48,044 per year (at which point entry-level rents become affordable) and £106,071 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership. Furthermore, as only 1% of Ottershaw households are currently living in shared ownership, an increased supply of affordable home ownership products would also increase the level of mix and choice available.
110. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
111. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. Unless a 50% discount is offered, it is unlikely that First Homes would be affordable, even for those on average incomes. Those households with one or two lower quartile earnings will not be able to buy their own home through the First Homes product, even at the maximum discount of 50%.
112. Table 4-4 below shows the discount required for First Homes to be affordable to the three income groups. Because it is not possible to estimate the cost of a typical First Home due to a lack of data on new build entry-level house prices in the NA, it is worth considering the discounts required for some additional price benchmarks. The table above uses median house prices in the NA as the best proxy for the cost of a newly built entry-level home in the area, because this reflects the local market and accounts for the price premium usually associated with newly built housing (which would bring the price closer to the price of median existing homes than existing entry-level homes). However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, and of entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

113. Even if entry level house prices are used, a 50% discount would be insufficient for those on lower quartile incomes. If median house prices are used as a starting point, a 50% discount is even insufficient for those on average incomes. A minimum 45% discount is required for those on average incomes, if local authority level new build mean house prices and neighbourhood area entry-level house prices are used as a starting point.

Table 4-4: Discount on sale price required for households to afford First Homes

Tenure/product	Mean Income	LQ Income x1	LQ Income x2
NA Median house price	54%	87%	73%
LA New build mean house price	45%	84%	68%
NA Entry-level house price	45%	84%	69%

Source: Land Registry PPD; ONS MSOA total household income

114. Shared ownership appears to be even less affordable than First Homes, unless only a 10% share is purchased. Again, shared ownership is only affordable to those on average incomes but not to those on lower quartile incomes, and even then only at the lowest share possible. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value, so this would make shared ownership affordable to those on average incomes in Ottershaw.¹¹ If this type of product was delivered in the NA, it will make shared ownership easier to access for more people, but only for those on average or higher incomes. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
115. The transition from 10% to 100% ownership would be long, and during this period the rent on the 90% unsold value would not be subsidised, meaning that monthly costs for occupants will remain relatively high and the build-up of equity will be relatively slow. This product would therefore only be a realistic route to full ownership for households prepared to take a long-term view.
116. The income required to access rent to buy is assumed to be the same as that required to afford market rents. On that basis, Rent to Buy is likely to be a slightly more affordable option than First Homes and shared ownership.
117. These three products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not.
- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
 - Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
 - Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and

¹¹ The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>.

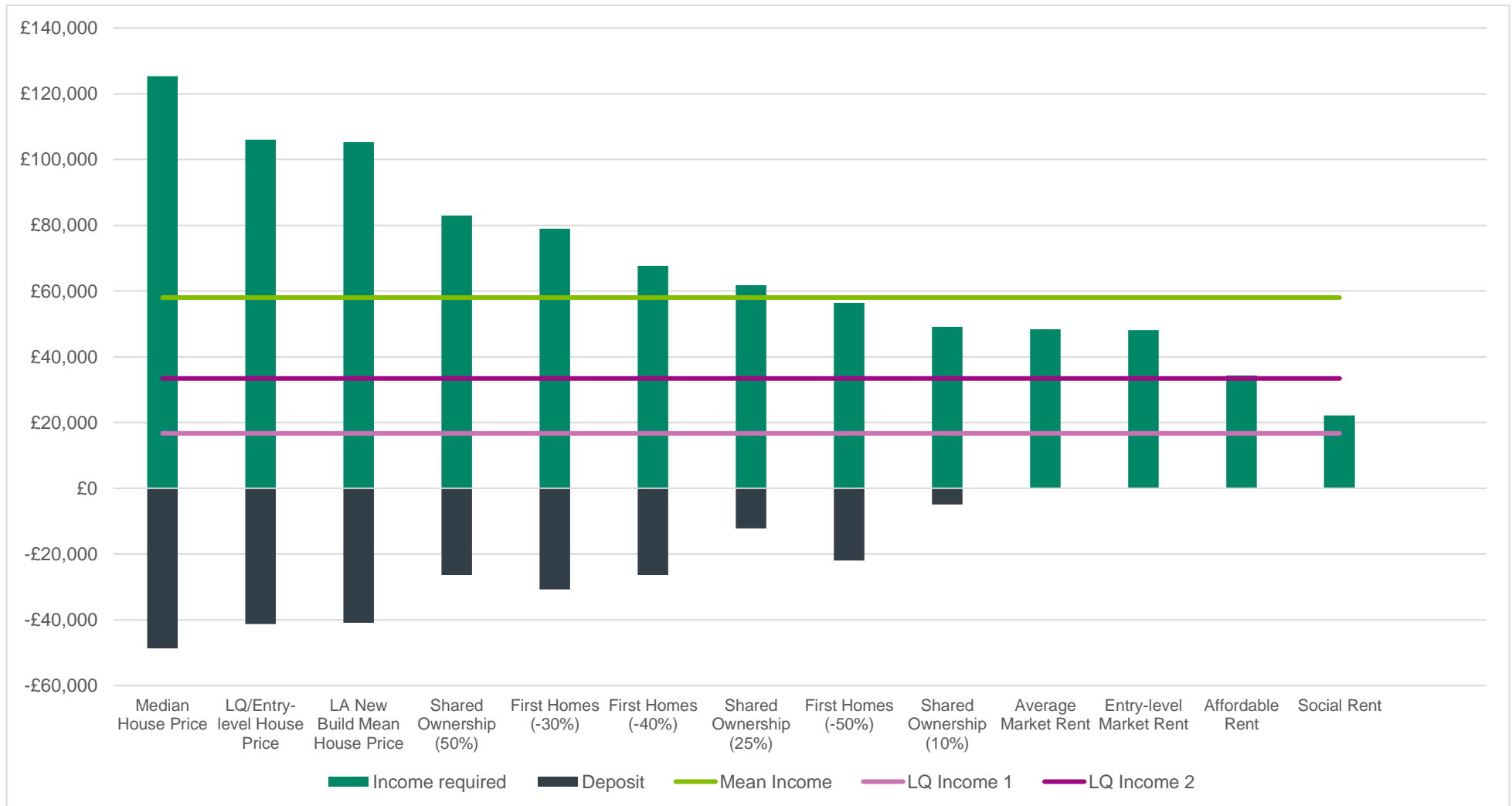
other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.

- Rent to buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.
118. In conclusion, all of these products would prove valuable to different segments of the local population, with shared ownership at a 10% equity share potentially allowing average earning households to get a foot on the housing ladder, while rent to buy is helpful to those with little or no savings for a deposit, and First Homes (at 50% discount) may provide a better long-term investment to those who can afford to access it. However, for all of these affordable home ownership products, only the largest discount or the smallest share of ownership is affordable to those on average incomes in Ottershaw, and none of the products at any level of share or discount extend the possibility of home ownership to those on one or two lower quartile incomes.

Affordable rented housing

119. Within the NA, even affordable rented housing is generally unaffordable to households with one or two lower earners depending on their household size (average earning households are unlikely to be eligible). Households with a single lower earner appear unable to afford any of the tenures considered including the smallest socially rented units. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit to access housing or move away to a location that offers suitable accommodation at more affordable levels.
120. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Ottershaw as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel etc. Where households are supported by housing benefit, the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Figure 4-2: Affordability thresholds in Ottershaw, income required (additional cost of deposit in black)



Source: AECOM Calculations

Affordable housing- quantity needed

121. The starting point for understanding the need for affordable housing in Ottershaw is the relevant Strategic Housing Market Assessment (SHMA). A full SHMA was last undertaken for Runnymede and Spelthorne Borough Councils in 2015. A partial review was later undertaken in 2018 for Runnymede. Both studies were undertaken by GL Hearn. The 2018 update estimates the need for affordable housing in Runnymede Borough in line with Planning Practice Guidance at the time, based on local housing market conditions (and particularly the relationship of housing costs and incomes) and the existing supply of affordable housing (through relets of current stock) which can be used to meet affordable housing need. It uses a base date of 2016.
122. The 2018 SHMA identifies the need for 337 additional affordable homes each year in the borough as a whole over the period 2016 to 2036. The identified affordable housing need of 337 homes per annum comprises around 75% of the 446 dwellings per annum need resulting from the borough's Objectively Assessed Need. The SHMA emphasised that this is significantly higher than the proposed Council policy requirement of 30%-35%. This needs figure is largely for affordable rented housing but also includes a small amount of intermediate housing for sale. The SHMA points out that "Discussions with the Council about recent shared ownership schemes suggest that many are not accessed by people with a local connection. Therefore, the mix of affordable housing could potentially be more biased towards rented products. The analysis ... is broadly based on a 70:30 split between rented and intermediate products; if intermediate housing is not readily available to local people then an alternative (maybe 80:20) might be appropriate".
123. The need for social/affordable rent is also more pressing, as it relates to households who live in unsuitable housing and who cannot afford to access market rents. A small proportion of these households may be able to afford shared ownership. However, in the case of Ottershaw, it is more likely that market rents will be slightly more affordable than shared ownership.
124. When the SHMA figures are pro-rated to Ottershaw based on its fair share of the population (5.1% of the LPA's population), this equates to 17.2 homes per annum (predominately for social/affordable rent), which can be extrapolated to 155 homes over the initial Neighbourhood Plan period to 2030, and 327 homes to the extended plan period end of 2040.
125. While the relevant SHMA in the case of Ottershaw is relatively recent (only 3 years old), it is still worth noting that pro-rating borough level estimates of affordable housing need to rural areas has its limitations and requires caveats. The borough level figures are likely to represent higher needs in the urban areas of Runnymede where there is a larger social housing stock and larger numbers of households living in the PRS on housing benefit. Both of these factors tend to generate higher needs. By contrast, in rural villages like Ottershaw, the lower existing provision of social housing means there is less need generated from households already living in the sector. Similarly, households who may need social housing often move away to areas where their needs are more likely to be met (either because there is social housing available or more private rented housing). This means it is more difficult to accurately identify need for social/affordable rented housing within Ottershaw.

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126. Unfortunately, Runnymede in its capacity as manager of the local housing waiting list was unable to provide a housing waiting list figure for Ottershaw at the time of writing, which would have allowed for further analysis. Therefore, the pro-rated SHMA figure is the most accurate estimate of need possible at the time of writing.
127. Turning now to Affordable Housing providing a route to home ownership, Table 4-5 below estimates the potential demand in Ottershaw over the initial plan period to 2030. This model aims to estimate the number of households might wish to own their own home but cannot afford to – the ‘can rent, can’t buy’ group described in the previous section. The model is consistent with methods used at Local Authority scale in taking as its starting point households currently living in or expected to enter the private rented sector who are not on housing benefit.
128. There may be other barriers to these households accessing home ownership on the open market, including being unable to save for a deposit, or being unable to afford a home of the right type/size or in the right location. The model also discounts 25% of households potentially in need, assuming a proportion will be renting out of choice. This assumption is based on consistent results for surveys and polls at the national level which demonstrate that most households (typically 80% or more) aspire to home ownership.¹² No robust indicator exists for this area or a wider scale to suggest aspirations may be higher or lower in the NA.
129. The result of the calculation is 16.2 households per annum who may be interested in affordable home ownership or 146 for the entirety of the initial Plan period to 2030. For the longer Plan period to 2040, the result would be approximately 141.
130. It is worth highlighting that the figure to 2040 is actually slightly lower than the figure to 2030. This is because the calculation uses the same ‘current backlog’ figure as a starting point, which is then annualised and feeds into the assumptions of newly arising need. When the same backlog is spread over a longer period it produces a lower annualised need figure. Effectively the result is that the scale of need for affordable home ownership is the same, whether the plan period ends in 2030 or 2040, at 140-146. If the former, the same quantity just needs to be built in a more concentrated period.
131. These figures assume a rate of turnover in the existing stock will satisfy some need, though this is extremely minimal because of the lack of shared ownership in the NA currently. Only 13 households listed their tenure as shared ownership in the 2011 Census.
132. It is important to keep in mind that the households identified in this estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

¹² <http://www.ipsos-mori-generations.com/housing.html>

Table 4-5: Estimate of the potential demand for affordable housing for sale in Ottershaw to 2030

Stage and Step in Calculation	Total	Description
STAGE 1: CURRENT NEED		
1.1 Current number of renters in NA	251.1	Census 2011 number of renters x national % increase to 2018.
1.2 Percentage renters on housing benefit in LA	18.6%	% of renters in 2018 on housing benefit.
1.3 Number of renters on housing benefits in NA	46.6	Step 1.1 x Step 1.2.
1.4 Current need (households)	153.4	Current renters minus those on housing benefit and minus 25% assumed to rent by choice. ¹³
1.5 Per annum	17.0	Step 1.4 divided by plan period.
STAGE 2: NEWLY ARISING NEED		
2.1 New household formation	49.4	LA household projections for plan period (2018 based) pro rated to NA.
2.2 % of households unable to buy but able to rent	9.9%	(Step 1.4 + Step 3.1) divided by number of households in NA.
2.3 Total newly arising need	4.9	Step 2.1 x Step 2.2.
2.4 Total newly arising need per annum	0.4	Step 2.3 divided by plan period.
STAGE 3: SUPPLY OF AFFORDABLE HOUSING		
3.1 Supply of affordable housing	25.32	Number of shared ownership homes in NA (Census 2011 + LA new build to 2018/19 pro rated to NA).
3.2 Supply - intermediate resales	1.27	Step 3.1 x 5% (assumed rate of re-sale).
NET SHORTFALL (OR SURPLUS) PER ANNUM		
Overall shortfall (or surplus) per annum	16.2	(Step 1.5 + Step 2.4) - Step 3.2.

Source: AECOM model, using Census 2011, English Housing Survey 2018, DLUHC 2018 based household projections and net additions to affordable housing stock. 2018 is the latest reliable data for some datasets so is used throughout for consistency.

133. There is no policy or legal obligation on the part either of the Local Authority or Neighbourhood Plan to meet affordable housing needs in full, although there are tools available to the Steering Committee that can help ensure that it is met to a greater extent if resources permit (e.g. the ability to allocate sites for affordable housing).

¹³ The assumption of approximately 25% preferring to rent and 75% preferring to buy is AECOM's judgement, based on national level polls which consistently reveal that most households who prefer home ownership eg <http://www.ipsos-mori-generations.com/housing.html> and informed by our experience across numerous neighbourhood level HNAs. The assumption is based on the fact that some households choose to rent at certain stages in their life (e.g. when young, when needing flexibility in employment market, or when new migrants move into an area). While most households prefer the added security and independence of owning their own home, private renting is nevertheless a tenure of choice at a certain points in many households' journey through the housing market. The actual percentage of preference will differ between areas, being higher in large metropolitan areas with younger households and more new migrants, but lower in other areas. 25% is used as a reasonable proxy and for consistency across HNAs and similar assumptions are used in some larger scale assessments such as LHNAs and SHMAs. If the neighbourhood planning group feel this is not an appropriate assumption in their particular locality they could use the results of a local residents survey to refine or confirm this calculation.

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134. It is also important to remember that even after the Neighbourhood Plan is adopted, the assessment of need for Affordable Housing, the allocation of affordable rented housing to those in need, and the management of the housing waiting list all remain the responsibility of the Local Authority rather than the neighbourhood planning group.

Additional SHMA findings

135. The 2018 Runnymede SHMA Update includes the following other relevant findings:

- The borough has experienced historic suppression of household formation rates in younger age groups;
- The market signals analysis points to house prices which are generally above the national and regional trends and worsening at a faster rate. Runnymede has acute affordability issues although this it is slightly better than the wider Surrey figures;
- Affordability pressures are demonstrated by entry level house prices which are almost 12 times the lower quartile earnings across the borough; and
- There is also evidence that affordability has rapidly deteriorated 2013-16.

Affordable Housing policy guidance

136. Runnymede's adopted policy on the subject of affordable housing (SL20) has a target of 30% of all net additional new housing to be delivered as affordable, with 35% delivery required for developments of 10+ dwellings, subject to viability. Given that no affordable housing was delivered in Ottershaw over the last decade according to Runnymede completions figures, it is understood that the 30% target is not usually met on sites in the NA, as only larger sites such as the two allocations previously mentioned are required to deliver affordable housing and most sites are smaller.

137. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable.

138. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is specified in the Local Plan as 70% for Affordable/Social Rent and 30% for other forms of affordable housing with the tenure split on major developments of 10+ units to include 10% of homes for affordable home ownership.

139. The HNA can also supply more localized evidence on the subject, and this section summarises the factors that might be taken into account before proposing a suggested Affordable Housing tenure mix that might be suitable for Ottershaw specifically.

140. The following evidence and considerations may be used as a starting point in the development of policy concerning the Affordable Housing mix:

- A. **Evidence of need for Affordable Housing:** This study estimates that Ottershaw requires roughly 155 units of affordable rented housing and

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146 units of affordable home ownership over the initial Plan period to 2030; or 327 units of affordable rented housing and 141 units of affordable home ownership over the extended Plan period to 2040. These latter figures for the extended Plan period are the total from the start of the Plan to 2040, not just for the 'additional' period from 2030-2040. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.

The relationship between these figures suggests that out of a total of 301 to 2030 or 468 (in total) to 2040 (which exceeds the total minimum housing requirement provided to Ottershaw by Runnymede Council), approximately 50-70% of Affordable Housing should be rented and 30-50% should offer a route to ownership. However, as noted above, these figures are not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.

If the quantity of new housing overall were unlimited, 60% to 40% may be an appropriate affordable tenure mix. However, this is not likely and also not strictly necessary.

- B. Can Affordable Housing needs be met in full?** How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.

If the overall Local Plan target of 30% were achieved on every site, around 89 affordable homes might be expected in the NA (30% of the minimum housing requirement figure of 298 dwellings to be accommodated within the Neighbourhood Plan area by the end of the initial Plan period of 2030). If the majority of Ottershaw's HRF were to come forward in the form of small infill developments, those schemes are unlikely to be large enough to meet the threshold of 10 dwellings, above which the Affordable Housing policy requirement of 35% applies. If that was the case, the potential delivery of Affordable Housing would be likely to be lower still. However, there are two large sites already allocated in Ottershaw, one of which is permitted and commenced and the other having submitted an outline application stating that 35% affordable housing is intended. Therefore, it is expected that approximately 86-93 affordable units will be delivered as a result of these larger sites. However, even if this is implemented as intended, this is still not sufficient to satisfy the total potential demand for Affordable Housing identified here (as the estimated affordable housing demand is more than 100% of the total minimum housing requirement).

As a result, affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. Given the expected volume of future delivery and historic delivery rates it is reasonable to assume that supply will be present but limited. Therefore, affordable rented accommodation should be prioritised. The guideline affordable housing mix of 70% rented and 30% other provision including 10% affordable home ownership in the Local Plan is likely to offer an

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appropriate benchmark. This could, at a maximum, enable a delivery of more than 70% affordable rented, subject to national policy requirements.

- C. **Government policy (e.g. NPPF) requirements:** Current NPPF 2021 policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Runnymede, where 30% of all housing should be affordable, 33.3% of Affordable Housing should be for affordable ownership. This does not quite comply with the guideline tenure split sought in the Local Plan, as this seeks 70% for affordable housing for rent, leaving only 30% for other affordable housing products including affordable housing for sale. However, the difference is only 3.3% and if 35% of housing is delivered as affordable, as currently required for larger sites, the 70/30 split is policy compliant, resulting in sufficient affordable housing units for sale.

There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing. Based on the findings of this HNA, delivery of 10% or more of homes as affordable home ownership would impact on the ability to deliver social/affordable rented homes, as the need for affordable homes for rent alone makes up Ottershaw 52% of the minimum housing requirement to 2030.

- D. **Local Plan policy:** As noted above, in the adopted Local Plan, on larger sites (which appear likely to deliver the majority, if not all, of the Ottershaw minimum housing requirement figure), 35% affordable housing is required. The Local Plan also seeks a tenure split of 70% rented and 30% other provision including 10% affordable home ownership guideline mix
- E. **First Homes policy:** The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.

This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing, which would be possible in line with the adopted Local Plan policy. However, this does not appear to be implemented in applications and permissions, which generally appear to propose a 70% rent / 30% for sale mix.

After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.

This guidance generally applies to borough- or district-level policy, and there may still be potential for a neighbourhood plan tenure mix to deviate from how the other tenures are rebalanced if appropriate.

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- F. **Viability:** HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.
- G. **Funding:** The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site. The neighbourhood planning group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.
- H. **Existing tenure mix in Ottershaw:** Evidence suggests there is limited supply of Affordable Housing to rent and for sale within the NA at present. In the 2011 Census, 167 (13%) of households listed their tenure as social renting and 13 (1%) as shared ownership. This suggests that some further provision of Affordable Housing would offer a wider choice of homes for local residents and, importantly, may allow those on lower incomes including newly forming households and younger families to remain in or move to the area.
- I. **Views of registered providers:** It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the neighbourhood area. The funding arrangements available to housing associations will determine rent levels.
- J. **Wider policy objectives:** The neighbourhood planning group may wish to take account of broader policy objectives for Ottershaw and/or the wider borough. These could include, but are not restricted to, policies to attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.
141. On the basis of the considerations above, Table 4-7 below proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy.
142. This indicative mix is chiefly a response to the expectation that there will be some delivery of Affordable Housing in the NA but that this will be limited compared to the estimated needs projected here. In this context, affordable rented tenures should be prioritised. The Local Plan requirement of 35% affordable housing on larger sites (expected to deliver the majority of the minimum housing requirement) and the Local Plan guideline mix of 70-90% rented to 10-30% ownership appear to offer a suitable benchmark. This would also comply with the various minimum requirements mandated nationally, so long as the majority of the minimum housing requirement is delivered on larger sites such as the allocations.
143. Based on our analysis, rent to buy appears to be the most affordable discount home ownership product for Ottershaw residents, followed by Shared Ownership with a 10% share. First Homes at a 50% discount is the third most affordable home ownership option. Therefore, national policy that First Homes

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should represent 25% of the affordable mix is not advantageous here. Were First Homes not required to represent 25% of all Affordable Housing, AECOM would recommend 10% First Homes, 10% shared ownership and 10% rent to buy in the interests of diversity and maximizing choice.

144. This mix should be viewed as a starting point, based primarily on secondary evidence, which should be reconsidered in light of considerations F to J above, and in particular the views and objectives of the community.
145. Where the neighbourhood planning group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with Runnymede to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support. However, as the Runnymede policy is rather flexible, technically allowing for more than 70% of affordable housing to be for rent, a departure from policy should not be necessary and discussions should rather evolve around the implementation of the policy on specific sites, subject to site specific circumstances and compliance with national policy.
146. Another option when developing Neighbourhood Plan policies on tenure splits is to add caveats to the policy in question, to the effect that the precise mix of affordable housing will be considered on the basis of site-by-site circumstances in addition to this evidence.

Table 4-6: Indicative tenure split (Affordable Housing)

Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	30%	<i>(Although ideally this would be lower in Ottershaw, subject to site specific circumstances. However, 30% would be in compliance with national policy)</i>
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	5%	Recently confirmed changes to the model to allow purchases of 10% share - impact on viability unknown. RPs business plans currently reliant on shared ownership model. Impact of displacement by First Homes unknown.
Rent to buy	0%	Emerging product with popularity and effectiveness as yet unknown. Impact of displacement by First Homes unknown.
Affordable Housing for rent, of which	70%	<i>(Although ideally this would be higher in Ottershaw, subject to site specific circumstances. However, 70% would be in compliance with national policy)</i>
Social rent	To be set by Registered Providers	Uncertain how much funding available to support this tenure in local area. Uncertain whether RPs willing to own/manage stock in this area.

Affordable rent	To be set by Registered Providers	Uncertain whether RPs willing to own/manage stock in this area.
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Source: AECOM calculations

Consideration of planned supply

147. Considering that the majority, or possibly all, of the minimum housing requirement in Ottershaw is likely to be delivered on the two allocated sites, one of which is permitted and the other of which is at application stage, below are the details of the affordable housing offer either permitted or proposed on the two sites:

Firstly, **ALLOCATION through adopted Local Plan Policy SL2** at Brox End Nursery, Ottershaw; Reference: RU.20/0675; Granted Consent - subject to conditions; Land at Brox End Nursery and 183 Brox Road Ottershaw KT16 0LJ;

Development description: Demolition of 183 Brox Road and the development of land for the development of 46 residential dwellings with associated vehicular access, drainage works and landscaping, including provision of open space (amended plans received 23/10/20).

Affordable provision listed online as part of Section 106 agreement dated March 2021 as 16 Dwellings (35%) comprised of 11 Affordable Rented Units and 5 Shared Ownership Units.

Secondly, **ALLOCATION through adopted Local Plan Policy SL12** at Ottershaw East, Ottershaw; Reference: RU.21/0672; At Outline Application Stage – Decision Pending; Land at Ottershaw East, Brox Road, Ottershaw;

Development description

Hybrid planning application comprising: (a) Full planning application for the demolition of existing buildings, provision of 2 x replacement garages for 155 and 157 Brox Road and delivery of a residential development (Use Class C3) comprising 186 dwellings (including 35% affordable housing) and 2 Gypsy and Traveller Pitches, informal and formal open space, footpaths, cycleways and internal roads, landscaping, planting and drainage infrastructure. Creation of new vehicular and pedestrian access into the site from Brox Road; and (b) Outline planning permission for: The use of 0.1 ha of land for the provision of a GP Surgery of up to 800sqm (Use Class E) with associated parking and landscaping (Amended plans and additional supporting documentation received 16/09/22)

Affordable provision proposed in the affordable housing statement dated March 2021, accompanying the outline application as 35%, which would be 70-77 affordable dwelling, based on an estimate of 200-220 units total delivery.

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Type	Affordable Rent (70%)	Affordable Home Ownership* (30%)	Total (100%)
1-Bed	14% (7no.)	24% (5no.)	17% (12no.)
2-Bed	51% (25no.)	19% (4no.)	42% (29no.)
3-Bed	31% (15no)	48% (10no.)	36% (25no.)
4-Bed	4% (2no.)	10% (2no.)	6% (4no.)
TOTAL	100% (49no.)	100% (21no.*)	100% (70no.)

NB: a minimum of 10% of the overall dwellings on the application site will be provided for Affordable Home Ownership with rented Affordable Housing being reduced where necessary.

148. This demonstrates that affordable housing is likely to be delivered on major sites as 35% with a 70/30 split, and that delivery is likely to meet some but not all of the needs identified, with total affordable delivery anticipated to be 86-93 dwellings (meeting 29-31% of total affordable housing need of 301 to 2030 as estimated above). If a larger percentage of affordable rented units could be negotiated on the second, larger site which is not yet permitted, as part of the planning application process, subject to site specific circumstances and compliance with national policy, this would be beneficial towards ensuring that the more pressing need for affordable rented units is prioritised.

Conclusions- Tenure and Affordability

149. The tenure profile of Ottershaw is characterised by a more than average predominance of owner occupation, 76% of all households in the 2011 Census. The second most popular tenure, at 12%, is private renting, which more than doubled as a share between 2001 and 2011. Affordable housing is the tenure of 11% of households, comprising 10% renting and 1% living in a shared ownership property.

150. Affordability is an acute and increasing issue in the NA. Average house prices, after an initial dip from 2011 – 2012, have steadily increased, with mean prices in 2020 almost double to what they were in 2012. The cheapest housing type (flats) grew by the greatest amount between 2011-2020, more than doubling in that time. This is likely to worsen affordability particularly for those in Ottershaw with the lowest incomes.

151. The Ottershaw housing market appears to have a slightly larger number of transactions at the lower end and slightly fewer transactions at the higher end (based on prices, since transactions data does not include the size of properties). However, since 2018 lower quartile prices have been catching up, rising more steeply than all other house prices and closing most of the gap with average prices.

152. The latest house price measurements show a mean of £572,477, a median of £487,500, and a lower quartile average of £412,500. The highest house price recorded in 2020 was £1,300,000 and the lowest was £195,000, thus showing a considerable range in prices, even if it is narrowing. Average prices in Ottershaw are considerably higher than those across the local authority area as a whole. The development of Ottershaw Park, which includes very high value flats, will have had an effect of raising average prices in recent years, although this impacts mean average more than median figures.

153. The average total household income before housing costs in the NA was £58,000 in 2018. Runnymede's gross individual lower quartile annual earnings

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were £16,701 in the same year (equating to an income of £33,402 for households with two lower quartile earners), thus demonstrating very large differences in spending power.

154. Local households on average incomes are unable to access even entry-level homes in Ottershaw unless they have the advantage of a very large deposit, with the median house price requiring an annual income which is more than twice the current household average. Private renting on the other hand is affordable to those on average earnings.
155. There is a relatively large group of households in Ottershaw who may be able to afford to rent privately but cannot afford home ownership. On average incomes, the affordable housing products for sale which would be affordable include rent to buy (the most affordable), followed by shared ownership at a maximum 10% share, and First Homes at a minimum 50% discount (while 45% is sufficient, the options are 30%, 40% or 50%). It is worth emphasising that, while theoretically affordable, these tenure products are rare within the NA, with only 13 shared ownership properties existing at the time of the 2011 Census. Two upcoming developments are understood to be bringing forward more such options, but availability will remain limited overall within the NA in the near term.
156. The only tenure affordable to those households with two lower quartile incomes is social renting. Households with a single lower earner are unable to afford any of the tenures considered including the smallest socially rented units without recourse to benefits. They may need to reside in a shared house using benefits or even move away to a location that offers suitable accommodation at more affordable levels
157. When the 2018 Runnymede SHMA figures are pro-rated to Ottershaw, based on its fair share of the population, this equates to an affordable housing need of 17.2 homes per annum predominately for social/affordable rent. This totals to a need for 155 affordable rented homes over the initial Neighbourhood Plan period to 2030 and for 327 homes to 2040 (the latter figure being the total to 2040, not just for the period 2030-2040). Note that the SHMA figures are for the period 2016-2036 and are used here as a broad indicator of annual need, which is then applied and extrapolated to the time horizon of the Neighbourhood Plan.
158. A separate calculation of affordable housing need for sale results in 16.2 households per annum who may be interested in affordable home ownership, equating to 146 units needed over the initial Plan period to 2030 or 141 over the Plan period to 2040. However, this need is less pressing than that for affordable rented units because of the circumstances of the households in question. It is notable that the figure for 2030 is slightly lower than that for 2040. Effectively the result is that the scale of need for affordable home ownership is the same, whether the plan period ends in 2030 or 2040, at 140-146. If the former, the same quantity just needs to be built in a more concentrated period.
159. On the basis of the considerations listed in the 'Affordable Housing policy guidance' section of this report, it is proposed that of the Affordable Housing that is delivered in Ottershaw over the lifetime of the Neighbourhood Plan, around 70% of this should be offered as affordable rented tenures with the remaining 30% offering a subsidised route to home ownership.
160. Table 4-8 below summarises Ottershaw's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Plan period. This

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exercise simply applies the minimum housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plan for more housing and therefore more affordable housing than the local plan, or if the group decide to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-7: Estimated delivery of Affordable Housing in Ottershaw

	Step in Estimation	Expected delivery
A	Provisional capacity figure	298 units
B	Affordable housing quota (%) in LPA's Local Plan	30% area wide target / 35% requirement on large sites (<i>larger sites are expected to deliver the majority or all of the minimum housing requirement in Ottershaw</i>)
C	Potential total Affordable Housing in NA (A x B)	89-104 units
D	Rented % (e.g. social/ affordable rented)	70% <i>(This range is in line with Local Plan and national policy. However, subject to site specific circumstances and policy compliance, a higher % could be suitable in Ottershaw)</i>
E	Rented number (C x D)	62-73 units
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	30% <i>(This range is in line with Local Plan and national policy. However, subject to site specific circumstances and policy compliance, a lower % could be suitable in Ottershaw)</i>
G	Affordable home ownership number (C x F)	27-31 units

Source: AECOM estimate based on LPA's affordable housing policies, AECOM's indicative tenure mix

161. In Policy SL20 the adopted Local Plan requires that 30% of homes on sites smaller than 10 units and 35% of homes on larger sites should be in affordable tenures. It is not possible to predict precisely what combination of sites (and

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thus affordable housing requirements) will apply to development in Ottershaw in future years. Regardless of whether a 30% or a 35% affordable housing requirement is assumed overall, the expected level of housing delivery in Ottershaw will not meet the quantity of demand identified in projected estimates of need for affordable housing. Expected Affordable Housing delivery at a 30% requirement is in the region of 89 affordable homes, which is far below the potential need identified here. Therefore, the policy requirement (whether 30% or 35% as appropriate) should be met wherever possible to maximise affordable housing delivery in the NA. While this is not in the control of the Neighbourhood Plan, being negotiated by the LPA on a site-by-site basis with regard to viability concerns, the evidence here highlights its importance.

162. It is not recommended that the Local Plan policy requirement be exceeded in the Neighbourhood Plan because such steps are rarely accepted by planning inspectors on the grounds that an extremely high standard of justification is required which goes beyond the scope of this HNA, in particular around the issue of what level of Affordable Housing delivery can be financially viable in the NA. Raising the percentage of Affordable Housing required could, furthermore, have the effect of discouraging new building from coming forward altogether. Should the group wish to consider such an option, it is advisable to discuss this with the LPA in the first instance.
163. Further avenues for delivering greater quantities of Affordable Housing, and particularly affordable rented housing, could also be explored by the Forum. Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using community development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of affordable housing.

5. RQ 2: Type and Size

164. RQ 2: What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) of housing is appropriate for the Plan area over the Neighbourhood Plan period?

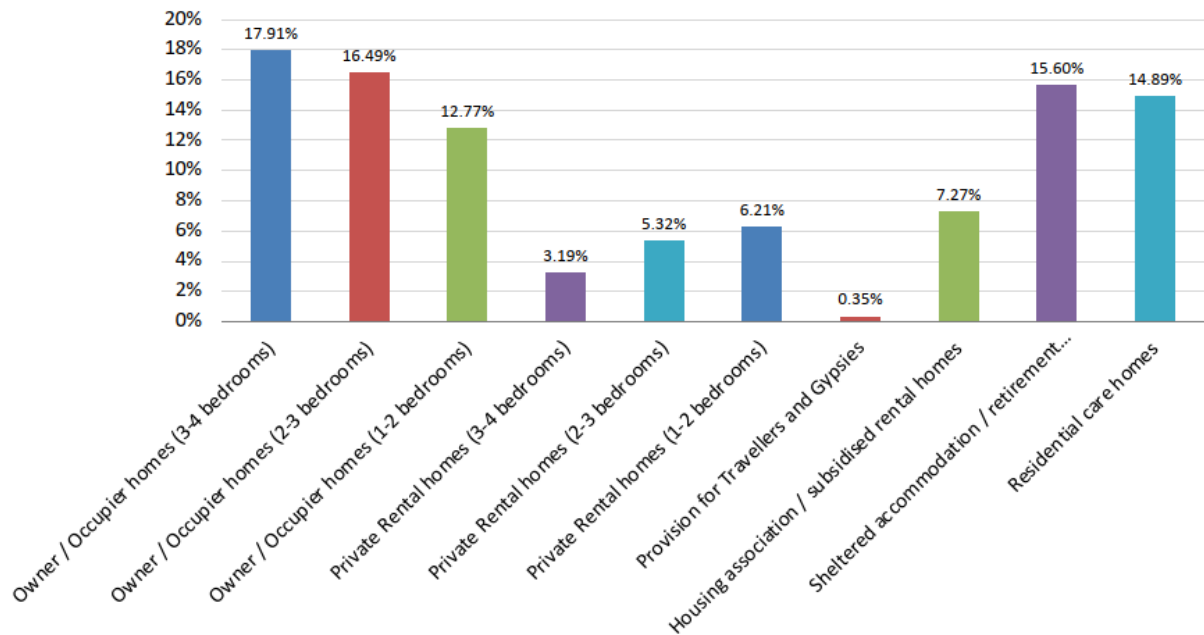
Introduction

165. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in the Ottershaw NA in terms of type and size, as well as some of the population characteristics that tend to influence housing needs. From this, it is possible to develop an understanding of what sort of housing would be appropriate going forward.

166. It is worth emphasising that this evidence assumes that existing demographic and occupation patterns will persist into the future. It can therefore be thought of as the baseline or default scenario, into which the community may wish to intervene – for example to attract a different or more balanced demographic. The recommendations in this chapter, particularly the final suggested size mix, are a starting point that may be adjusted in light of other community objectives and primary evidence.

167. The recent Community Opinion Survey undertaken by the Neighbourhood Forum shows that residents felt that owner occupied homes of 3-4 bedrooms were lacking and were needed the most in the NA, followed by owner occupier homes of 2-3 bedrooms. The third and fourth categories described as most lacking were sheltered / retirement accommodation and care homes (discussed in more detail in the following chapter of our HNA), followed by owner occupier homes of 1-2 bedrooms. However, there was a greater than average rate of response amongst those who are over 40 (90% of respondents, with 65% aged between 51 and 80) and amongst those who are retired (43% of respondents). Therefore, there may be a bias in this data towards accommodation most suitable to these particular groups.

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Figure 5-1: Results of Community Opinion Survey to the question: “What type of accommodation do you feel the Ottershaw Neighbourhood Area Lacks”

Source: Ottershaw Community Opinion Survey March 2021

Existing types and sizes

Background and definitions

168. Before beginning to explore issues of dwelling type and size, it is important to note that the demand for housing by size and type tends to be determined primarily by wealth – with those who have more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.

169. This study is concerned primarily with need rather than demand. Need for homes of different sizes is chiefly determined by the number of people occupying the home. In the strict sense, there is no ‘need’ for dwellings of any particular type, other than the specific needs of those with certain disabilities for level access properties, for example.

170. The best proxy for the number of people in a household is age or ‘life stage’, with younger and then older households tending to have one or two people, and those in between these poles more likely to have larger families including children. Life stage is therefore a main indicator considered here for the size of housing needed. But it is worth pointing out that wealth is also correlated with age, so it is not possible to attain a pure view of what is needed from the secondary data alone.

171. It is also useful to clarify the terminology around dwellings and households. Dwellings are counted in the Census by combining address information with Census returns on whether people’s accommodation is self-contained. As such, all dwellings are classified as either shared or unshared dwellings. Households are groups of people who live together as a coherent unit (such as a family), and a dwelling is shared where there is more than one household occupying it

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(e.g. two families or a group of individual students). Hence, there is usually a different number of households and dwellings in any given area. The number of dwellings can also exceed that of households in areas with large numbers of holiday or second homes.

172. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. For some aspects, such as the size mix of homes, adding together Census figures and completions data for the intervening period can be most accurate. For others, such as the type mix of homes, this method is not available and Valuation Office Agency (VOA) must be used. The most appropriate combination of available approaches is used in this section.

Dwelling type

173. The data we have used in our report to explore dwelling type includes

- Census 2011 data – The limitations of this is that unfortunately there is no 2021 Census data available yet and the 2011 data cannot be used to fully understand the changes between 2011 and 2020 because Census data counts bungalows within each of the other categories rather than independently (hence the apparent decline in the number of detached and semi-detached properties), and because the Census data relates to a slightly larger proxy area, based on LSOAs in the case of Ottershaw;
- Completions figures requested from the LPA which can be added to the number of dwellings of each type to the 2011 Census figures to give a current estimate; and
- VOA data recreated using a combination of LSOAs and MSOAs, which, while not a perfect fit, provides a proxy geography for Ottershaw and gives an opportunity to discuss the representation of bungalows. Note also that VOA data is rounded to the nearest 10 in each dwelling category.

174. The below table presents a comparison between Census 2011 data and more recent VOA data from 2020. While this comparison has its limitations, as mentioned above, it is still useful to demonstrate some of the trends.

Table 5-1: Accommodation type, Ottershaw, 2011 and 2020

Dwelling type	2011 (Census)	2020 (VOA)
Bungalow	-	280 (15.4%)
Flat	302 (17.0%)	310 (17.0%)
Terrace	255 (14.4%)	360 (19.8%)
Semi-detached	497 (28.0%)	360 (19.8%)
Detached	682 (38.4%)	450 (24.7%)
Unknown/other	-	60 (3.3%)
Total	1,774¹⁴	1,820

Source: ONS 2011, VOA 2020, AECOM Calculations

175. Only 46 more homes are captured in the 2020 VOA data total compared to the 2011 Census total. Apart from the two categories that do not feature in the

¹⁴ Note that the Census totals do not always equal the sum of the separate sub-categories due to issues with the data; this is not an error.

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Census (bungalows and unknown) the two categories that appear to have increased from 2011-2020 are flats and terraces.

176. An apparent decline in detached and semi-detached homes (and sometimes also terraces) is common when looking at this type of data comparison, as the Census lists bungalows as part of other housing type categories. However, in the case of Ottershaw, this decline is unusually high and cannot really be ascribed to the representation of bungalows alone. It is therefore not entirely clear from this data, what types of homes were added to the stock in the period that has elapsed since the 2011 Census. This is likely to be due to imperfections in the data, such as rounding of VOA data and the slightly different geographies captured.
177. Using the data on property type from the Ottershaw Village Profile gives a further insight. This states that *“data has been derived from Census Output Areas which have been aggregated to 2016 and 2019 wards on a best fit basis. This has been done by allocating output areas to the ward in which the output area's population weighted centroid falls. The aggregations have been determined by the Surrey-i team and may differ from any look up table subsequently produced by the Office for National Statistics”*. This data largely shows numbers which fall somewhere between the 2011 Census and 2020 VOA figures. The exception is flats which show as a much smaller number.
178. It is important to note that many of the 161 properties grouped together as flats, maisonettes and starter homes are flats in high cost areas like Ottershaw Park that are distinct in terms of affordability, often costing more than 3 bedroom houses in other parts of the NA.

Table 5-2: Table from Ottershaw Village Profile on Property Type

Property Type	Ottershaw DA by No	Ottershaw DA by %
Detached (House & Bungalow)	575	41.21%
Semi-Detached (House & Bungalow)	359	25.73%
Town & Terrace	267	19.34%
Flat, Maisonette & Starter Homes	161	11.54%
Caravan - Mobile Home	29	2.08%
Traveller Pitches	4	0.28%

179. Taking all of the data in the round, it is apparent that detached homes are the largest category in Ottershaw, followed by semi-detached houses. Terraced houses and flats make up the two smaller categories. The NA also contains a number of mobile homes and traveller pitches. Overall, there is a fair mix of properties. However, the predominance of detached and semi-detached properties is likely to worsen the affordability challenges, especially for those on below average incomes, as discussed in the previous chapter.
180. Compared to the wider local authority area and to the country as a whole, using VOA data, shows that Ottershaw has a higher proportion of bungalows and detached houses, and a lower than average proportion of flats and semi-detached houses. The proportion of terraced properties is higher than across Runnymede but lower than the England average.

Table 5-3: Accommodation type, various geographies, 2020

Dwelling type	Ottershaw	Runnymede	England
Bungalow	15.4%	9.9%	9.4%
Flat	17.0%	25.0%	23.2%
Terrace	19.8%	17.2%	26.3%
Semi-detached	19.8%	25.0%	23.8%
Detached	24.7%	18.1%	16.0%
Unknown/other	3.3%	4.7%	1.4%

Source: VOA 2020, AECOM Calculations

Dwelling size

181. The table below shows the 2011 Census dwelling size mix for Ottershaw, as well as delivery since then, based on LPA completions data, the current total of both added together, and the VOA data for wider comparison.
182. This shows that there has been very limited construction in the NA between 2011 and 2020. The Local Authority data shows only 18 completions and the difference between the 2020 VOA and 2011 Census totals shows an increase of an only slightly higher number (23 additional dwellings). The completions figures do not allow an accurate comparison of size mix changes as the majority of completions do not detail the number of bedrooms provided. Based on the VOA and Census data, it appears that the largest increase was in 3 bedroom dwellings.
183. However, as explained above, VOA data and comparison of Census data with it, also has its limitations. While the VOA data helpfully shows changes that have been made to existing homes (i.e. extensions and the subdivision of rooms) that the other method overlooks (because the 2011 Census mix is effectively frozen at that point in time), it is in other respects less accurate. The VOA data is rounded to the nearest ten for each dwelling category, records a number of properties with an unknown number of rooms, and the newest data available is for 2020 – which misses any homes completed in the last year.

Table 5-4: Dwelling size (bedrooms), Ottershaw, 2011 and 2020

Number of bedrooms	2011 (Census)	Net Completions 2011-2021 (Runnymede)	2021 total (Census + completions)	2020 (VOA)
Studio	1 (0.1%)	-	1	-
1	182 (10.7%)	1	183	170 (9.9%)
2	423 (24.9%)	3	426	440 (25.6%)
3	588 (34.6%)	-3	585	650 (37.8%)
4+	503 (29.6%)	3	506	460 (26.7%)
Unknown	-	14	14	0 (0.0%)
Total	1,697	18	1,715	1,720

Source: ONS 2011, VOA 2020, AECOM Calculations

184. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider borough and country. This shows that Ottershaw has a lower proportion of all smaller and medium dwellings sizes (i.e. homes with 1,

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2 or 3 bedrooms) and a higher proportion of homes with 4 or more bedrooms. This chimes with the previously mentioned pre-dominance of detached and semi-detached homes and the lower representation of terraces and flats. Again, this may represent part of the challenge of affordability in the NA as discussed in the previous chapter.

Table 5-5: Dwelling size (bedrooms), various geographies, 2020

Number of bedrooms	Ottershaw	Runnymede	England
1	9.9%	15.1%	12.3%
2	25.6%	28.3%	28.1%
3	37.8%	38.5%	43.4%
4+	26.7%	18.0%	15.5%

Source: VOA 2020, AECOM Calculations

Age and household composition

185. Having established the current stock profile of Ottershaw and identified recent changes to it, the evidence gathered below examines the composition and age structure of households living in the NA. Many of these indicators have a bearing on what housing might be needed in future years.

Age structure

186. Table 5-6 below shows the most recent estimated age structure of the NA population, alongside 2011 Census figures.

187. Note that ONS advises exercising caution with population estimates by single year of age (from which this 2020 data has been derived), as patterns of variance and bias make it relatively less accurate compared to Census data.

188. It is also worth noting that only the age structure of the population (individuals) can be brought up to date in this way. The life stage of households, which forms the basis of the subsequent analysis of future dwelling size needs, is not estimated each year. The 2011 Census therefore remains the most accurate basis to use in those areas, and the brief comparison here demonstrates that the change from 2011-2020 has not been so significant as to invalidate the 2011 household data used in modelling later in this chapter.

189. Note that the 2020 mid-year estimate from the ONS is again based on a slightly different geography, combining three LSOAs in this case to provide the best fit proxy geography.

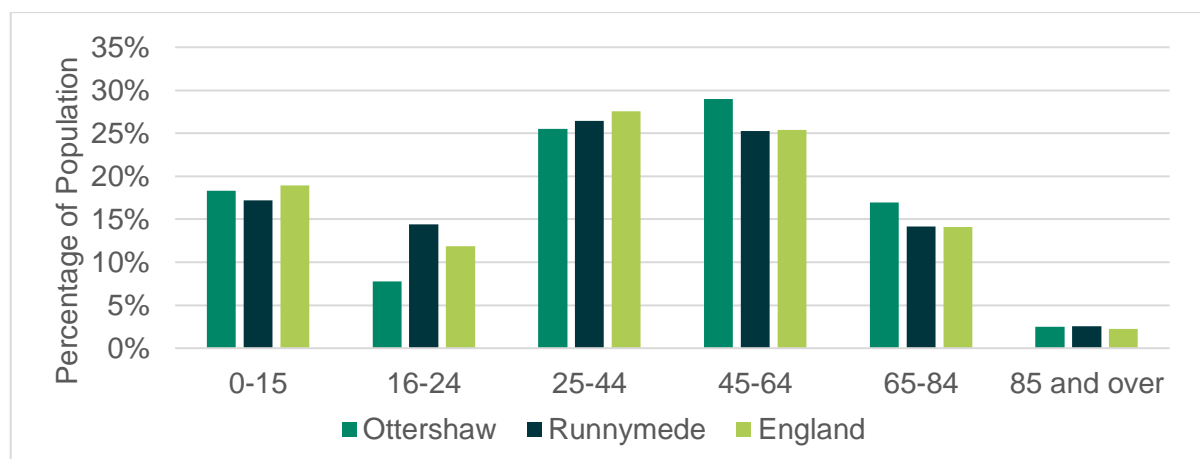
190. The comparison shows that between 2011-2020 the proportion of all younger and middle age groups (roughly encompassing all children and working age adults aged 0-64) has shrunk, while the proportion of the two oldest age groups aged 65 and over have increased. The largest percentage decline was in the 25-44 years age group. The largest percentage increase was in those aged 85 and over.

Table 5-6: Age structure of Ottershaw population, 2011 and 2020

Age group	2011 (Census)		2020 (ONS, estimated)	
0-15	750	18%	747	17.9%
16-24	319	8%	274	6.6%
25-44	1046	26%	978	23.4%
45-64	1186	29%	1,160	27.8%
65-84	693	17%	810	19.4%
85 and over	102	2%	206	4.9%
Total	4,096	100%	4,175	100%

Source: ONS 2011, ONS mid-2020 population estimates, AECOM Calculations

191. For context, it is useful to look at the NA population structure alongside that of the borough and country. Figure 5-2 below (using 2011 Census data) shows that Ottershaw has a relatively similar, but marginally older age profile compared to the rest of the borough and country. The key differences are a significantly lower proportion of 16-24 year olds, a slightly lower proportion of 25-44 year olds, and a higher proportion of 54-64 and 65-84 years olds.

Figure 5-2: Age structure in Ottershaw, 2011

Source: ONS 2011, AECOM Calculations

Household composition

192. Household composition (i.e. the combination and relationships of adults and children in a dwelling) is an important factor in the size (and to an extent, the type) of housing needed over the Neighbourhood Plan period. Table 5-7 below shows that Ottershaw has a slightly lower proportion of one person households (particularly younger one person households under the age 65) and 'other' households than the rest of the borough and the country, and in return, a higher proportion of family households.

193. Within the family households category, all but one type of family household are more highly represented than across Runnymede or England (including families aged 65 and over, families with no children, and with dependent children). The exception is households with non-dependent children, which are less common in the NA.

194. Note that non-dependent children refer to households in which adult children are living at home, or which students still call their primary residence despite

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living for most of the year near to university. A marked increase in this category can be taken to indicate the relative unaffordability of entry-level homes, where young people are financially unable to move out and form their own households. In Ottershaw, this group is relatively small.

195. While the data is quite old at this point, it is also interesting to observe that the only categories which grew significantly between 2001 and 2011 in the NA were families aged 65 and over (by 20.5%) and the other household types category (by 17.4%). The latter category grew at a similar rate across the borough and country as a whole, while the families aged 65 and over category actually shrank across Runnymede and England. This growth is therefore rather significant.

Table 5-7: Household composition (by household), Ottershaw, Runnymede and England 2011

Household composition		Ottershaw	Runnymede	England
One person household	Total	27.0%	30.1%	30.2%
	Aged 65 and over	12.6%	13.3%	12.4%
	Other	14.4%	16.8%	17.9%
One family only	Total	68.2%	61.3%	61.8%
	All aged 65 and over	11.4%	8.4%	8.1%
	With no children	21.0%	18.0%	17.6%
	With dependent children	27.3%	25.7%	26.5%
	All children Non-Dependent ¹⁵	8.5%	9.3%	9.6%
Other household types	Total	4.8%	8.6%	8.0%

Source: ONS 2011, AECOM Calculations

i) Occupancy ratings

196. This data can be interesting to look at for Ottershaw, as it is an NA where there is an above average proportion of larger detached and semi-detached properties, an older than average population profile, and therefore the possibility of exploring whether more downsizing properties may be needed.

197. The tendency of households to over- or under-occupy their homes is a relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.

198. Census data on occupancy rating in the case of Ottershaw was available for the same geography as for Census data used in the rest of the report.

¹⁵ Refers to households containing children who are older than 18 e.g students or young working people living at home.

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199. In Ottershaw, nearly half of all households (42%) live in a home with two or more spare bedrooms, and over three quarters of all households (76%) live in a home with at least one spare bedroom. Only 2% of Ottershaw households were over-occupying their homes.
200. Overall, one-person and one-family households in Ottershaw are more likely to under-occupy than other households. Of all the different sub-categories, the most likely to under-occupy are couples with no children and households aged 65 or over (of these, 90-95% have more than 1 bedroom).
201. Within the family category, those with children are less likely to over-occupy their home than those without children. The most likely to over-occupy their home/ be over-crowded are 'other household types' with and without dependent children.
202. Overall, this suggests that the larger housing isn't necessarily being occupied by households with the most family members, but by the people with the most wealth (such as some couples without children) or by older people who have not chosen to or not been able to move to smaller properties.

Table 5-8: Occupancy rating by household composition in Ottershaw, 2011¹⁶

Household Composition		+2 rating	+1 rating	0 rating	-1 rating
All	All households	42%	34%	22%	2%
One person household	Total	37%	37%	26%	0%
	Aged 65 and over	45%	31%	25%	0%
	Other	31%	42%	27%	0%
One family only	Total	46%	33%	18%	3%
	Aged 65 and over	63%	27%	10%	0%
	Married or same-sex civil partnership couple: Total	48%	35%	15%	3%
	Married or same-sex civil partnership couple: No children	73%	22%	5%	0%
	Married or same-sex civil partnership couple: Dependent children	32%	43%	21%	4%
	Married or same-sex civil partnership couple: All children non-dependent	29%	45%	20%	6%
	Cohabiting couple: Total	38%	34%	26%	3%
	Cohabiting couple: No children	49%	34%	17%	0%
	Cohabiting couple: Dependent children	20%	28%	43%	9%
	Cohabiting couple: All children non-dependent	27%	55%	18%	0%
	Lone parent: Total	17%	31%	46%	7%
	Lone parent: Dependent children	15%	28%	49%	8%
	Lone parent: All children non-dependent	20%	36%	39%	5%
Other household types	Total	19%	31%	38%	12%
	With dependent children	6%	34%	44%	16%
	Other (including all full-time students and all aged 65 and over)	27%	29%	35%	10%

Source: ONS 2011, AECOM Calculations

Dwelling mix determined by life-stage modelling

b) Suggested future dwelling size mix

203. As noted above, there is a strong link between the life stage of a household and the size of dwelling that household can be expected to need. The final part of this chapter presents the results of a model that aims to estimate the dwelling size needs of the NA at the end of the initial Neighbourhood Plan period to 2030, as well as to the extended plan period by 2040. The steps involved in this

¹⁶ Available at [Nomis - Official Labour Market Statistics - Nomis - Official Labour Market Statistics \(nomisweb.co.uk\)](http://Nomis - Official Labour Market Statistics - Nomis - Official Labour Market Statistics (nomisweb.co.uk))

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model are not presented in full, but can be summarised – along with the underpinning assumptions and some limitations – as follows:

- The starting point is the age distribution of Ottershaw households in 2011.
 - The life stage of a household is determined by the age of the household reference person (HRP), a more modern term for the head of household.
 - As noted above, household life stages are not estimated annually, so the older Census data must be used.
- This life stage data is then projected forward to the end of the Plan period (2030 and 2040) by applying the growth rates for each household age group as suggested by the latest household projections. This allows for an estimate of how the NA population might evolve in future.
 - ONS household projections are produced every two years but are only available at Local Authority level. The growth rates are therefore applied to the 2011 starting household age profile of the NA.
- Next, we turn to a Census dataset that shows the occupation patterns or preferences of each household life stage (e.g. what proportion of households aged under 24 tend to live in 1 bedroom homes as opposed to 2, 3 or 4 bedroom homes). This data is mapped to the distribution of the projected NA population for each life stage and each dwelling size category to form a picture of what mix of homes might be appropriate in future.
 - This occupation data is again only available at Local Authority scale, so it does risk embedding any unusual characteristics present in the area.
 - The model also assumes that today's occupation patterns persist into the future, which is not a given, particularly with the change in preferences for home working space and other features arising from the Covid-19 pandemic. However, there is no better indication of what those patterns might look like. It is considered more appropriate to adjust the end mix that results from this model to reflect such trends than to build further speculative assumptions into the model.
- Finally, this 'ideal' future mix of dwelling sizes can be compared to the current stock of housing in the NA. From this we can identify how future development might best fill the gaps.
 - The 2011 dwelling size mix is used for consistency, so any imbalances in new development since then may justify adjustments to the final results.
 - However, in the case of Ottershaw, which appears to have seen little development since 2011 and for whom most allocated and/or permitted major development still lies in the future, this is not necessary.

204. It is important to keep in mind that housing need is not an exact science and this exercise provides an estimate based on demographic trends and occupancy patterns alone. It does not take into account income and wealth, other than in an indirect way through the tendency of households to occupy more or less space than they 'need'. It also does not anticipate changes in how people may wish to occupy their homes in response to social and technological change.

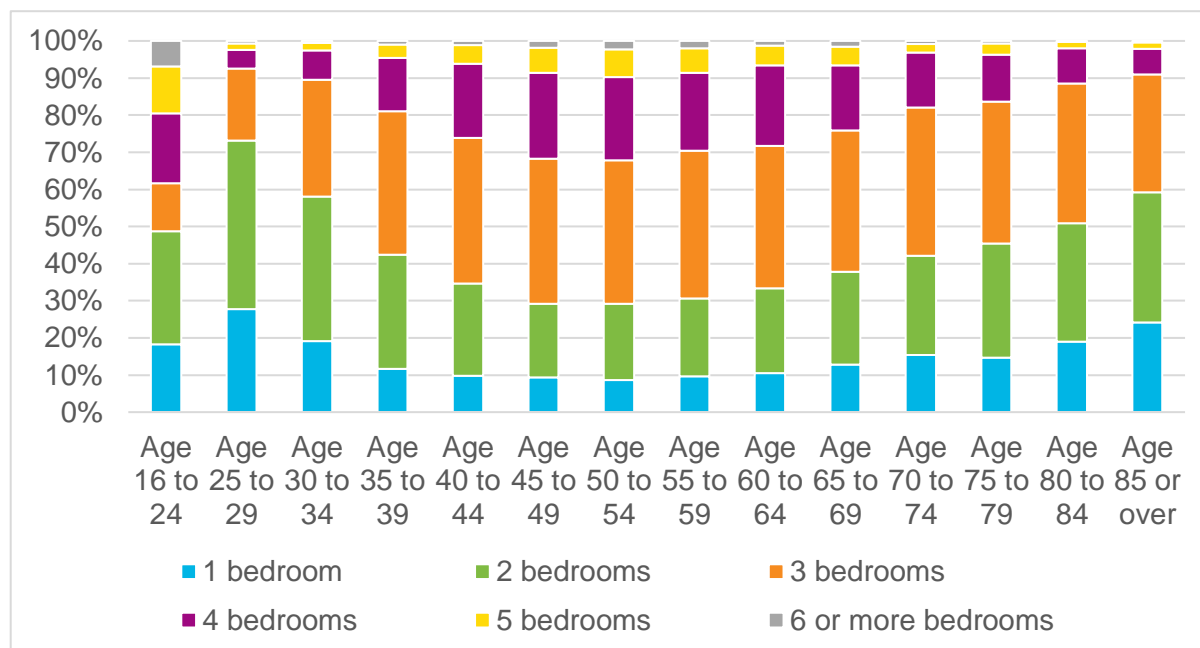
205. The approach therefore embeds existing patterns of occupancy which may or may not be desirable. As such, it is appropriate for the result of this model to be

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taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is considered entirely appropriate for the purpose of drafting neighbourhood plan policy.

206. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
207. The first, given as Figure 5-3 below, sets out the relationship between household life stage and dwelling size for Runnymede in 2011. This shows how the youngest households occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.
208. This is a trend that can be observed in all geographies. Furthermore, older households do not tend to return to living in homes as small as those occupied by the youngest households. As such, homes of 3 or more bedrooms continue to make up a larger proportion of the homes occupied by the over 80s than those occupied by the households with a younger reference person under 30, who are more likely to live in a one- or two-bedroom home.
209. One characteristic that can be observed in Runnymede, more than in some other geographies, is the inclusion of a significant enough number of 6 bedroom properties that they show clearly on the graph, especially for those household reference persons aged 16-24, as well as a relatively high proportion of 5 bedroom homes in this category, which is equally unusual. This may mean that this youngest cohort of household reference persons live in large properties as temporary flat-shares, since the proportion of 5 and 6 bedroom homes is not represented in the next older age group aged 25-29. However, the same may not be true for Ottershaw specifically, as it has a significantly lower representation of 16-24 year olds than the local authority area as a whole, as mentioned above.

Figure 5-3: Age of household reference person by dwelling size in Runnymede, 2011



Source: ONS 2011, AECOM Calculations

210. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Ottershaw households in 2011 and the updated estimates of household numbers described in the bullets above. In many areas around the country, including across Runnymede as a whole, population growth to 2030 and 2040 is expected to be very much driven by the oldest households aged 65 and over.

211. Table 5-9 below makes clear that the picture for Ottershaw is a little more nuanced. Households headed by those aged 65 and over are still projected to increase significantly by 17% by 2030 and by 42% by 2040. However, when looking at the extended plan period to 2040, another two groups are also expected to grow significantly, even if by a lesser extent and from a lower starting point, and these are the households headed by a reference person aged 25-34 (projected to increase by 28%) and the youngest group aged 24 and under (by 17%). The latter two groups are likely to contain many young families looking to “get onto the housing ladder”.

212. By 2030, the households headed by someone aged 65 or over are still projected to only be the second largest group of households (33% of all households), while the largest group is projected to be those households headed by 35-54 year olds (38%). However, by 2040, the oldest age group will have become the largest, with households with a reference person aged 65 and over making up 37% of all households, and those with a reference person aged 35 to 54 making up a relatively lower 33%.

Table 5-9: Projected distribution of households by age of HRP, Ottershaw

Year	Age of HRP 24 and under	Age of HRP 25 to 34	Age of HRP 35 to 54	Age of HRP 55 to 64	Age of HRP 65 and over
2011	20	148	696	342	491
2030	21	154	670	342	577
2040	23	189	632	364	697
% change 2011-2030	3%	4%	-4%	0%	17%
% change 2011-2040	17%	28%	-9%	7%	42%

Source: AECOM Calculations

213. The final result of this exercise is presented in Table 5-10 below. The model suggests that, to reach the target mix by the end of the plan period (either by 2030 or 2040), the main size of home that should be built should have 3 bedrooms, followed very closely by 2 and then 1 bedrooms. No further 4 or 5 bedroom homes are required to meet either target mix. This appears logical when considering that the NA has an above average proportion of larger homes and that the community survey represented in the Ottershaw village profile report showed that 3 bedroom homes are most sought after.

Table 5-10: Suggested dwelling size mix to 2030 and 2040, Ottershaw

Number of bedrooms	Current mix (2011)	Target mix 2030	Balance of new housing to reach 2030 target mix	Target mix 2040	Balance of new housing to reach 2040 target mix
1 bedroom	10.7%	13.6%	28.4%	13.8%	27.4%
2 bedrooms	24.9%	27.2%	32.8%	27.3%	33.5%
3 bedrooms	34.6%	36.9%	38.8%	36.9%	39.1%
4 bedrooms	22.7%	16.6%	0.0%	16.4%	0.0%
5 or more bedrooms	7.0%	5.8%	0.0%	5.7%	0.0%

Source: AECOM Calculations

214. Nevertheless, it is never advisable to restrict future housing delivery to selected size categories only. The result of this model is a relatively blunt measure of what could be beneficial given population change and existing imbalances in housing options. It is a starting point for thinking about how best to address the more nuanced needs of the future population.

215. For example, the older households that may be interested in downsizing and the young families looking for their first own home mentioned above may both need 'mid-sized' homes but are likely to have extremely different requirements and degrees of purchasing power. There is limited scope for Neighbourhood Planning policy to influence the more detailed characteristics of new housing, but additional guidance and prioritisation could be informed by further primary research.

216. The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised

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tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets. Providing more smaller and mid-sized homes with fewer bedrooms would help to address this situation, especially as these are currently under-represented in the NA.

217. To best meet the needs of the larger cohort of older households expected to be present by the end of the Plan period (particularly by 2040), it should be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility. Variety should be sought within the smaller and mid-sized homes that come forward in future to attract both newly forming households on lower budgets and older households with substantial equity from their existing larger homes. Facilitating downsizing among older households may release those larger homes for use by families who need more bedrooms.
218. That said, it may not be realistic to expect growing families to be able to afford the larger semi-detached and detached homes that are likely to be those that are currently under-occupied in the NA, especially considering the affordability challenges explored in the previous chapter. Reducing the issue of dwelling size to a number of bedrooms is potentially unhelpful in this case. There may be a strong justification to continue supplying some larger homes despite their abundance because a different kind of larger home is needed to accommodate growing families with less buying power (for example a flat for social or Affordable Rent with a larger number of bedrooms). This matter is too speculative to quantify in a percentage size mix alone, but is among the good reasons not to inhibit any size of dwelling entirely.
219. More generally, it would be unwise for any new housing that does come forward to be delivered in an unbalanced way. Those wishing to move within or relocate to the area will have a range of circumstances and preferences, and they should be offered a range of choices. As such, it is recommended that priority is given to mid-sized and smaller homes with 1-3 bedrooms, but that this is done to a degree that aligns with the wider objectives of the community and does not limit choice or threaten viability. The evidence in this section represents a starting point for further thought and consultation.

The SHMA findings

220. The 2018 Runnymede SHMA Update includes the following other relevant findings:
- The analysis linked to borough wide long-term (20-year) demographic change concludes that the following represents an appropriate mix of affordable and market homes (extract from 2018 SHMA Update page 82) for across Runnymede. This is not the same as the mix presented above as appropriate for Ottershaw, but backs up a need for more 3 and 2 bedroom properties across the borough and also suggests there is some need for larger properties, but only for market and not for affordable dwellings:

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	1-bed	2-bed	3-bed	4+ bed
Market	5-10%	25-30%	40-45%	20-25%
Low-cost home ownership	15-20%	40-45%	25-30%	10-15%
Affordable housing (rented)	10-15%	40-45%	35-40%	5-10%

- Based on the SHMA evidence, it is expected that across the borough, the focus of new market housing provision will be on two-and three-bed properties. Continued demand for family housing can also be expected from newly forming households across Runnymede. The SHMA further acknowledges that there may also be some demand for medium-sized properties (2-and 3-beds) from older households downsizing and looking to release equity in existing homes, but still retain flexibility for friends and family to come and stay. This, again, chimes with our findings.

Consideration of planned supply

221. The final task that remains here is to compare the recommended balance of new housing to reach the 2030 and 2040 target mix with the type of housing planned to be delivered on the two major allocations sites in Ottershaw.
222. Firstly, the site with the reference RU.20/0675, which was granted consent subject to conditions (Land at Brox End Nursery and 183 Brox Road Ottershaw KT16 0LJ) will deliver 46 residential dwellings, comprised of:
- 3 x 1 bed flats,
 - 8 x 2 bed flats,
 - 7 x 2 bed houses,
 - 22 x 3 bed houses, and
 - 6 x 4 bed dwellings.
223. The houses are planned to be delivered as a mix of 6 terraced houses, 18 semi-detached houses and 11 detached houses.
224. 16 dwellings (35%) within the development will be affordable. The affordable dwellings will include the provision of 2 x 2 bed and 3 x 3 bed properties (11 affordable rent flats and 5 shared ownership houses).
225. Secondly, the site with the reference RU.22/0454, which is at Application Stage at the time of writing with a decision pending, is currently envisaged to deliver:
- 23 x 1 bed flats,
 - 19 x 2 bed flats,
 - 22 x 2 bed houses,
 - 92 x 3 bed houses,
 - 18 x 4 bed houses, and
 - 12 x 5 bed houses.
226. 65 of the units, equating to 35%, will be affordable. The affordable mix skews toward the smaller end of the size spectrum (most of the 1 and 2 bed flats, most of the 2 bed houses, and around a quarter of the 3 bed houses).

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227. Based on the above evidence, it appears that largely the mix being delivered is not too dissimilar from what is needed on the basis of our analysis, being focused on 3 bed homes and smaller sizes, although the delivery of larger market homes continues.

Conclusions- Type and Size

228. This study provides an indication of the likely need for different types and sizes of homes based on demographic change. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors which may justify a particular dwelling mix.

229. Looking at data from the 2011 Census, the Ottershaw Village Profile, and the VOA (from 2020), detached and semi-detached properties (houses and bungalows) are the most common dwelling types in Ottershaw, with bungalows and detached houses making up a higher than average proportion of properties than evident across the borough and country. Conversely, the NA has a slightly lower proportion of flats and semi-detached houses. Terraces make up a higher proportion of dwellings in Ottershaw than across Runnymede but a lower proportion than across England.

230. In terms of dwelling size, properties in Ottershaw were comparatively large, with a lower proportion of all housing being comprised of smaller and medium dwellings (i.e. with 1, 2 or 3 bedrooms) than wider averages, and a higher proportion being comprised of larger homes than wider Runnymede and England.

231. LPA completions and a comparison of 2020 VOA data with 2011 Census data shows that there has been only limited construction in the NA in recent years (18 completions according to Runnymede Council completions data and 23 additional dwellings comparing the Census to the VOA data). It appears the largest increase was in 3 bedroom dwellings. However, the relative mix of properties has not changed substantially. It is important to note that these figures can only take new construction into account. The equally important changes to the housing stock brought about by extensions and other changes to existing properties is not recorded centrally, but may also have a significant impact – typically in the direction of enlarging many homes.

232. As regards age structure and household composition, the NA population has a relatively similar but marginally older age profile compared to the rest of the borough and country. The key differences are a significantly lower proportion of 16-24 year olds, a slightly lower proportion of 25-44 year olds, and a higher proportion of 54-64 and 65-84 year olds. Since 2011, the proportion of all younger and middle age groups (aged 0-64) has shrunk, while the combined proportion of the two oldest age groups (aged 65 and over) has increased.

233. The three largest age groups in 2020, each making up between a quarter and a third of the Ottershaw population, were those aged 45-64 (28%), 25-44 (23%), and 65-84 (19%). Young persons aged 16-24 and the oldest group, aged 85 and over, were the smallest categories (approximately 5-7% each). Children aged under 16 made up 18% of the population. Ottershaw's population also has a

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slightly lower proportion of one person households (particularly younger one person households under the age 65) and 'other' households (composed of multiple families or non-related individuals) than the rest of the borough and the country, and in return, a higher than average proportion of family households.

234. Households are more likely to under-occupy their home than to be over-crowded in Ottershaw. Nearly half of all households in the NA (42%) live in a home with two or more spare bedrooms, and more than three quarters (76%) live in a home with at least one spare bedroom. Only 2% of the Ottershaw population were over-occupying their homes. The most likely to under-occupy are couples with no children and households aged 65 or over (of these, 90-95% have more than 1 bedroom). Within the family category, those with children are less likely to over-occupy their home than those without children. The most likely to over-occupy their home/ be over-crowded are 'other household types' with and without dependent children.
235. In many areas around the country, including in Runnymede as a whole, population growth to 2030 and 2040 is expected to be very much driven by the oldest households aged 65 and over. The picture for Ottershaw is a little more nuanced. Households headed by this age group are still projected to increase significantly by 17% by 2030 and by 42% by 2040. However, when looking at the extended plan period to 2040, another two groups are also expected to grow significantly, which are households headed by a reference person aged 25-34 (projected to increase by 28%) and by the youngest group aged 24 and under (by 17%). However, these groups are growing from a lower baseline. The latter two groups are likely to contain many young families looking to "get onto the housing ladder".
236. By 2030, the households headed by someone aged 65 or over are projected to only be the second largest group of households (33% of all households), while the largest group is projected to be those households headed by 35-54 year olds (38%). However, by 2040, the oldest age group will have become the largest, with households with a reference person aged 65 and over making up 37% of all households, and those with a reference person aged 35 to 64 making up a relatively lower 33%.
237. Our model suggests that what is most needed to be built in Ottershaw over the plan period is 3 bedroom properties; followed by 2 bedroom and 1 bedroom properties. No further larger properties with 4 or more bedrooms are required to achieve the target mix. However, while prioritising mid-sized and smaller homes, a variety of housing should be provided to cater for households' different needs, incomes, sizes, and life-stages. The final recommended housing size mix for Ottershaw, as suggested by our model, is 27.4% 1 bed homes, 33.5% 2 bed homes, 39.1% 3 bed homes, and no further 4+ bed homes. These percentages may be too precise to be applied through policy and may be rounded or adjusted to reflect additional evidence such as survey or consultation findings.
238. This chimes with the results of the Runnymede SHMA and of the Ottershaw Community Opinion Survey. The Survey found that the indicated preference of respondents was for 3-4 bedroom homes, followed by 2-3 bedroom homes for owner occupation. The other categories that were deemed to be needed, although to a lesser extent, were sheltered / retirement accommodation and care homes, followed by 1-2 bed homes for owner occupation.

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239. Looking at the types and sizes of the housing that is planned for on the two major allocation sites in Ottershaw, it appears that largely the mix being planned and delivered is not too dissimilar from what is needed on the basis of our analysis.

6. RQ 3: Specialist housing for older people

RQ 3: What provision should be made for specialist housing for older people over the Neighbourhood Plan period?

Introduction

240. This chapter considers in detail the specialist housing needs of older people in Ottershaw. The level of care associated with specialist housing products can vary widely, and is broadly categorised, in descending order from highest to lowest care level, as follows:

- Specialist schemes that have 24-hour onsite care and support, typically including onsite catering (e.g. extra care, flexicare, and enhanced care);
- Specialist housing that is designed with the relevant group in mind. This may be suitable for receiving care or support, but this is not typically provided onsite or at all times of day (e.g. sheltered housing); and
- Mainstream housing that is adapted or capable of adaptation so that the inhabitant can live independently and care or support can be provided in the home.

241. People experience ageing differently. Much depends on their health, lifestyle and relationship with work. Some people live healthy and active lives into advanced old age while others may need support and care much earlier in their lives. Some will be interested in moving to a suitable home closer to services while for others ageing independently in place will be key to their wellbeing.

242. Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

243. The specialist housing needs of older people (75+) are assessed below using two methods. The first is a tenure-led projection, based on rates of mobility limitation among this age group and the tenure of housing they currently occupy. The second, included for the purposes of comparison, is based on the Housing Learning and Improvement Network (HLIN) Strategic Housing for Older People (SHOP) tool,¹⁷ which is based on best practice nationally and sets a recommended level of provision per 1,000 head of population.

244. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁸

¹⁷ Available at <https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPv2/>

¹⁸ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

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245. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁹ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for the elderly) are not within the scope of this research. Unfortunately, however, the dividing line between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required.
246. The recent Community Opinion Survey undertaken by the Neighbourhood Forum shows that Ottershaw residents, when asked about housing development, showed a preference for the delivery of market housing and elderly care accommodation, which may indicate a shortage of the latter, especially for sale. However, responses to the survey were primarily from residents over the age of 40, with 43% of respondents listing their employment status as retired, so there may have been a bias towards and / or greater awareness of older persons housing need than among the general population. 15.6% percent of survey respondents listed sheltered accommodation and retirement housing as the type of accommodation the NA lacks and 14.9% listed residential care homes. These accommodation types were the third and fourth most listed accommodation types after owner occupier homes of 2-3 and 3-4 bedrooms.

Current supply of specialist housing for older people

247. When determining a final target for the need for specialist dwellings, it is necessary first to take account of current supply. Information on the current stock is collated manually using the search function on the Elderly Accommodation Counsel's Website: <http://www.housingcare.org>.
248. Table 6-1 below counts a total of approximately 67 units of specialist accommodation in the NA at present (a unit being a self-contained dwelling, which could contain one or more bedspaces). These are provided across two schemes, which each contain either a mix of one and two bed properties. All of the available units are offered as retirement housing without onsite care, available for social rent. There is therefore a potential gap in the market for both for specialist housing of all forms available for market purchase, and for accommodation offering additional onsite care (although a scheme of this type is located close to the NA boundary). Note that residential care provision at Brockhurst managed by Surrey County Council has been closed but is planned to be rebuilt
249. ONS mid-2020 population estimates suggest that there are currently around 537 individuals aged 75 or over in Ottershaw. This suggests that current provision is in the region of 160 units per 1,000 of the 75+ population (a common measure of specialist housing supply). This is based on 86 units for 537 individuals. The Housing LIN model recommends a provision of 251 units per 1,000 population, which shows that Ottershaw has limited elderly accommodation based on the size of the current elderly population.

¹⁹ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Table 6-1: Existing specialist housing for the elderly in Ottershaw

	Name	Description	Bed spaces	Tenure	Type
1	Alan Hilton Court	39 one-bedroom retirement flats, with 19 for up to two-people, and 20 one-person properties; Includes mobility and wheelchair standard properties; New residents accepted from 65 years of age; Monthly resident activities are offered.	39 - 58	Rent (social landlord)	Retirement Housing
2	Cheshire House	28 one and two-bedroom flats accepting residents from 60 years of age; 24-hour call alarm system.	28+	Rent (social landlord)	Retirement Housing
Total		c. 67 Units	86		

Source: <http://www.housingcare.org>

Tenure-led projections

250. Turning to determining future need for specialist housing, the first step is to review data on the tenure of households aged 55-75 across Runnymede, as this is the most recent and smallest geography for which tenure by age bracket data is available.

251. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the initial Plan period to 2030, and then further to the end of the extended plan period in 2040. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

252. According to Table 6-2 below, the majority of those aged 55-57 (82%) in the borough own their own home, while 18% rent their home. Most renters (12% of all households aged 55-75 in Runnymede) rent from a social landlord, while 5% rent privately, and 1% lives rent free. Of those who own their own home, about a third own with a mortgage or with the assistance of a shared ownership arrangement, and two thirds own their home outright. The relative percentages shown below are not too dissimilar from the distribution of tenure in other parts of the country for this age group.

Table 6-2: Tenure of households aged 55-75 in Runnymede, 2011

All owned	Owned outright	Owned with a mortgage or loan or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
82.0%	56.7%	25.4%	18.0%	12.0%	4.8%	1.2%

Source: Census 2011

253. The next step is to project how the overall number of older people in Ottershaw is likely to change in future, by extrapolating from the ONS Sub-National Population Projections for Runnymede at the end of the Plan period (we looked at both end dates of 2030 and 2040). The figure must be extrapolated from the Local Authority level data because such projections are not available at neighbourhood level. The results are set out in Table 6-3 below.

254. This shows that the majority of population growth is clearly projected to be driven by the over 75s. The over 75 population in Ottershaw is projected to increase by 15% while the overall population is projected to increase by just 2%, between 2020 and 2030. To 2040, the contrast is even more stark. The over 75 population in Ottershaw is then projected to increase by 36% while the overall population is projected to increase by only 3%.

Table 6-3: Modelled projection of elderly population in Ottershaw by end of initial Plan period 2030 and by the end of the extended Plan period to 2040

Age group	2020		2030		2040	
	Ottershaw (ONS 2020)	Runnymede (ONS 2020)	Ottershaw (AECOM)	Runnymede (AECOM)	Ottershaw (AECOM)	Runnymede (ONS 2020)
All ages	4,175	90,327	4,251	91,980	4,296	92,953
75+	537	7,597	616	8,716	733	10,363
%	12.9%	8.4%	14.5%	9.5%	17.0%	11.1%

Source: ONS SNPP 2016, AECOM Calculations

255. A key assumption for the next stages of the calculation is that the older people living in the NA currently are already largely suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture).

256. It is also likely to be the case, as suggested by the Neighbourhood Forum, that a number of former long-term residents of Ottershaw are now accommodated outside of the parish due to a lack of capacity or suitable options (particularly care homes). This speaks to the possibility that there is a current unmet need. Although it is common for people to move to larger towns with more housing options as well as other amenities in old age, the additional provision of specialist housing in Ottershaw could prevent this from happening

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in future or even attract some of the people in question to move back if so desired.

257. The people whose needs are the focus of the subsequent analysis are therefore the additional 79-196 individuals expected to join the 75+ age group by the end of the Plan period (again, we projected to 2030 and 2040, with the lower number being the additional individuals to 2030 and the higher to 2040). This figure should also be converted into households with reference to the average number of people per household with a life stage of 75+ in Runnymede in 2011 (the smallest and most recent dataset to capture households). In 2011 there were 6,860 individuals aged 75+ and 4,913 households headed by a person in that age group in the borough. The average household size is therefore 1.4, and the projected growth of 79 people in Ottershaw by 2030 can be estimated to be formed into around 56 households, while the projected growth of 196 individuals by 2040 would form into approximately 140 households.

258. The next step is to multiply this figure by the percentages of 55-75 year olds occupying each tenure (shown in the table above). This is set out in Table 6-4 below. This provides a breakdown of which tenures those households are likely to need.

Table 6-4: Projected tenure of households aged 75+ in Ottershaw to the end of the Plan period 2030 and 2040

	Owned	Owned outright	Owned with a mortgage or loan or shared ownership	All rented	Social rented	Private rented	Living rent free
By 2030	46	32	14	10	7	3	1
By 2040	115	79	36	25	17	7	2

Source: Census 2011, ONS SNPP 2013, AECOM Calculations

259. Next, rates of disability by tenure are considered. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table 6-5 below presents this data for Ottershaw from the 2011 Census. Note that the closest proxy for the 75+ age group in the Census is the 65+ age group.

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Table 6-5: Tenure and mobility limitations of those aged 65+ in Ottershaw, 2011

Tenure	All categories: Long-term health problem or disability	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories: Tenure	747	138	18.5%	162	21.7%	447	59.8%
Owned or shared ownership: Total	625	93	14.9%	131	21.0%	401	64.2%
Owned: Owned outright	558	79	14.2%	123	22.0%	356	63.8%
Owned: Owned with a mortgage or loan or shared ownership	67	14	20.9%	8	11.9%	45	67.2%
Rented or living rent free: Total	122	45	36.9%	31	25.4%	46	37.7%
Rented: Social rented	97	38	39.2%	26	26.8%	33	34.0%
Rented: Private rented or living rent free	25	7	28.0%	5	20.0%	13	52.0%

Source: DC3408EW Health status

260. It is now possible to multiply the projected number of 75+ households occupying each tenure by the rates of mobility limitation for that tenure to arrive at the final tenure-led estimate for specialist housing needs. The number of households falling into potential need for specialist accommodation over the Plan period is 23 by 2030 or 57 by 2040.
261. These findings are set out in the table below, based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with an explicit aim to reduce the need to commission increasing numbers of care home beds.

Table 6-6: AECOM estimate of specialist housing need for older (75+) households in Ottershaw by the end of the Plan period 2030

Type	Affordable	Market	Total (rounded)
Housing with care (e.g. extra care)	<i>Multiply the number of older households across all rented (not just social rent as those aged 65+ who need to rent are overwhelmingly likely to need Affordable Housing) housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	<i>Multiply the number of older households across all owned housing by the percent in that tenure who have day to day activity limitations limited a lot.</i>	
By 2030	4	7	11
By 2040	9	17	26
Adaptations, sheltered, or retirement living	<i>Multiply the number of older households across all rented housing by the percent who have day to day activity limitations limited a little.</i>	<i>Multiply the number of households across all owned housing by the percent in that tenure who have day to day activity limitations limited a little.</i>	
By 2030	3	10	12
By 2040	6	24	30
Total by 2030	6	17	23
Total by 2040	16	41	57

Source: Census 2011, AECOM Calculations

Housing LIN-recommended provision

262. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table 6-7 below reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. The table serves as a guide to the numbers of specialist dwellings for older people that should be provided given the increase in their numbers over the Plan period, and how these should be split into the different tenures.

263. Note that housing-based provision for dementia is specialist housing that could accommodate someone with dementia. Most people with dementia will be best served in a care home or similar facility, which this model does not count, but there may be some residual demand for housing (as opposed to care beds) for the small number of people in this group who have slightly different circumstances.

Table 6-7: Recommended provision of specialist housing for older (75+) people from the SHOP toolkit

FORM OF PROVISION	ESTIMATE OF DEMAND PER THOUSAND OF THE RELEVANT 75+ POPULATION
Conventional sheltered housing to rent	60
Leasehold sheltered housing	120
Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) ³⁶	20
Extra care housing for rent	15
Extra care housing for sale	30
Housing based provision for dementia	6

Source: *Housing LIN SHOP Toolkit*

264. As Table 6-3 shows, Ottershaw is forecast to see an increase of 79 individuals aged 75+ by the end of the initial Plan period in 2030 or 196 to 2040. According to the HLIN tool, this translates into need as follows to 2030:

- Conventional sheltered housing to rent = $60 \times .079 = 5$
- Leasehold sheltered housing = $120 \times .079 = 9$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times .079 = 2$
- Extra care housing for rent = $15 \times .079 = 1$
- Extra care housing for sale = $30 \times .079 = 2$
- Housing based provision for dementia = $6 \times .079 = 0$

265. This produces an overall total of 20 additional specialist dwellings which might be required by the end of the initial plan period 2030.

266. If the same calculations are undertaken to the end of the extended plan period in 2040, this produces an overall total of 49 additional specialist dwellings which might be required by 2040, which translates into the following:

- Conventional sheltered housing to rent = $60 \times .196 = 12$
- Leasehold sheltered housing = $120 \times .196 = 23$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times .196 = 4$
- Extra care housing for rent = $15 \times .196 = 3$
- Extra care housing for sale = $30 \times .196 = 6$
- Housing based provision for dementia = $6 \times .196 = 1$

267. Table 6-8 below sets out the HLIN recommendations in the same format as Table 6-6 above. It is important to stress that the SHOP toolkit embeds

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assumptions that uplift the provision of specialist accommodation compared to current rates.

Table 6-8: HLIN estimate of specialist housing need for older (75+) households in Ottershaw by the end of the Plan period 2030

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	<i>Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia</i>	<i>Includes: enhanced sheltered housing for sale + extra care housing for sale</i>	6
	2	3	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	14
	5	9	
Total	7	13	20

Source: Housing LIN, AECOM calculations

Table 6-9: HLIN estimate of specialist housing need for older (75+) households in Ottershaw by 2040

Type	Affordable	Market	Total
Housing with care (e.g. extra care)	<i>Includes: enhanced sheltered housing for rent + extra care housing for rent + housing based provision for dementia</i>	<i>Includes: enhanced sheltered housing for sale + extra care housing for sale</i>	14
	6	8	
Sheltered housing	Conventional sheltered housing for rent	Leasehold sheltered housing	35
	12	23	
Total	18	31	49

Source: Housing LIN, AECOM calculations

SHMA findings

268. The 2018 SHMA Update for Runnymede includes the following relevant findings:

- Runnymede has a lower level of disability when compared with the national position, but an ageing population means that the number of people with disabilities is expected to increase substantially in the future across the borough; and
- There is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings across the borough.

Consideration of planned supply

269. Finally, we examined the expected supply through the two major allocations and current planning applications in the pipeline, as mentioned previously in our report, and how this matches projected demand.
270. This shows that at the time of writing, there are no allocated parcels of land in the current Runnymede Local Plan specifically for older persons housing. The NP group are seeking to influence this in the emerging LP. Looking at the pipeline of applications provided to AECOM by the local authority, there appear to also be no schemes specifically for older persons. However, the Brockhurst Care Home site is planned to be redeveloped under the purview of Surrey County Council (rather than RBC). Current information suggests that it will be redeveloped as extra-care housing, however the site is undergoing a tender process and the number and mix of units is not confirmed. It is understood that the site could deliver in the region of 20 units.

Conclusions- Specialist Housing for Older People

271. In summary, Ottershaw has a current specialist offer of two schemes, which equates to a provision of 125 units per 1,000 population of over 75-year-olds (67 units for 537 individuals, based on ONS 2020 population estimate of the over 75 population in the NA). The Housing LIN model recommends a provision of 251 units per 1,000 population, which shows that Ottershaw has relatively limited provision considering the size of its current elderly population.
272. All of the existing specialist units currently available in Ottershaw are offered as retirement housing without onsite care, available for social rent. There is therefore a potential gap in the market for both for specialist housing of all forms available for market purchase, and for accommodation offering additional onsite care (although a scheme of this type is located close to the NA boundary).
273. Currently, 82% of 55-75 year olds in Runnymede own their own home, renters making up 18% (about two thirds social and one third private renters). The population of over 75s is projected to increase by 15% in Ottershaw over the initial plan period to 2030, and by 36% by 2040. Approximately the same percentage increase levels are expected across Runnymede.
274. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
275. These two methods of estimating the future need in Ottershaw produce a range of 20 to 23 specialist accommodation units that might be required during the initial Plan period to 2030, and a range of 49 to 57 units to the end of extended Plan period to 2040. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here. However, as the existing provision of elderly accommodation in Ottershaw is relatively generous compared to the size of the current elderly population, this assumption appears reasonable.

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276. There will also be an unknown amount of turnover in the stock of new and existing specialist accommodation, primarily due to the death of occupants, which can help to satisfy some of the unmet need identified here. This has not been deducted because the uncertainty is too great, and unlike for Affordable Housing, where data on turnover can be obtained, national planning practice guidance does not specify a method for assessing specialist housing need that includes this step. It is difficult to estimate how long an occupant will reside in specialist housing (which can be occupied from the age of 55), whether other occupants will remain in their absence, and whether the occupant might move to another specialist home offering a higher level of care. However, some degree of turnover will in practice reduce the absolute need and create churn in the market.
277. The SHMA concurs that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings across the borough.
278. The largest part of the additional future demand is likely to be for sheltered housing. This equates to a higher level of demand than for extra care accommodation in both estimates to 2030 and 2040. As the current provision in Ottershaw is limited to sheltered accommodation only, the NP may wish to encourage a higher future supply of extra care and market ownership provision, to prevent future gaps or imbalances in the market.
279. Regarding the balance between affordable and market provision, the current provision is largely for affordable rent, while there is more future demand for market sale than affordable properties. The NP may wish to encourage future provision to diversify the current offering, with market and extra care options particularly encouraged.
280. It is worth noting that Neighbourhood Plans cannot set the proportion of housing (specialist or otherwise) that should be affordable, as this has to be in line with Local Plan policy. In the case of Runnymede, the adopted Local Plan policy SL20 on affordable housing sets a target of 30% of all net additional new housing to be delivered as affordable, with 35% delivery required for developments of 10+ dwellings, subject to viability (note that in Ottershaw, the majority of the set minimum housing requirement is expected to be met by the two major allocation sites).
281. If sufficient schemes of specialist accommodation were to come forward and if all schemes consisted of 10 or more dwellings, this would suitably address the need for affordable specialist housing provision. However, given that no affordable housing was delivered in Ottershaw over the last decade according to Runnymede completions figures, it appears unlikely that many affordable specialist units will be delivered in the near future.
282. That said, the Brockhurst Care Home within the NA is due to be rebuilt to provide some form of elderly care in the region of 20 units, which would make a helpful contribution to the specialist housing needs identified here. It is not known what proportion of these units will be offered as affordable housing tenures. The evidence provided in our housing needs assessment should, however, be useful in supporting the negotiation for the provision of affordable housing on this and/or future specialist housing schemes in Ottershaw, subject to other relevant policy and evidence.

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283. Given that there is unlikely to be a large volume of additional specialist supply, at least during the initial Plan period to 2030 based on current available information, another avenue open to the Neighbourhood Plan would be to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan. Especially considering that there is an as yet unpermitted major development application on a Local Plan allocations site, the NP group could lobby for such provisions or for specialist accommodation on this site. Finally, the NP could also encourage the adaptation of existing properties through grant schemes and other means, although it is acknowledged the Neighbourhood Plan may have less influence over changes to the existing stock.
284. Local Plan policy SL23 provides explicit support for specialist accommodation for older persons, including sheltered housing, care homes and other appropriate forms of accommodation on suitable sites, to meet needs that have been identified in the Council's SHMA. However, it does not set specific targets for the proportion of new housing that might be required to meet national standards for accessibility and adaptability (Category M4(2)), or for wheelchair users (Category M4(3)). The evidence gathered here would appear to justify applying such a target in the Neighbourhood Plan if this avenue has the support of the LPA.
285. It is relatively common for Local and Neighbourhood Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide, the localised evidence gathered here would further justify this, and the SHMA concurs. The proportion of new housing that might accommodate those using wheelchairs might be set with reference to the proportion of affordable housing applicants falling into this category and/or evidence from a household survey.
286. While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations, for a number of reasons, as follows:
- so that residents, who often lack cars of their own, are able to access local services and facilities, such as shops and doctor's surgeries, on foot;
 - so that any staff working there have the choice to access their workplace by more sustainable transport modes; and
 - so that family members and other visitors have the choice to access relatives and friends living in specialist accommodation by more sustainable transport modes.
287. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist elderly housing needs arising from a number of different locations and/or neighbourhood plan areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
288. It is considered that Ottershaw's position in the settlement hierarchy, its local shops and services offer, and its public transport accessibility (no train station but some bus services) makes it a relatively less suitable, but not entirely unsuitable location for specialist accommodation, on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, noting that there is no specific requirement or obligation to provide the

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specialist accommodation need arising from Ottershaw entirely within the Neighbourhood Plan area boundaries, it is recommended that at least some of it could be provided in a 'hub and spoke' model. In the case of Ottershaw, Addlestone may be considered to have potential to accommodate some of the specialist housing need arising from the Neighbourhood Plan area (i.e. to be the hub in the hub-and-spoke model). If this were to take place, then the number of specialist dwellings to be provided and the overall dwellings target for the Neighbourhood Plan area itself would overlap to some extent, but not entirely. Unfortunately the level of provision (and potential unmet need) in Addlestone is beyond the scope of this assessment, and the Runnymede SHMA does not consider need and supply down to the scale of specific towns. The capacity of Addlestone is, however, a potentially relevant factor in how far the unmet needs of Ottershaw could be accommodated nearby.

289. Wherever specialist housing is to be accommodated, partnership working with specialist developers is recommended, so as to introduce a greater degree of choice into the housing options for older people who wish to move in later life.

7. Conclusions

290. Table 7-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

Overview

Table 7-1: Summary of study findings specific to Ottershaw with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
<p>Tenure, affordability and need for affordable housing</p>	<p>The tenure profile of Ottershaw is characterised by a more than average predominance of owner occupation, which was the tenure of 76% of all households in the 2011 Census. The second most popular tenure (12%) is private renting, which has more than doubled as a share 2001 - 2011. 11% of households live in affordable housing (10% in affordable rented and 1% in shared ownership housing).</p> <p>Affordability is an acute and increasing issue in the NA. Average house prices have steadily increased, with mean prices in 2020 almost double what they were in 2012. The cheapest housing type (flats) grew by the greatest amount, more than doubling. This is likely to worsen affordability particularly for those with the lowest incomes.</p> <p>Since 2018 lower quartile prices have been catching up on the mean and median, rising more steeply and closing most of the gap to the average prices.</p>	<p>Local households on average incomes are unable to access even entry-large homes in Ottershaw unless they have a very large deposit, but private renting is affordable to those on average earnings.</p> <p>There is a relatively large group of households who may be able to afford to rent privately but cannot afford home ownership. On average incomes, the affordable home ownership products which would be affordable include rent to buy (the most affordable), followed by shared ownership (maximum 10% share) and First Homes (minimum 45% discount).</p> <p>The only tenure affordable to households with two lower quartile incomes is social renting. Households with a single lower earner appear unable to afford any of the tenures without recourse to benefits, including the smallest socially rented units.</p> <p>When 2018 Runnymede SHMA figures are pro-rated to Ottershaw based on its share of population, this equates to an affordable housing need of 17.2 homes per annum predominately for social/affordable rent. This totals to a need for 155 affordable rented homes to 2030 and 327 homes to 2040.</p> <p>A separate calculation of affordable housing for sale need results in 16.2 households per annum who may be interested in affordable home</p>

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	<p>The mean house price is £572,477. Average prices in Ottershaw are considerably higher than those across the local authority area as a whole.</p> <p>The average total household income before housing costs in the NA was £58,000 in 2018. Runnymede’s gross individual lower quartile annual earnings in the same year were £16,701, thus demonstrating very large differences in spending power.</p>	<p>ownership, with 146 units needed to 2030. If the same calculation were made to 2040, the result would be a need for 7.4 households per annum or 141 over the plan period. However, this need is less pressing than that for affordable rented units.</p> <p>Regardless of what affordable housing requirement is assumed overall, the expected level of delivery will not meet the affordable housing demand identified in Ottershaw, which is more than 100% of the housing requirement set by the LPA. Therefore, the affordable housing policy requirement should be met wherever possible, maximising affordable rented tenures where possible.</p> <p>Additional avenues for delivering greater quantities of Affordable Housing (such as exception sites, community development orders, and community land trusts) could also be explored by the Forum to boost affordable housing supply.</p>
<p>Housing type and size</p>	<p>Detached and semi-detached properties are the most common dwelling types in Ottershaw, with bungalows and detached houses making up a higher than average proportion of properties than across the borough and country. Conversely, the NA has a slightly lower proportion of flats and semi-detached houses.</p> <p>In terms of dwelling size, properties in Ottershaw were comparatively large, with a lower proportion of all smaller and medium dwellings sizes (i.e. homes with 1, 2 or 3 bedrooms) and a higher proportion of homes with 4 + bedrooms.</p>	<p>Households headed by those aged 65 and over are projected to increase significantly (by 17% by 2030 and by 42% by 2040). When looking at the extended plan period to 2040, another two groups are also expected to grow significantly, which are households headed by those aged 25-34 and by the youngest group aged 24 and under. However, these groups are growing from a lower baseline. The latter two groups are likely to contain many young families looking to “get onto the housing ladder”.</p> <p>By 2030, the households headed by someone aged 65 or over are projected to only be the second largest group of households, while the largest group is projected to be those households headed by 35-54 year olds. By 2040, the oldest age group will have become the largest.</p>

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	<p>LPA completions and a comparison of 2020 VOA data with 2011 Census data shows that there has been only limited construction in recent years (Between 18 and 23 additional dwellings). It appears the largest increase was in 3 bedroom dwellings but the relative mix of properties has not really changed substantially.</p> <p>The NA population has a relatively similar, but marginally older age profile compared to the rest of the borough and country. Since 2011, the proportion of all younger and middle age groups (aged 0-64) has shrunk, while the proportion of the two oldest age groups aged 65 and over have increased.</p> <p>Households are more likely to under-occupy their home than to be over-crowded in Ottershaw. Nearly half of all households in the NA (42%) live in a home with two or more spare bedrooms, and more than three quarters (76%) live in a home with at least one spare bedroom. Only 2% of the Ottershaw NA population were over-occupying their homes. The most likely to under-occupy are couples with no children and households aged 65 or over.</p>	<p>Our model suggests that what is most needed to be built in Ottershaw over the plan period is 3 bedroom properties; followed by 2 bedroom and 1 bedroom properties. No further larger properties with 4 or more bedrooms are required to achieve the target mix. However, while prioritising mid-sized and smaller homes, a variety of housing should be provided to cater for Households' different needs, incomes, sizes, and life-stages.</p> <p>Looking at the types and sizes of housing that is planned for on the two major allocation sites in Ottershaw, it appears that largely, the mix being planned for and delivered is not too dissimilar from what is needed on the basis of our analysis.</p>
Specialist housing for older people	<p>Ottershaw has a current specialist offer of 67 units across three schemes. This equates to 125 units per 1,000 population of over 75-year-olds. The Housing LIN model recommends a provision of 251 units per 1,000 population. This</p>	<p>The NP may wish to particularly encourage the supply of extra care provision and market ownership options, to prevent future gaps or imbalances in the market.</p> <p>Regarding the balance between affordable and market provision, the current provision is largely for social</p>

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	<p>shows that Ottershaw has a relatively limited provision, considering the size of its current elderly population.</p> <p>There is a lack of market ownership and extra care provision in the existing supply.</p> <p>Currently, 82% of 55-75 year olds in Runnymede own their own home, renters making up 18%. The population of over 75s is projected to increase by 15% in Ottershaw to 2030, and by 36% to 2040.</p> <p>The two methods of estimating the future need in Ottershaw produce a range of 20 to 23 specialist accommodation units that might be required during to 2030, and 49 to 57 units to 2040. The SHMA concurs that there is a clear need to increase the supply of accessible, adaptable, and wheelchair user dwellings across the borough.</p> <p>The largest part of the additional future demand is likely to be for sheltered housing. This equates to a higher level of demand than for ExtraCare accommodation in both estimates to 2030 and 2040.</p>	<p>rent, while there is also more future demand for market sale than affordable properties. The NP may wish to encourage future provision to encourage market ownership schemes and extra care, but also to provide a good balance overall.</p> <p>In the case of Runnymede, the adopted Local Plan policy SL20 on affordable housing sets a target of 30% of all net additional new housing to be delivered as affordable, with 35% delivery required for developments of 10+ dwellings, subject to viability. If there were sufficient specialist schemes in the pipeline and if all consisted of 10+ dwellings, this would suitably address the need for affordable specialist housing provision. However, given that no affordable housing was delivered in Ottershaw over the last decade according to Runnymede completions figures and that there are no specialist schemes in the pipeline, it is unlikely that much supply of affordable specialist dwellings will come forward in the near future.</p> <p>Given that there is unlikely to be a large volume of additional specialist supply during the Plan period, based on current available information, another avenue open to the Neighbourhood Plan would be to require standards of accessibility and adaptability in new development to be met at more ambitious levels than those mandated in the Local Plan. Finally, the NP could also encourage the adaptation of existing properties through grant schemes and other means.</p> <p>Local Plan policy SL23 provides explicit support for specialist accommodation for older persons. However, it does not set specific targets for specialist provision or for the proportion of new housing that might be required to meet national standards for accessibility and</p>
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		<p>adaptability. The evidence gathered here would appear to justify applying such a target in the NP if this avenue has the support of the LPA.</p> <p>While it is important to maximise the accessibility of all new housing, it is particularly important for specialist housing for older people to be provided in sustainable, accessible locations. Another important requirement is for cost effectiveness and economies of scale.</p> <p>It is considered that Ottershaw's position in the settlement hierarchy, its local shops and services offer, and its public transport accessibility makes it a relatively less suitable, but not entirely unsuitable location for specialist accommodation. Some need could be met in a 'hub and spoke' model, and Addlestone may be a suitable location for this.</p>
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Recommendations for next steps

291. This Neighbourhood Plan housing needs assessment aims to provide Ottershaw with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should, as a next step, discuss the contents and conclusions with Runnymede with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of Runnymede Borough Council;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Runnymede Borough Council.

292. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

293. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on

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housing policy produced by the Government, Runnymede Borough Council, or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.

294. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

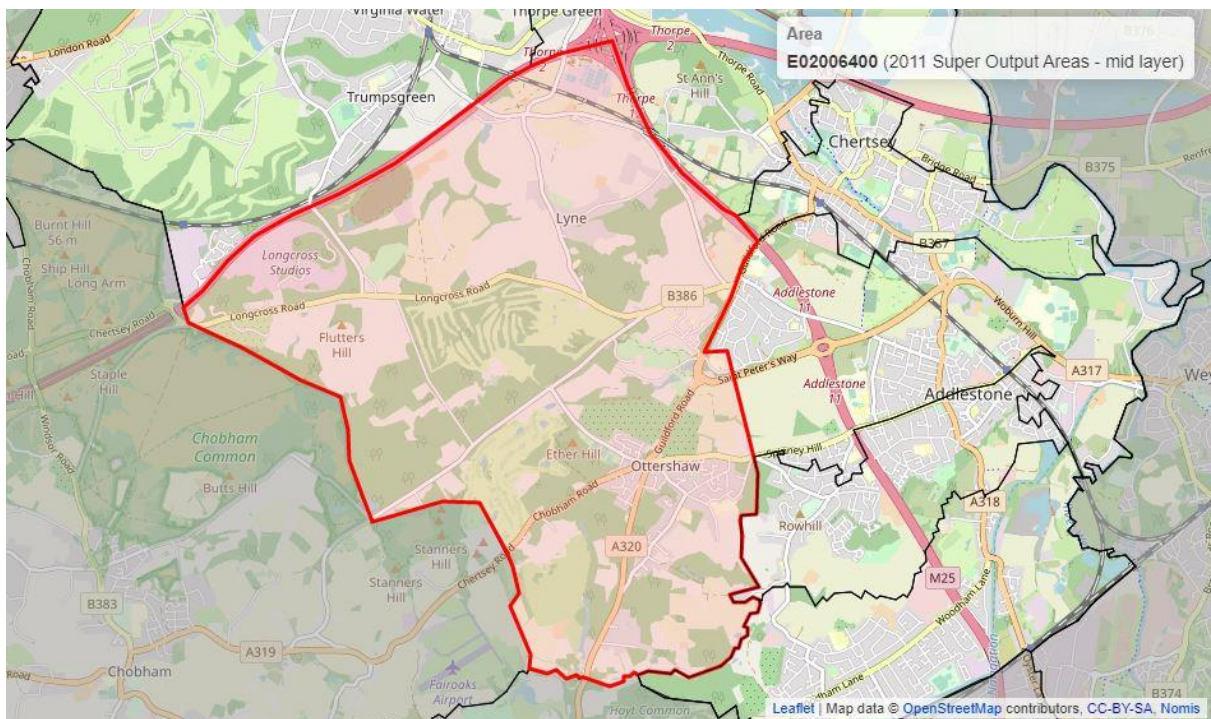
Appendix A : Calculation of Affordability Thresholds

A.1 Assessment geography

295. As noted in the Tenure and Affordability chapter above, affordability thresholds can only be calculated on the basis of data on incomes across the Neighbourhood Plan area. Such data is available at MSOA level but not at the level of Neighbourhood Plan areas.

296. As such, when calculating affordability thresholds, an MSOA needs to be selected that is a best-fit proxy for the Neighbourhood Plan area. In the case of Ottershaw, it is considered that MSOA E02006400 (Runnymede 008) is the closest realistic proxy for the Neighbourhood Plan area boundary, and as such, this is the assessment geography that has been selected. A map of MSOA Runnymede 008 appears below in Figure 7-1. This covers the same area as the three LSOAs used for Census data in this report plus an additional LSOA Runnymede 008A. Therefore, it is a slightly larger area, but still the most suitable proxy available.

Figure 7-1: MSOA Runnymede 008 used as a best-fit geographical proxy for the Neighbourhood Plan area



Source: ONS

A.2 Market housing

297. Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

298. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a

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family's income that should be spent on accommodation costs, and purchase thresholds, which denote the standard household income required to access mortgage products.

i) Market sales

299. The starting point for calculating the affordability of a dwelling for sale (i.e. the purchase threshold) from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5.

300. To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Ottershaw, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.

301. The calculation for the purchase threshold for market housing is as follows:

- Value of a median NA house price (2020) = £487,500;
- Purchase deposit at 10% of value = £48,750;
- Value of dwelling for mortgage purposes = £438,750;
- Divided by loan to income ratio of 3.5 = purchase threshold of £125,357.

302. The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2020 was £412,500 and the purchase threshold is therefore £106,071.

303. Finally, it is worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry recorded 1 sale of new build properties in the NA in 2020. This is an insufficient sample size and therefore new build Local Authority prices should be used (with a reliable sample size of 81 dwellings). The average new build price in the LA for all property types was £409,606. The average price of a new build flat in the LA was £383,537, which might be the best representation of entry-level homes or flats that will be the cheapest. This equates to a purchase threshold of £98,624 for new build flats.

ii) Private Rented Sector (PRS)

304. Income thresholds are used to calculate the affordability of rented and affordable housing tenures. It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income.

305. This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It

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is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.

306. The property website [Home.co.uk](https://www.home.co.uk) shows rental values for property in the Neighbourhood Plan area. A radius of 2 miles from Ottershaw was used to gauge a reliable sample as only 6 properties were found within 1 mile and a further 42 rental properties within 2 miles. The larger sample size used is likely to generate more robust findings.

307. According to [home.co.uk](https://www.home.co.uk), there were 42 properties for rent at the time of search in November 2021, with an average monthly rent of £1,209. There were 9 two-bed properties listed, with an average price of £1,201 per calendar month. It is worth highlighting how close these figures are. This is a consequence of the 2-bedroom average being representative of the overall average (because a similar number of properties have 1-2 bedrooms as have 3+ bedrooms).

308. The calculation for the private rent income threshold for entry-level (2 bedroom) dwellings is as follows:

- Annual rent = £1,201 x 12 = £14,413;
- Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £48,044.

309. The calculation is repeated for the overall average to give an income threshold of £48,352.

A.3 Affordable Housing

310. There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2021: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. More recently, a new product called First Homes has been introduced in 2021. Each of the affordable housing tenures are considered below.

i) Social rent

311. Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.

312. To determine social rent levels, data and statistical returns from Homes England is used. This data is only available at the LPA level so must act as a proxy for Ottershaw. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for Runnymede in the table below.

313. To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall

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average across all property sizes is taken forward as the income threshold for social rent.

Table A-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£110.84	£131.15	£142.31	£188.01	£127.65
Annual average	£5,764	£6,820	£7,400	£9,777	£6,638
Income needed	£19,193	£22,710	£24,642	£32,556	£22,104

Source: Homes England, AECOM Calculations

ii) Affordable rent

314. Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
315. Even an 80% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
316. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Runnymede. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
317. Comparing this result with the average 2 bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 75% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table A-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£156.15	£203.08	£220.73	£263.45	£198.34
Annual average	£8,120	£10,560	£11,478	£13,699	£10,314
Income needed	£27,039	£35,165	£38,222	£45,619	£34,345

Source: Homes England, AECOM Calculations

iii) Affordable home ownership

318. Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and rent to buy. These are considered in turn below.

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319. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” The recently issued Ministerial Statement and updates to PPG state that 25% of all Affordable Housing should be First Homes – the Government’s new flagship discounted market sale product. When the NPPF is next updated, it is expected that the 10% affordable home ownership requirement referenced above may be replaced by the First Homes requirement.

First Homes

320. Whether to treat discounted market housing as affordable or not depends on whether discounting the asking price of new build homes of a size and type suitable to first time buyers would bring them within reach of people currently unable to buy market housing.

321. As previously noted, there is an insufficient sample of new build house prices in the NA, therefore the starting point for these calculations is the estimated cost of median house prices in Ottershaw which is £487,500.

322. For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (LA average) = £487,500;
- Discounted by 30% = £307,125;
- Purchase deposit at 10% of value = £30,713;
- Value of dwelling for mortgage purposes = £276,413;
- Divided by loan to income ratio of 3.5 = purchase threshold of £78,975.

323. The income thresholds analysis in the Tenure and Affordability chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £67,693 and £56,411 respectively.

324. All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible.

325. Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq m and a build cost of £1,500 per sq m) would be around £105,000. This cost excludes any land value or developer profit. This would not appear to be an issue in Ottershaw.

Shared ownership

326. Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%) and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

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327. In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

328. To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

329. The affordability threshold for a 25% equity share is calculated as follows:

- A 25% equity share of £487,500 is £121,875;
- A 10% deposit of £12,188 is deducted, leaving a mortgage value of £109,688;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £31,339;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £365,625;
- The estimated annual rent at 2.5% of the unsold value is £9,141;
- This requires an income of £30,468.75 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £61,808 (£30,468.75 plus £31,339).

330. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £12,536 and £62,679 respectively.

331. The income thresholds for 10%, 25% and 50% are below the £80,000 cap for eligible households.

Rent to buy

332. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up equity in the property with a portion of the rent, but this portion is still a monthly outgoing for the occupant.

Help to Buy (Equity Loan)

333. The Help to Buy Equity Loan is not an affordable housing tenure but allows households to afford market housing through a loan provided by the government. With a Help to Buy Equity Loan the government lends up to 20% (40% in London) of the cost of a newly built home. The household must pay a deposit of 5% or more and arrange a mortgage of 25% or more to make up the rest. Buyers are not charged interest on the 20% loan for the first five years of owning the home.

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334. It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

Appendix B : Housing Needs Assessment Glossary

Adoption

This refers to the final confirmation of a local plan by a local planning authority.

Affordability

The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' refers to particular products outside the main housing market.

Affordability Ratio

Assessing affordability involves comparing housing costs against the ability to pay. The ratio between lower quartile house prices and the lower quartile income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority (LQAR) as well as median house price to median earnings by local authority (MAR) e.g. income = £25,000, house price = £200,000. House price: income ratio = £200,000/£25,000 = 8, (the house price is 8 times income).

Affordable Housing (NPPF Definition)

Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

c) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for

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alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods²⁰.

Age-Restricted General Market Housing

A type of housing which is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.

Annual Monitoring Report

A report submitted to the Government by local planning authorities assessing progress with and the effectiveness of a Local Development Framework.

Basic Conditions

The Basic Conditions are the legal tests that are considered at the examination stage of neighbourhood development plans. They need to be met before a plan can progress to referendum.

Backlog need

The backlog need constitutes those households who are eligible for Affordable Housing, on account of homelessness, over-crowding, concealment or affordability, but who are yet to be offered a home suited to their needs.

Bedroom Standard²¹

The bedroom standard is a measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of household in residence). The Census overcrowding data is based on occupancy rating (overcrowding by number of rooms not including bathrooms and hallways). This tends to produce higher levels of overcrowding/ under occupation. A detailed definition of the standard is given in the Glossary of the EHS Household Report.

Co-living

Co-living denotes people who do not have family ties sharing either a self-contained dwelling (i.e., a 'house share') or new development akin to student housing in which people have a bedroom and bathroom to themselves, but share living and kitchen space with others. In co-living schemes each individual represents a separate 'household'.

²⁰ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

²¹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

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Community Led Housing/Community Land Trusts

Housing development, provision and management that is led by the community is very often driven by a need to secure affordable housing for local people in the belief that housing that comes through the planning system may be neither the right tenure or price-point to be attractive or affordable to local people. The principle forms of community-led models include cooperatives, co-housing communities, self-help housing, community self-build housing, collective custom-build housing, and community land trusts. By bringing forward development which is owned by the community, the community is able to set rents and/or mortgage payments at a rate that it feels is appropriate. The Government has a range of support programmes for people interested in bringing forward community led housing.

Community Right to Build Order²²

A community right to build order is a special kind of neighbourhood development order, granting planning permission for small community development schemes, such as housing or new community facilities. Local community organisations that meet certain requirements or parish/town councils are able to prepare community right to build orders.

Concealed Families (Census definition)²³

The 2011 Census defined a concealed family as one with young adults living with a partner and/or child/children in the same household as their parents, older couples living with an adult child and their family or unrelated families sharing a household. A single person cannot be a concealed family; therefore one elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy new build.

Extra Care Housing or Housing-With-Care

Housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

Fair Share

²² See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

²³ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

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'Fair share' is an approach to determining housing need within a given geographical area based on a proportional split according to the size of the area, the number of homes in it, or its population.

First Homes

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provide a discount of at least 30% on the price of new homes. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments will be required to provide 25% of Affordable Housing as First Homes. A more detailed explanation of First Homes and its implications is provided in the main body of the HNA.

Habitable Rooms

The number of habitable rooms in a home is the total number of rooms, excluding bathrooms, toilets and halls.

Household Reference Person (HRP)

The concept of a Household Reference Person (HRP) was introduced in the 2001 Census (in common with other government surveys in 2001/2) to replace the traditional concept of the head of the household. HRPs provide an individual person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person.

Housing Market Area

A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap.

The extent of the housing market areas identified will vary, and many will in practice cut across various local planning authority administrative boundaries. Local planning authorities should work with all the other constituent authorities under the duty to cooperate.

Housing Needs

There is no official definition of housing need in either the National Planning Policy Framework or the National Planning Practice Guidance. Clearly, individuals have their own housing needs. The process of understanding housing needs at a population scale is undertaken via the preparation of a Strategic Housing Market Assessment (see below).

Housing Needs Assessment

A Housing Needs Assessment (HNA) is an assessment of housing needs at the Neighbourhood Area level.

Housing Products

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Housing products simply refers to different types of housing as they are produced by developers of various kinds (including councils and housing associations). Housing products usually refers to specific tenures and types of new build housing.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted. If two rooms have been converted into one they are counted as one room. Rooms shared between more than one household, for example a shared kitchen, are not counted.

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household (i.e. detached, semi-detached, terraced including end of terraced, and flats). Flats are broken down into those in a purpose-built block of flats, in parts of a converted or shared house, or in a commercial building.

Housing Tenure (Census Definition)

Tenure provides information about whether a household rents or owns the accommodation that it occupies and, if rented, combines this with information about the type of landlord who owns or manages the accommodation.

Income Threshold

Income thresholds are derived as a result of the annualisation of the monthly rental cost and then asserting this cost should not exceed 35% of annual household income.

Intercensal Period

This means the period between the last two Censuses, i.e. between years 2001 and 2011.

Intermediate Housing

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low-cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as 'low-cost market' housing, may not be considered as affordable housing for planning purposes.

Life Stage modelling

Life Stage modelling is forecasting need for dwellings of different sizes by the end of the Plan period on the basis of changes in the distribution of household types and key age brackets (life stages) within the NA. Given the shared behavioural patterns associated with these metrics, they provide a helpful way of understanding and predicting future community need. This data is not available at neighbourhood level

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so LPA level data is employed on the basis of the NA falling within its defined Housing Market Area.

Life-time Homes

Dwellings constructed to make them more flexible, convenient adaptable and accessible than most 'normal' houses, usually according to the Lifetime Homes Standard, 16 design criteria that can be applied to new homes at minimal cost: <http://www.lifetimehomes.org.uk/>.

Life-time Neighbourhoods

Lifetime neighbourhoods extend the principles of Lifetime Homes into the wider neighbourhood to ensure the public realm is designed in such a way to be as inclusive as possible and designed to address the needs of older people, for example providing more greenery and more walkable, better connected places.

Local Development Order

An Order made by a local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a specific development proposal or classes of development.

Local Enterprise Partnership

A body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area.

Local housing need (NPPF definition)

The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of this Framework).

Local Planning Authority

The public authority whose duty it is to carry out specific planning functions for a particular area. All references to local planning authority apply to the Borough / District Council, London Borough Council, County Council, Broads Authority, National Park Authority or the Greater London Authority, to the extent appropriate to their responsibilities.

Local Plan

This is the plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies form part of the Local Plan and are known as 'Development Plan Documents' (DPDs).

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as an entry

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level price and is the recommended level used to evaluate affordability; for example for first time buyers.

Lower Quartile Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Lower Quartile Household Incomes and Lower Quartile House Prices, and is a key indicator of affordability of market housing for people on relatively low incomes.

Market Housing

Market housing is housing which is built by developers (which may be private companies or housing associations, or Private Registered Providers), for the purposes of sale (or rent) on the open market.

Mean (Average)

The mean or the average is, mathematically, the sum of all values divided by the total number of values. This is the more commonly used “average” measure as it includes all values, unlike the median.

Median

The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.

Median Affordability Ratio

The Lower Quartile Affordability Ratio reflects the relationship between Median Household Incomes and Median House Prices, and is a key indicator of affordability of market housing for people on middle-range incomes.

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years²⁴, i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

An NDO will grant planning permission for a particular type of development in a particular area. This could be either a particular development, or a particular class of development (for example retail or housing). A number of types of development will be excluded from NDOs, however. These are minerals and waste development, types of development that, regardless of scale, always need Environmental Impact Assessment, and Nationally Significant Infrastructure Projects.

Neighbourhood plan

A plan prepared by a Parish or Town Council or Neighbourhood Forum for a particular neighbourhood area (made under the Planning and Compulsory Purchase Act 2004).

²⁴ See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

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Older People

People over retirement age, including the active, newly-retired through to the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs.

Output Area/Lower Super Output Area/Middle Super Output Area

An output area is the lowest level of geography for publishing statistics, and is the core geography from which statistics for other geographies are built. Output areas were created for England and Wales from the 2001 Census data, by grouping a number of households and populations together so that each output area's population is roughly the same. 175,434 output areas were created from the 2001 Census data, each containing a minimum of 100 persons with an average of 300 persons. Lower Super Output Areas consist of higher geographies of between 1,000-1,500 persons (made up of a number of individual Output Areas) and Middle Super Output Areas are higher than this, containing between 5,000 and 7,200 people, and made up of individual Lower Layer Super Output Areas. Some statistics are only available down to Middle Layer Super Output Area level, meaning that they are not available for individual Output Areas or parishes.

Overcrowding

There is no single agreed definition of overcrowding, however, utilising the Government's bedroom standard, overcrowding is deemed to be in households where there is more than one person in the household per room (excluding kitchens, bathrooms, halls and storage areas). As such, a home with one bedroom and one living room and one kitchen would be deemed overcrowded if three adults were living there.

Planning Condition

A condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990) or a condition included in a Local Development Order or Neighbourhood Development Order.

Planning Obligation

A legally enforceable obligation entered into under section 106 of the Town and Country Planning Act 1990 to mitigate the impacts of a development proposal.

Purchase Threshold

Purchase thresholds are calculated by netting 10% off the entry house price to reflect purchase deposit. The resulting cost is divided by 4 to reflect the standard household income requirement to access mortgage products.

Proportionate and Robust Evidence

Proportionate and robust evidence is evidence which is deemed appropriate in scale, scope and depth for the purposes of neighbourhood planning, sufficient so as to meet the Basic Conditions, as well as robust enough to withstand legal challenge. It is referred to a number of times in the PPG and its definition and interpretation relies on the judgement of professionals such as Neighbourhood Plan Examiners.

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Private Rented

The Census tenure private rented includes a range of different living situations in practice, such as private rented/ other including households living “rent free”. Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord. This could mean people whose rent is paid by their employer, including some people in the armed forces. Some housing association tenants may also have been counted as living in the private rented sector because of confusion about what a housing association is.

Retirement Living or Sheltered Housing

Housing for older people which usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.

Residential Care Homes and Nursing Homes

Housing for older people comprising of individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Rightsizing

Households who wish to move into a property that is a more appropriate size for their needs can be said to be rightsizing. This is often used to refer to older households who may be living in large family homes but whose children have left, and who intend to rightsize to a smaller dwelling. The popularity of this trend is debatable as ties to existing communities and the home itself may outweigh issues of space. Other factors, including wealth, health, status and family circumstance also need to be taken into consideration, and it should not be assumed that all older households in large dwellings wish to rightsize.

Rural Exception Sites

Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable dwellings without grant funding.

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75%, and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

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Sheltered Housing²⁵

Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden.

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) is a document prepared by one or more local planning authorities to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the Plan period. SHLAAs are sometimes also called LAAs (Land Availability Assessments) or HELAAs (Housing and Economic Land Availability Assessments) so as to integrate the need to balance assessed housing and economic needs as described below.

Strategic Housing Market Assessment (NPPF Definition)

A Strategic Housing Market Assessment (SHMA) is a document prepared by one or more local planning authorities to assess their housing needs under the 2012 version of the NPPF, usually across administrative boundaries to encompass the whole housing market area. The NPPF makes clear that SHMAs should identify the scale and mix of housing and the range of tenures the local population is likely to need over the Plan period. Sometimes SHMAs are combined with Economic Development Needs Assessments to create documents known as HEDNAs (Housing and Economic Development Needs Assessments).

Specialist Housing for the Elderly

Specialist housing for the elderly, sometimes known as specialist accommodation for the elderly, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups (usually 55+ or 65+). This could include residential institutions, sometimes known as care homes, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services. This housing can be provided in a range of tenures (often on a rented or leasehold basis).

Social Rented Housing

²⁵ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

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Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.²⁶

²⁶ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

