### **BRAUNTON PARISH COUNCIL**



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> Council Offices Chaloners Road Braunton Devon EX39 2LJ

Date of issue: 4th May 2022

To Councillors, E Spear, D Spear, M Shapland, R Shapland, B Bunyard, D Relph, A Bradford, A Bryant, E Wood, G Bell, P Lord, J Chesters and V Cann.

You are summoned to attend the Annual Council meeting of Braunton Parish Council, which will be held on **TUESDAY 10 May 2022 at 7 pm**, in the Parish Hall, Chaloners Road, Braunton, for the purpose of transacting the undermentioned business.

There will be a period not exceeding 15 minutes for questions by the public. Anyone wishing to ask questions is requested to notify the Parish Clerk by 12 noon on the day of the meeting.

In accordance with The Public Bodies (Admissions to Meetings) Act 1960 members of the public are welcome to attend.

Yours faithfully,

T. Lovell

Tracey Lovell BA (Hons) Clerk to the Council & RFO

#### AGENDA Part I – Public

- 1. Elect Chair and receive Declaration of Acceptance of Office.
- 2. Elect Vice Chair.
- 3. Elect Chair of the Finance and Administration Committee
- 4. Elect Finance and Administration Committee.
- 5. Elect Parks & Gardens Committee.
- 6. Elect Property Committee.
- 7. Elect Lead Member for Planning.
- 8. Elect Deputy Lead Member for Planning.
- 9. Apologies Please make apologies known to the Clerk.

- Declarations of Interest To receive declarations of personal interests and disclosable pecuniary interests (DPIs) in respect of items on this agenda. Members are reminded that all interests:
  - Should be declared at the beginning of the meeting, and
  - Declared prior to the item being discussed.
- 11. Receive items for information not on the agenda, which in the opinion of the Chairman should be brough to the attention of the Council.
- 12. **Public Participation Period** Members of the public are permitted to make representations, ask questions and give evidence in respect of any item of business relating to the Parish Council. The period of time which is designated for public participation shall not exceed 15 minutes. Each member of the public is entitled to speak once only in respect of business and shall not speak for more than 3 minutes. A question asked by a member of the public during this period shall not require a response or debate at the meeting.
- 13. Requests for Dispensation consider requests received for dispensation(s).
- 14. **Minutes -** Approve and sign Minutes of the Council meeting held on 12 April 2022, attached.
- 15. Action Sheet Note updated action sheet, information attached.
- 16. Police Report Consider April Newsletter, attached.
- 17. Reports from the Devon County Councillor

#### 18. Reports from North Devon Councillors

 Planning – North Devon Council the determining Authority, has asked for comments from this Parish Council on the following applications (click on the application number to view the Application):

Cllrs E Spear, D Spear and J Chesters in their capacity as North Devon Councillors, stated that any opinions expressed during discussions on the following planning applications represent a preliminary view and that they will naturally reconsider the application fresh when presented all the facts at principal level.

- (a) <u>75249</u> Proposal: Removal of garage loft and addition of first floor to form holiday accommodation. Along with creation of dedicated outdoor amenity space. Address: Birchall, Boode Road, Braunton, Devon, EX33 2NW Applicant: Mr Williams and Ms May
- (b) <u>75218</u> Proposal: Demolition of existing garage and erection of store. Address: Knowle Cottage, Church Hill Lane, Knowle, Braunton, EX33 2ND Agent: Simon Dovell

#### **Certificate of Lawful Development**

(c) <u>75210</u> Proposal: Application for a lawful development certificate for existing residential annexe.
 Address: 7 First Field Lane, Braunton, Devon, EX33 1ES Applicant: Mr Tony Lowe

#### 20. North Devon Council – Planning Decisions

74965 Description: Single Storey rear extension to dwelling and associated works. Site Address: 4 Chalwells, Knowle, Braunton, Devon, EX33 2NE Applicant: Ms Griffin Decision: APPROVED Decision Date: 28/04/22

- Description: Reserved matters application for approval of the details of the access, appearance, landscaping, layout and scale for two affordable dwellings and on open market dwelling. (Outline planning permission 58133 outline application for two affordable dwellings and one open market dwelling (amended plans, description and site plan)).
   Site Address: Land at Whitestone Lane, Knowle, Braunton, Devon, EX33 2ND Applicant: Mr & Mrs Pine Decision: APPROVED Decision Date: 26/04/22
- 74453 Description: Erection of replacement grain storage building. Site Address: Boode Farm, Halsinger, Braunton, Devon, EX33 2NN Applicant: R.M. & G.B. Fowler Decision: APPROVED Decision Date: 26/04/22
- 74834 Description: Single storey rear extension to provide additional accommodation. Site Address: 10 Mowstead Park, Mowstead Road, Braunton, Devon, EX33 1BH Applicant: Mr and Mrs P Brown Decision: APPROVED Decision Date: 26/04/22
- 21. Accounts Due for Payment To examine and agree the accounts due for payment, for the period 13<sup>th</sup> April to 10<sup>th</sup> May 2022 inclusive, and to approve PAYE, NI and pension contributions The schedule of payments will be issued prior to the meeting.
- 22. To ratify decisions taken under delegated powers since the 12<sup>th</sup> April 10 May 2022, information attached.
- 23. Receive Internal Audit Report and Year End Internal Audit Observations 2021/22 attached.
- 24. Annual Governance and Accountability Return (AGAR) 2021/22
  - a. To discuss and agree the Annual Governance Statement detailed in the Annual Governance and Accountability Return 2021/22, attached.
  - b. To receive and agree the Accounting Statements detailed within the Annual Governance and Accountability Return 2021/22, attached.
  - c. To consider and agree the Annual Governance and Accountability Return for 2021/22, attached.
  - d. Approve notice period for the Exercise or Public Rights.
- 25. **Braunton Housing Needs Assessments (HNA)** To consider the Braunton HNA commissioned by AECOM funding via Locality for the Braunton Neighbourhood Plan. Sent to members prior to the meeting via WeTransfer.
- 26. North Devon Council Consultations Receive update from the Council's Community Action Plan Working Party regarding NDC's consultations in relation to the draft Affordable Housing Supplementary Document (SPD) and joint validation checklist – Requirements for Planning Applications. Information can be viewed at the following link. <u>https://consult.torridge.gov.uk/kse/event/36861</u> Consultation running until 13<sup>th</sup> May 2022
- 27. Parish Hall Bookings To note party being held on Friday 27 May 22 from 5pm to 11pm.
- 28. Application for Variation of a Premises Licence Consider application for the variation of a premises licence made by Coastal Catering, Croyde Ltd in respect of Hang Loose Bar & Kitchen at 30 Caen Street, Braunton, Devon, EX331AA. Information attached.

#### BRAUNTON PARISH COUNCIL ACTION SHEET

15. BRAUNTON PARISH COUNCIL ACTION SHEET			
DATE	<u>TOPIC</u>	PROGRESS	
April 2021	Air Quality Action Plan (AQAP)	Air Quality Technical Working Group meeting took place on 23 <sup>rd</sup> March 22. Andy Cole NDC Environmental Health will comment on the air quality policies and Matt Collins DDC Transport Planner will make comments.	
October 2019-	Extension of Tarka Trail	No updates have been received from the County – refer to October 2019 AS.	
Ongoing	from Knowle towards Ilfracombe	The Braunton Neighbourhood Plan Steering Group have been successful in securing funding to commission AECOM to provide a Masterplan for Braunton. This will look at active travel options to try to improve the traffic issues in Braunton. Liz Holloway the senior DCC transport planning officer, says that they are hoping to commence work on the first phase this summer. She has been invited to attend the June or July Council meeting to update members.	
June 2019 - ongoing	Braunton Neighbourhood Plan (BNP)	<ul> <li>The Council appointed Cllrs M Shapland, A Bryant, D Relph and G Bell as its four representatives to serve on the Braunton Neighbourhood Plan Steering Group (BNPSG) (Min Ref: 075/2019/20).</li> <li>Steering Group were successful in securing a further £6,681 funding from Locality.</li> </ul>	
		<ul> <li>New Braunton Neighbourhood Plan website went live on 11<sup>th</sup> March –</li> </ul>	
		http://www.brauntonparishneighbourhoodplan.org.uk	
		<ul> <li>Public Consultation to run from the 14<sup>th</sup> March to 29<sup>th</sup> April.</li> </ul>	
		Public drop-in session in the Parish Hall on Saturday 19 <sup>th</sup> March 2022 from 9.30am to 12.30pm	
		First draft of the Plan has been approved and adopted by Braunton Parish Council (Min Ref: 169/2021/22)	
		• First draft of the Plan has been submitted to the North Devon Council Local Planning Authority for review.	
		The Clerk has contacted landowners for permission to protect land/assets in the Neighbourhood Plan.	
<b>F</b> 1 0000		The Clerk has contacted statutory consultees regarding the draft Neighbourhood Plan (Reg. 14).	
February 2020 - ongoing	Men's Shed – Live Well in Braunton	The Council at its meeting on the 10 <sup>th</sup> August agreed to provide a Letter of Intent (LOI) to use the Stoney Bridge Depot for the Braunton and Rural Communities Men's Shed subject to planning being granted. Full Planning required.	
		• The Mens Shed have withdrawn their planning application at the Stoney Bridge Depot due to concerns expressed by the Highway's Officer regarding vehicular access to the site.	
		<ul> <li>The Council have agreed for the Mens Shed to use five spaces in the Caen Street Overflow Car Park to park a 62ft refurbished railway carriage, subject to permissions being granted.</li> </ul>	
June 2021	Anti-social behaviour (ASB) at the Recreational Ground	Neighbouring residents have complained about ASB on the Recreation Ground and in the Illingworth Shelter. The Chair and Clerk met with the police and local residents to discuss options to improve the situation. The Police explained that only 4% of ASB happens in Braunton but this might not be a true a reflection, as many people don't report incidences to the 101 number.	
		<ul> <li>Council used EX33 to encourage people to report to the 101 non-emergency number.</li> </ul>	
		Invited the Police and Crime Commissioner to a future Council meeting.	
		<ul> <li>New double metal bin on order the Recreation Ground (previous bin burnt to the ground)</li> </ul>	
		<ul> <li>Mick Harrison, Sgt Thuborn to attend the Council meeting on the 14<sup>th</sup> December 21 – postponed due to Covid. Invited to attend the APM on 19 April</li> </ul>	
		The Police Crime and Prevention Office to advise Council regarding CCTV and lighting on site.	
July 2021	Pharmacy provisions in the village	The assessment regarding pharmacy provisions in Braunton has been delayed for a further year due to Covid 19.	
		Write to Devon County Council Health and Wellbeing Board, National Health Service (NHS) England, Devon Local Pharmaceutical Committee (DLPC) and Clinical Commissioning Group (CCG)	
		What is the process to open a pharmacy?	

		When is the Pharmaceutical Needs Assessment (PNA) being carried out for Braunton? Why has the PNA for Braunton been delayed? Who has the overall authority/responsibility to ensure that the demand for pharmacy provisions is being met?
October 2021 ongoing	Braunton Parish Action Plan	Council agreed to produce a Braunton Parish Action Plan working party consisting of: Cllrs D Relph, M Shapland, A Bryant, D Spear, E Spear and J Chesters. Working Party met on the 4 <sup>th</sup> May to consider in detail the NDC consultations regarding the Affordable Housing SPD. Draft response to be approved at full Council on the 10 <sup>th</sup> May.
March 2022	Accounts	Council has passed internal audit 2021/22.
March 2022	Acquisition of Batts Meadow	Completion on the acquisition of Batts Meadow. Section 106 – funding to improve open space at Batts Meadow.
April 2022	Reintroducing beavers in Braunton	Council to write to Defra and Natural England to support Braunton becoming a 'trial status' area. Cllr A Bryant to provide further details to the Clerk.
April 2022	Annual Parish Meeting	Prepared Annual Report for the APM held on 19 <sup>th</sup> April 22.
April 2022	Wildflower Verges	Met with AONB and Bumble Conservation Trust to discuss trialling different grass verge management techniques to encourage biodiversity. Clerk and Senior Council Officer attended DCC Nature Recovery training on 29 <sup>th</sup> April 22.
PARKS AND GARE	DENS/PROPERTY	PROGRESS
2019 – delayed (wa	iting for s106)	Install new swing set and communal area in Knowle Play Park. The Clerk has submitted a new S106 application for funding.
General ground work		Cut and strim: Knowle Play Park, Recreational Ground, entrance outside Pavilion, Memorial Gardens, Saunton Park verges, Village Green and Centre of Village and Georgeham Cross.
		General maintenance: Cleared leaves and debris from Caen Car Park, cut and cleared remainder of wall under Recreational Ground hedge, removed dead tree Recreational Ground, collected Oak Tree from St. Johns and planted in Memorial Gardens, serviced Kubota mower, painted exterior door Pavilion, took meter readings and repaired broken panel on Recreational Ground Shelter.

## FULL COUNCIL MEETING 10<sup>TH</sup> MAY 2022: AGENDA ITEM 22

## BRAUNTON PARISH COUNCIL



# Minutes of the Braunton Parish Council Advisory Discussion meeting held on Monday 25<sup>th</sup> April 2022 at 7:00 pm by video conference call.

	<u>Present</u>	Cllrs: E Spear in the Chair, D Spear, M Shapland, R Shapland, V Cann, P Lord, A Bryant and E Wood.
		Officers: T Lovell, Parish Clerk
		1 members of the public.
AD/111/2021/22	<u>Apologies</u>	Received from Cllr D Relph, J Chesters and G Bell.
AD/112/2021/22	Receive items for information not on the agenda, which in the opinion of the Chair should be brought to the attention of members.	There were none.
AD/113/2021/22	Declaration of Interest	Cllr V Cann declared a non Pecuniary interest in Minute Ref: AD/115/2021/22(c) (75126), as the applicant is an acquaintance.
AD/114/2021/22	Public Participation	There were none.
AD/115/2021/22	<u>Planning</u>	<ul> <li>(a) 75134</li> <li>Proposal: Demolition of garage and erection of single storey extension to dwelling</li> <li>Location: Ferncroft, Colley Park Road, Braunton,</li> <li>EX33 2AR</li> <li>Applicant: Mr Oliver Parkin</li> </ul>
		Moved by Cllr D Spear, seconded by Cllr R Shapland to recommend approval.
		RESOLVED: With seven in favour, none against and one abstention the Council recommends approval.
		<ul> <li>(b) 75049</li> <li>Proposal: Variation of condition 2 (approved plans) attached to planning permission 66333 (extensions and alterations to dwelling together with erection of 1</li> </ul>

detached studio building) in respect of various alterations Location: 6 Linden Close, Braunton EX33 1AW Applicant: Mrs Miranda Aubrey

Moved by Cllr R Shapland, seconded by Cllr V Cann to recommend approval.

RESOLVED: With no votes to contrary to recommend approval.

Cllr V Cann declared a non Pecuniary interest.

(c) 75126

Proposal: Erection of a single storey mono pitched building within garden to provide additional accommodation. Location: 27 Field Close, Braunton, Devon Ex33 1EP Applicant: Ms Caroline Sandford

Moved by Cllr R Shapland, seconded by Cllr P Lord to recommend approval.

RESOLVED: With no votes to contrary to recommend approval subject to it remaining ancillary to the main house.

(d) 75165

Proposal: Fence around the front garden and replace the garden with paving to be used as seating area. Location: 1A Higher Thorn Close, Braunton, Devon EX33 2FD Applicant: Miss Rachel Turner

Moved by Cllr R Shapland, seconded by Cllr D Spear to recommend approval.

RESOLVED: With seven in favour, one against and no abstentions to recommend approval subject to the paving being permeable.

(e) 75165
Proposal: Single storey rear extension.
Location: Slees Home Hardware, 11, 12 The Square, Braunton, Devon EX33 2JQ
Applicant: Mrs Serret

Moved by Cllr V Cann, seconded by Cllr D Spear to recommend approval.

RESOLVED: With no votes to the contrary to recommend approval.

(f) 75189

Proposal: Demolition of existing flat roof extension and replacement with pitched roof extension together with erection of boundary fence,

Location: 3 Orchard Close, Braunton, Devon EX33 1ET

Applicant: Mr P Marshall

Moved by Cllr V Cann, seconded by Cllr R Shapland to recommend approval.

RESOLVED: With no votes to the contrary the Council recommend approval.

AD/116/2021/22 North Devon Council – Planning Decision 74475

Description: Erection of 2 dwellings Site Address: Land to front of Green Valleys Lower Park Road, Braunton, Devon, EX33 2LH Applicant: Mr and Mrs Reid Decision: APPROVED Decision Date 07/04/2022

#### 74937

Description: Demolition of existing redundant outbuilding and erection of new unit of short-term residential treatment accommodation.

Site Address: 23 South Street, Braunton, Devon, EX33 2AA

Applicant: Steve Drake Decision: APPROVED Decision Date: 12/04/2022

74235

Description: Conversion of existing barn and lean-to to extend existing house and locate new holiday accommodation. Site Address: The Long House, Nethercott, Braunton, Devon, EX33 1HT Applicant: Sophy Miller Decision: APPROVED Decision Date: 14/04/2022

74256

Description: Listed Building Consent for conversion of existing barn and lean-to to extend existing house and local new holiday accommodation. Site Address: The Long House, Nethercott, Braunton, Devon, EX33 1HT Applicant: Sophy Miller Decision: APPROVED Decision Date: 14/04/2022

74966

Description: Demolition of garage and erection of two storey side extension and single storey rear extension.

Site Address: 36 South Park, Braunton, Devon, EX33 2HT Applicant: Mr and Mrs Rodliff Decision: APPROVED Decision Date: 12/04/2022

The meeting closed at 7.35pm.

Signed by the Chair: ..... (Cllr E Spear) Date: ....

	ton Parish Counci		AGENDA ITEM 22: INTERNAL AUDITOR REPORT		IAC√
Financial	Year 2021-22				
					IAC Audit and Consultancy L
Year End	Internal Audit Observations			Visit date:	19- April -2022
	This authority complied with its financial rec	gulations, payments were supported by invoice	s, all expenditure was approved and VAT was		
В	appropriately accounted for.				
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Have the Financial Regulations been subject to regular review in accordance with paragraph 1.14 of The Practitioners Guide 2021?	The Councils Financial Regulations were not subject to review during the year.	The Council to put in place a process for the regular review of Financial Regulations. It may be appropriate for this to be carried out on an annual basis, for example at the Annual Meeting of the Council.	Medium	
2	Can bank payment transactions be traced to source documents ? (Year End)	A sample of payments was selected. It was noted that the invoice for Non Domestic Rates for 2021-22 was not available (payments are recorded as made). It was also noted that a payment to Booker was supported by the payment advice (which had been signed and approved by the Clerk). The supporting invoice (which should be the document reviewed and approved) had not been signed.	Council to ensure that supporting paperwork is available to support ALL payments. In particular the Council should ensure that invoices are subject to review and approval rather that supplier statements or payment advices.	Medium	
С	·	to achieving its objectives and reviewed the ac			
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Minutes reviewed and no 'unusual activity' identified (year end)	It was noted that Minutes of Full Council refer to the approval of decisions of Committees. From a review of Minutes it appears that the Councils sub committees have not been meeting in accordance with the requirements for the Local Government Act and, therefore, these meetings, and any decisions made, are not legally valid.	The Council to review the arrangements in respect of meetings of committees. The Council to ensure that any meetings of Committees are held in accordance with legal requirements. The Council also to ensure that decisions are only made at legal meetings and that any record of meetings which have not legally been held are not presented as formal Minutes.	Medium	

	The precept or rates requirement resulted fro	om an adequate budgetary process; progress a	against the budget was regularly monitored:		
D	and reserves were appropriate.				
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Level of Reserves were appropriate, their purpose is identified	It was noted that the Councils reserves as at 31st March 2022 were £76,359, which is approximately 22% of the total of Council Staff Costs and Other Costs during the year. This is below the recommended minimum of 25%.	The Council to review its level of reserves to ensure that they are adequate.	High	
G	Salaries to employees and allowances to me requirements were properly applied.	mbers were paid in accordance with this author	prity's approvals, and PAYE and NI		
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Salaries and wages payable to staff have been appropriately approved and confirmed in writing.	Council has adopted Living Wage Foundation wage rates for most staff. From the records reviewed it is not clear whether this arrangement has been formally approved as a Contractual change to staff pay and conditions. It does not appear that this change has been formally advised to staff members affected.	The Council to review and consider whether the application of the Living Wage Foundation is a formal change to staff terms and conditions. If so, this should be formally advised in writing to the staff members affected.	High	
2	The Council has in a place a process for the review and approval of overtime or Time In Lieu	Council does not have in place a process for the formal review and approval of TOIL. It is understood that there is a limit in place for the amount of overtime that may be claimed/paid but that there is not formal limit on the amount of TOIL that can be accumulated.	The Council to put in place arrangements for the formal monitoring and approval of TOIL. As part of this the Council should consider specifying a limit on the amount go TOIL that can be accumulated.	High	
Н	Asset and investments registers were compl				
No.	Audit Test	Observation	Recommendation	Priority	Comments

I	Periodic bank account reconciliations were properly carried out during the year.				
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Bank reconciliations have been signed and dated as evidence of independent review (Year End)	Bank reconciliations have not been signed and dated as evidence of independent review.	Bank reconciliations which have been subject to review should be signed and dated as evidence of this review. This should be done prior to the approval of the accounting statements.	Medium	
2	There are no unexplained balancing entries in any reconciliation (Year End)	There were a number of old unreconciled items on the bank reconciliation which related to duplicate transactions previously identified by the Clerk. These were written back by the Clerk during the audit visit with a date of 19th April 2022	Council to review and approved the adjusting entries made by the Clerk	High	
J	Accounting statements prepared during the y expenditure), agreed to the cash book, support creditors were properly recorded.	year were prepared on the correct accounting orted by an adequate audit trail from underlyir			
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Year end debtor balances are reasonable and agree to year end Trial Balance	It was noted that the balance on the Devon County Council debtors account includes an amount in respect of 'Cutting of Visibility splays' which appears to relate to a duplicate Sales invoices (one invoice raised in April, one in November). This account also has three outstanding items in respect of rents for Caen School Playing Field for three years rent.	Council to review the debtor balance on Devon County Council and confirm that the balance is correct. The Council to undertake and overall review of all outstanding debtor balances and confirm the the balances stated as due from debtors is correct.	High	



# Braunton

# Housing Needs Assessment (HNA)

#### March 2022

Delivering a better world

### Quality information

Prepared by	Checked by	Approved by
Tony Sloan	Paul Avery	Paul Avery
Senior Town Planner	Principal Housing Consultant	Principal Housing Consultant

#### **Revision History**

Revision	Revision date	Details	Authorized	Name	Position
REV 01	26/01/2022	lssue for Internal Review	TS	Tony Sloan	Senior Town Planner
REV 02	27/01/2022	Internal Review	PA	Paul Avery	Principal Housing Consultant
REV 03	28/01/2022	Issue for NG review	TS	Tony Sloan	Senior Town Planner
REV 04	08/02/2022	NG Review	SP	Sue Prosper	Braunton Steering Group
REV 05	14/02/2022	Updated following NG Review	TS	Tony Sloan	Senior Town Planner
REV 06	16/02/2022	Internal Review	PA	Paul Avery	Principal Housing Consultant
REV 07	18/02/2022	Issue for Locality Review	TS	Tony Sloan	Senior Town Planner
REV 08	03/03/2022	Final Issue	TS	Tony Sloan	Senior Town Planner

Prepared for:

Braunton Neighbourhood Plan Steering Group

Prepared by:

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### List of acronyms used in the text:

- DLUHC Department for Levelling Up, Housing and Communities (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
- JLP Joint Local Plan
- LHN Local Housing Need
- LPA Local Planning Authority
- NA Neighbourhood (Plan) Area
- NP Neighbourhood Plan
- NPPF National Planning Policy Framework
- ONS Office for National Statistics
- PPG Planning Practice Guidance
- PRS Private Rented Sector
- RQ Research Question
- SHMA Strategic Housing Market Assessment
- VOA Valuation Office Agency

# **1. Executive Summary**

1. Braunton Neighbourhood Plan Steering Committee, commissioned from Locality a Housing Needs Assessment (HNA) to inform their emerging Neighbourhood Plan. In consultation with the neighbourhood planning group, we developed two research questions (RQs) for the HNA to answer. The RQs serve to direct our research into the key neighbourhood-level issues and provide the structure for the study.

# **Research Questions**

# Findings of RQ 1: Tenure and Affordability and the Need for Affordable Housing

# **Key Findings**

2. A worsening affordability crisis is evident in Braunton across all tenure options, with the effect that many forms of occupancy are clearly out of reach for local people and the products that have been designed to widen access to ownership could have a limited impact. In this context, the greatest priority should be to deliver and protect affordable rented housing. While the potential scale of need cannot be precisely known, it is clearly high in relation to the overall expected volume of development. Identifying Exception Sites and ensuring the right mix of affordable tenures are encouraged, to the extent that this can be controlled in NP policy, will be important. Improving affordability in the wider market is another valid aim, and could be supported by encouraging smaller/more dense/innovatively designed market housing.

## **Tenure Profile**

- 3. At the time of the 2011 Census, Braunton was characterised by a very high proportion of home ownership and a higher share of shared ownership compared to district and national levels. Braunton had lower proportions of both social and private rented tenures compared to North Devon and England.
- 4. Between 2001 and 2011 the proportion of shared ownership doubled (from 16 to 32 dwellings), exceeding the local and national growth. Home ownership only increased by 0.1% in the NA, compared to a 1.7% district increase and a 0.6% national decline. The social rental sector increased by 18.8%, compared to a 9.2% increase in North Devon and a 0.9% decline across England. The private rented sector also increased in the NA by 89.6%, compared to a 79.9% increase in North Devon and an 82.4% increase in England.

## **House Prices**

5. There has been a steady but gentle upward increase in house prices between 2011 and 2020. Mean house price in the NA increased by 51.0% and the median house price increased by 47.2%, recorded at £351,117 and £318,750 in 2020 respectively. The parish's lower quartile prices loosely tracked the median house price in terms of its

trajectory rising by 48.3%, recorded at £252,750 in 2020. Looking at house prices by type, detached properties experienced the greatest growth (44.0%) in Braunton. Whereas semi-detached and terraced properties experienced more modest growths of 24.9% and 28.3%, respectively. Flats tend to be substantially cheaper than the other housing in the NA, experienced the lowest growth between 2011 and 2020 (11.7%).

#### Affordability Thresholds

6. Table 1-1 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. Average incomes (£40,109) cannot access median or entry-level homes market homes. The median house price would require an annual income 104% higher than the current average. Market housing therefore remains out of reach to most. Locals may be priced out of the market as second/holiday homes push prices beyond their reach.

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)?	
				£40,109	£11,894	£23,788	
Market Housing							
Median House Price	£286,875	-	£81,964	No	No	No	
LA New Build Mean House Price	£261,000		£74,571	No	No	No	
LQ/Entry-level House Price	£227,475	-	£64,993	No	No	No	
Average Market Rent	-	£9,323	£31,076	Yes	No	No	
Entry-level Market Rent	-	£7,860	) <b>£26,200</b> Yes		No	No	
Affordable Home Ownership	•						
First Homes (-30%)	£180,731	-	£57,375	No No		No	
First Homes (-40%)	£154,913	-	£49,179	No	No	No	
First Homes (-50%)	£129,094	29,094 - <b>£40,98</b>		Marginal	Marginal No		
Shared Ownership (50%)	£143,438	£3,984	£54,263	No	No	No	
Shared Ownership (25%)	£71,719	£5,977	£40,413	Marginal	No	No	
Shared Ownership (10%)	£28,688	£7,172	£32,103 Yes		No	No	
Affordable Rented Housing	1	1					
Affordable Rent	-	£5,924	£19,726	Yes	No	Yes	
Social Rent	-	£4,489	£14,947	Yes	No	Yes	

#### Table 1-1 Affordability thresholds in Braunton (income required, £)

Source: AECOM Calculations

#### Affordable home ownership

- 7. Rent to Buy represents a viable route to affordable home ownership for mean incomes, however, is out of reach to lower quartile (LQ) incomes.
- 8. First Homes at 30% to 40% discounts fail to extend home ownership to those on median incomes. However, a discount of 50% may be in reach of those earning slightly above the average income. A discount of well over 50% would be required for LQ earners to be able to access discounted market sales. Shared ownership (particularly at 10% equity) appears to be more affordable than First Homes, but is broadly accessible to those on median incomes.

## Affordable rented housing

- 9. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, 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.
- 10. Affordable rented sector (both affordable private rent and social rent) is the only option for a large segment of those in the greatest need. Social rents are cheaper and give residents much greater protection from eviction compared to those renting privately or through a housing association.

#### Affordable housing- quantity needed

- HEDNA figures suggest that Braunton requires 200 affordable housing units over the Plan period. The HEDNA suggests a tenure split of 20% intermediate housing to 80% social/affordable rent.
- 12. The HEDNA figure of 200 dwellings exceeds the overall indicative housing need figure of 110 dwellings calculated in the Appendix A of this report. It is therefore unlikely that the Neighbourhood Plan will be able to accommodate the Affordable Housing calculated from HEDNA. However, pro-rating District level estimates of affordable housing need to rural areas can present problems as the District level figures are likely to represent higher needs in the urban areas of the District where there is a large 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 villages like Braunton the lack of social housing means there is minimal 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 difficult to more precisely identify need for social/affordable rented housing within Braunton.
- 13. 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.
- 14. NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Braunton, where 30% of all housing should be affordable (based on Joint Local Plan - Policy ST18), 33% of Affordable Housing should be for affordable ownership. This does not comply with the guideline tenure split sought in the Joint Local Plan (i.e. 25% intermediate accommodation).
- 15. 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 affordable home ownership would impact on the ability to deliver social/affordable rented homes.
- 16. The affordability thresholds suggest that affordable rented housing (particularly social rent) is essential for accommodating those on the lowest incomes in Braunton, who can afford few other options.

## Affordable Tenure Split

- 17. It would be advantageous to propose an 80% rented to 20% ownership mix, reflecting the HEDNA recommended split. However, national policy now stipulates that 'First Homes' should make up least 25% of the affordable housing requirement. As such is not possible for the HNA to recommend an 80/20 split, even though the evidence presented here suggest a need to prioritise affordable rented tenures to a high degree.
- 18. We therefore recommend a 75% rent to 25% ownership affordable tenure split. This accords higher priority to those in most need, First Home national policy and also aligns with the Joint Local Plan.
- 19. Whether a departure from First Homes policy requirements can be justified and should be pursued is a policy decision to be taken in the Neighbourhood Plan in collaboration with the Local Authority.

# Findings of RQ 2: Type and Size

# **Key Findings**

- 20. A modelling exercise has been undertaken to estimate the dwelling size needs of the parish at the end of the Neighbourhood Plan period. The results of this model are to be 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.
- 21. Affordability is a serious and worsening challenge in Braunton. While the provision of Affordable Housing 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. Neighbourhood Plan policies can provide a steer on this, clearly setting out the expectations of the community, even if final decisions will be made through negotiations with the Local Planning Authority. There is a sense locally that this has been challenging to achieve.
- 22. It is recommended that priority is given to smaller and mid-sized homes (one to three bedroom), however, this is done to a degree that aligns with the wider objectives of the community and does not limit choice or viability.

#### **Existing Types and Sizes**

23. Braunton has a significantly high proportion of bungalows. The NA and LPA have a comparable proportion of detached homes, significantly exceeding the national level. Braunton has a similar proportion of semi-detached homes than the LPA. The NA has a low proportion of terraces and a particularly limited provision of flats. Between 2011 and 2020 there was a notable decrease in four + bedroom dwellings and notable increase in three-bedroom properties. Braunton currently has a limited provision of one-bedroom homes.

## Age and Household Composition

- 24. In 2011, the NA had an older population compared local and national averages, and has continued to age. Between 2011 and 2020, the 65-84 age band recorded the largest growth in actual numbers, whereas the largest proportional change is seen in the 16-24 band declining by 21.2%. 45-64 remains the largest age band increasing by 7.1%. The 85 and over age band remained relatively steady, with a minor decline of 0.6%. The 0-15 age band increased by 13.4%, whereas the 25-44 age group declined by 15.4%.
- 25. ONS mid-2020 population estimates shows that Braunton now has a slighter higher proportion in the 0-15 age group compared to North Devon, although both remain lower than the national average. The proportion of 25-44 in Braunton is now lower than the proportion in North Devon. The 45-64 is now comparable across Braunton and North Devon, exceeding the rate in England.
- 26. In 2011 Braunton had a slightly lower proportion of one person households and a higher proportion of families compared to the LPA. Braunton had a higher proportion of elderly one person and family households compared to the local and national levels. In Braunton more families had dependent children rather than none, similar to the trend seen in North Devon and across England.
- 27. This together with data above suggests a scenario that established families may be moving to Braunton and stay. The decline in 16-24 and 25-44 age groups may be a result of people leaving the parish to seek employment and/or affordable housing.
- 28. The proportion of households with non-dependent children grew by 39.5% between 2001 and 2011 in the parish a faster rate the district (14.4%) and national (10.6%) average. 'Non-dependent children' refers to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. While the data is quite old at this point, 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.
- 29. The NA has a high rate of under-occupancy, 80% lived in a home with at least one extra bedroom in 2011.

#### Suggested Future Dwelling Size Mix

- 30. Modelling exercise suggests that new development for all housing tenures might involve the following share of dwelling sizes:
  - > 27.0% as one bedroom,
  - 18.6% as two bedrooms,
  - ➢ 32.1% as three bedrooms,
  - > 11.8% as four bedrooms, and
  - > 10.5% as five or more bedrooms.
- 31. It is generally not advisable to restrict the supply of specific size categories. The modelling results are a starting point for how best to address the more nuanced needs of the future population.

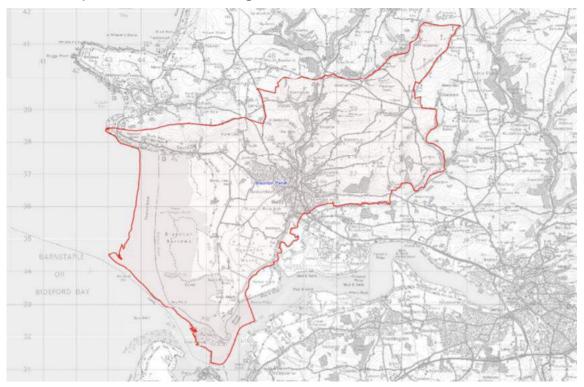
- 32. Those wishing to move within or relocate to the NA will have a range of circumstances and preferences, and they should be offered choices.
- 33. The Devon Home Choice register data presented in the Tenure and Affordability chapter suggests a significantly high need for one-bedroom dwellings (58.8%) amongst those in reasonable preference categories. Although, the Home Choice figure may be bias towards the need for smaller homes because of the size of property households are entitled to, rather than what they would occupy if they had the resources.
- 34. Whilst the modelling exercise for all tenures suggests 27.0% of new dwellings should be one bedroom, it's recognised that the increased flexibility of two bedrooms, weighed up against the relatively small extra cost and extra space, may offer a strong argument for providing two-bedroom dwellings instead of one bedroom dwellings.

# 2. Context

# Local context

- 35. Braunton is a Neighbourhood Plan area located in North Devon, South West England. The Neighbourhood Area (NA) boundary, designated in June 2016, aligns with that of the civil parish of Braunton.
- 36. A map of the Plan area appears below in Figure 2-1.

Figure 2-1 Map of the Braunton Neighbourhood Plan area<sup>1</sup>



Source: Braunton Parish Council

- 37. The proposed Neighbourhood Plan period starts in 2021 and extends to 2031, therefore comprising a planning period of 10 years. The evidence supplied in this report will look forward to the Plan end date of 2031, but where possible will also provide annualised figures which can be extrapolated to a different term if the Plan period changes.
- 38. The NA covers approximately 4,216 hectares, encompassing Braunton village and the surrounding rural hinterland. Braunton village is situated on the North Devon coast, approximately 9 kilometres to the west of Barnstaple, the district's commercial and administrative centre.
- 39. Although classed as a village, Braunton is one of the larger settlements in northern Devon and is an important local service centre providing a range of retail, education, health and community facilities and employment opportunities. Braunton village is centred on the main A361 road, which provides links between Barnstaple and Ilfracombe.

<sup>&</sup>lt;sup>1</sup> Available at http://www.brauntonparishcouncil.gov.uk/Braunton-PC/Default-27170.aspx

The small village of Wrafton is situated immediately to the south of Braunton, outside the Neighbourhood Plan area boundary, separated by an undeveloped gap.

- 40. The Barnstaple railway station is the closest railway station to the neighbourhood area. Barnstaple railway station is the northern terminus of the Tarka Line, providing links to Exeter via a number of local villages.
- 41. The statistics show that in the 2011 Census the NA had a total of 8,128 residents, formed into 3,552 households and occupying 3,863 dwellings. This equates to 311 vacant dwellings<sup>2</sup> across the NA, representing 8.1% of all dwellings. This is nearly double the average recorded across England (4.3%), reflecting Braunton's status as a tourist destination.
- 42. Braunton's population grew by 618 residents between 2001 and 2011, representing a population growth of approximately 8.2%. The Office for National Statistics (ONS) produces mid-year population estimates for parishes and wards throughout the country. The mid-2020 population estimate for Braunton is 8,272 indicating population growth of around 144 individuals since 2011. This represents a population growth of approximately 1.7%, much lower than the rate of growth between 2001 and 2011. It is 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.
- 43. The Valuation Office Agency (VOA) counts the stock of properties according to council tax banding and other measures in various areas. Data is provided for Lower Layer Super Output Areas (LSOAs) and their higher-scale equivalents (MSOAs Medium Super Output Areas). Braunton's parish boundary fully aligns with a combination of the following LSOAs:
  - North Devon 005A
  - North Devon 004A
  - North Devon 005B
  - North Devon 005C
  - North Devon 005D
- 44. It is therefore possible to recreate the NA boundary using the VOA dataset to estimate the current number of overall dwellings. VOA data shows that there were 3,930 dwellings in Braunton in 2021, indicating a growth of approximately 67 dwellings since 2011 (3,863 dwellings recorded in 2011 Census). It's important to note that this is an estimate, the VOA data rounds each dwelling category to the nearest 10 and may not reflect actual growth in the NA. Nevertheless, the estimated population growth associated with this suggested new development is 153 people (67 multiplied by the average household size

<sup>&</sup>lt;sup>2</sup> Vacant dwellings are households that do not have any usual residents. This includes households that may still be used by short-term residents, visitors who were present on census night, or a combination of short-term residents and visitors. It also includes vacant household spaces and household spaces that are used as second addresses.

in Braunton as of 2011 i.e. 2.29), which broadly algins with the scale of population growth suggested by the mid-2020 population estimates.

# Planning policy context

- 45. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.<sup>3</sup> In the case of Braunton, the relevant adopted Joint Local Plan (JLP) for North Devon consists of North Devon and Torridge Local Plan 2011-2031, Adopted October 2018. This Local Plan sets out the long-term vision for development across northern Devon up to 2031. The 'northern Devon' area is defined as comprising the districts of North Devon and Torridge, but excluding that part of North Devon District within Exmoor National Park.
- 46. The JLP designates the villages of Braunton and Wrafton as a single Main Centre within the settlement hierarchy. The spatial development strategy for Braunton and Wrafton over the JLP period (2011 – 2031) includes a minimum housing requirement of 390 dwellings, and new site allocations of approximately 420 dwellings beyond the neighbourhood plan boundary in Wrafton.
- 47. Under national planning policy, a review of Local Plan is to be completed within 5 years of adoption in order to assess whether it needs updating. In November 2020, North Devon District Council voted to undertake a review of the JLP, working in partnership with Torridge District Council. The review of the JLP has not been published as at the time of writing.

# Policies in the adopted local plan

48. Table 2-1 summarises adopted Local Plan policies that are relevant to housing need and delivery in Braunton.

# Table 2-1: Summary of relevant adopted policies in the Devon and Torridge Local Plan2011-2031

Policy	Provisions
Spatial Development Strategy for	Sets out the settlement hierarchy for the Plan Area. Braunton together with Wrafton is designated as a Main Centre. Main Centres are the largest settlements in northern Devon (beyond Barnstaple and Bideford), which function as major service centres where the majority of growth is proposed.

<sup>&</sup>lt;sup>3</sup> A description of the Basic Conditions of Neighbourhood Planning is available at <a href="https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum">https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum</a>

Policy	Provisions				
	Establishes a requirement for the delivery of a minimum of 17,220 dwellings across northern Devon over the plan period. This includes a planned housing requirement of 390 dwellings for Braunton and Wrafton between 2011 and 2031.				
Policy ST17 A Balanced Local Housing Market	Seeks to ensure that residential development proposals contribute to the re-balancing of the housing stock to help it better reflect the identified needs and demands for housing of existing and future communities of northern Devon, whilst helping foster sustainable, inclusive and mixed communities that are attractive places to live.				
Policy ST18 Affordable	Sets out the following affordable housing provision thresholds:				
Allordable Housing on Development Sites	<ul> <li>a) proposition for the or more diversingly, or grouter than 1,000 square metres residential floorspace irrespective, will be expected to provide on-site delivery of affordable housing equal to 30% of the number of dwellings (gross) on site;</li> <li>b) in rural areas, including the North Devon Coast Areas of Outstanding Natural Beauty, proposals for 6 to 10 dwellings will be expected to provide a financial contribution of broadly equivalent value to providing on-site affordable housing equal to 30% of the number of dwellings (gross) on site;</li> <li>c) If the requirement for affordable housing thresholds is removed from national planning policy or guidance then clauses (1)(a) and (1)(b) above will no longer have effect and all residential development proposals that provide for a net gain in open market housing will be required to provide affordable housing equal to 30% of the number of dwellings (gross) on site.</li> </ul>				
	Affordable housing will be sought initially on the basis of a tenure mix of 75% social rented and 25% intermediate accommodation, although variation may be negotiated on the basis of identified local housing need and/or development viability				
Policy ST19 Affordable Housing on Exception Sites	Establishes requirements for exceptional land release around defined settlements for the provision of affordable housing sites. The policy supports the delivery of an element of market housing on such proposals where this would enable the provision of significant additional affordable housing.				
Policy ST19A Starter Homes Exception Sites	Establishes additional requirements for qualifying Starter Homes Exception Sites in the Sub- Regional Centre, Strategic and Main Centres, Local Centres and Villages.				

Policy	Provisions
Policy BRA Spatial Development Strategy	<ul> <li>Sets out how the spatial vision for Braunton and Wrafton will be delivered, this includes:</li> <li>a. the provision of a minimum of 390 dwellings, including affordable homes, to meet the range of the community's housing needs during the Plan period between 2011 and 2031;</li> <li>b. provision of new site allocations of approximately 420 dwellings;</li> <li>c. two strategic extensions to the south-east of Braunton and Wrafton (outside the NP boundary - as part of the provision of new site allocations) to accommodate approximately 370 new family dwellings and serviced employment land.</li> </ul>

# 3. Approach

# **Research Questions**

49. The following research questions were formulated at the outset of the research through discussion with the Braunton Neighbourhood Plan Steering Group. They serve to direct the research and provide the structure for the HNA.

# **Tenure and Affordability**

- 50. The Steering 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 need now and into the future.
- 51. This evidence will allow Braunton 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.
- 52. The Steering Group are interested in exploring the need for Affordable Housing for sale (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 the need for Affordable Housing for sale has been provided where relevant and possible in the HNA.

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

# Type and Size

- 53. The Steering Group is seeking to determine what size and type of housing would be best suited to the local community.
- 54. The aim of this research question is to provide 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.
- 55. 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.
- 56. 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.

# 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?

# Quantity

- 57. The Braunton Neighbourhood Plan Area does not currently benefit from a specific HRF provided by North Devon through the Local Plan process. Instead, the JLP designates Braunton and the adjacent village of Wrafton as a single Main Centre, with a housing requirement figure (HRF) of 390 dwellings between 2011 and 2031.
- 58. As there is no specific HRF for the NA we have calculated a potential HRF in line with national policy and best practice, providing context to the wider results of this HNA. Our calculations suggest that an overall HNF of 110 dwellings, equating to 11 dwellings per annum between 2021 and 2031, may be appropriate. These calculations are detailed and discussed further in Appendix A.
- 59. This quantity figure does need to be caveated. In reality, the majority of the dwellings for the Braunton and Wrafton Main Centre are intended to be delivered outside the NA boundary, via an extension to the south east of Wrafton identified in the JLP. Also, the provisional HNF within the HNA has potential to differ from any HRF provided by North Devon after the completion of this report, and that in line with national policy, the North Devon HRF will supersede that calculated by AECOM (if it comes to a different figure).

# **Relevant Data**

- 60. 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:
  - Other Office of National Statistics (ONS) datasets providing more up-to-date demographic information;
  - ONS population and household projections for future years;
  - Valuation Office Agency (VOA) data on the current stock of housing;
  - Land Registry data on prices paid for housing within the local market;
  - Rental prices from Rightmove.co.uk;
  - Local Authority housing waiting list data; and
  - Housing and Economic Needs Assessment (HEDNA) Torridge and North Devon Councils (May 2016).
- 61. 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 be brought up to date in this way. Such patterns are instead generally assumed to persist to the present day.

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

RQ 1: What Affordable Housing (eg social housing, affordable rented, shared ownership, discounted market sale, intermediate rented) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?

# Introduction

- 62. This section approaches the question of affordability from two perspectives. First, it examines what tenure options are currently available in the parish 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.
- 63. 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.
- 64. 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.<sup>4</sup>
- 65. 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;

<sup>&</sup>lt;sup>4</sup> The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <u>https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48</u>. The relevant update to PPG is available here: <u>https://www.gov.uk/guidance/first-homes#contents</u>.

- 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 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**

- 66. 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.
- 67. Table 4-1 presents data on tenure in Braunton compared with North Devon and England from the 2011 Census, which is the most recent available source of this information.
- 68. Braunton is characterised by a very high proportion of home ownership compared to the district and national levels. The NA also has a higher level of shared ownership compared to both geographies. Braunton has lower levels of both social and private rented tenures compared to North Devon and England.
- 69. 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. However, it is interesting to observe the change recorded between the 2001 and 2011 Census: in Braunton the proportion of shared ownership doubled (from 16 to 32 dwellings), a rate of growth that exceeded the local and national averages. Home ownership increased by 0.1% in Braunton, compared to a 1.7% increase at the district level and a 0.6% decline at the national level. The social rental sector in Braunton increased by 18.8%, more than double the 9.2% increase recorded in North Devon, contrasting a 0.9% decline across England. The private rented sector also increased in Braunton by 89.6%, compared to a 79.9% increase in North Devon and an 82.4% increase in England.

Tenure	Braunton	North Devon	England
Owned; total	77.2%	68.5%	63.3%
Shared ownership	0.9%	0.7%	0.8%
Private/Other rented <sup>5</sup> ; total	15.5%	20.1%	18.2%
Social rented; total	6.4%	10.8%	17.7%
Local Authority rented	1.0%	2.4%	9.4%
Housing Association rented	5.4%	8.4%	8.3%

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

Sources: Census 2011, AECOM Calculations

# Affordability

## **House prices**

- 70. 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 for plans to examine trends in prices and consider what this reveals about the local housing market.
- 71. Figure 4-1 looks at selected measures of house prices in Braunton. It shows that home values in Braunton have been on a steady but gentle upward trend between 2011 and 2020. Over this period, the mean house price increased by 51.0% and the median house price increased by 47.2%. The median represents the middle number in a sequence arranged smallest to largest, whereas the mean captures the average of all the house prices, both high and low, the few outlying data points on the high end cause the mean to increase, making it higher than the median. Lower quartile prices loosely tracked the median house price in terms of its trajectory over time, rising by 48.3%. The lower quartile represents the bottom 25% value of all properties sold.
- 72. The highest houses prices over this time period were recorded in 2020, at £351,117 for mean, £318,750 for median and £252,750 for lower quartile.

<sup>&</sup>lt;sup>5</sup> '*Private rented or letting agency*' includes accommodation that is rented from a private landlord or letting agency. 'Other Rented' includes employer of a household member and relative or friend of a household member and living rent free.

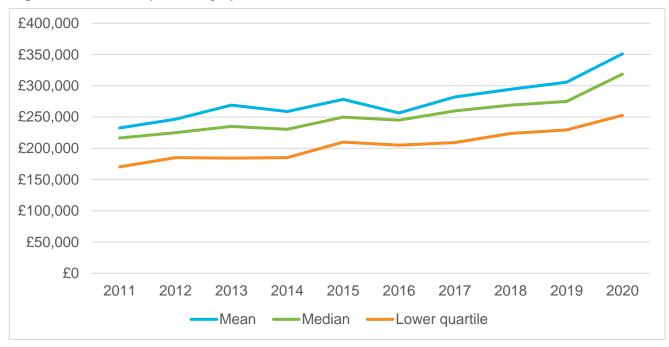


Figure 4-1: House prices by quartile in Braunton, 2011-2020

Source: Land Registry PPD

73. Table 4-2 below breaks down house prices by type, presenting the median within each type. It shows that detached properties experienced the greatest growth at 44.0%. Semidetached and terraced experienced more modest growths of 24.9% and 28.3%, respectively. Flats experienced the lowest growth between 2011 and 2020 at 11.7%, and tend to be substantially cheaper than the other housing types in the neighbourhood area.

Туре	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Growth
Detached	£250,000	£250,000	£279,000	£278,000	£290,000	£297,475	£300,000	£305,000	£320,000	£360,000	44.0%
Semi- detached	£223,000	£211,000	£208,000	£216,875	£239,950	£242,000	£252,000	£249,950	£268,000	£278,500	24.9%
Terraced	£184,000	£190,000	£181,000	£180,000	£215,000	£200,000	£210,000	£231,000	£227,500	£236,000	28.3%
Flats	£145,000	£145,500	£142,500	£130,125	£144,000	£134,500	£155,000	£133,500	£156,000	£162,000	11.7%
All Types	£216,500	£225,000	£235,000	£230,500	£250,000	£245,000	£259,750	£268,975	£275,000	£318,750	47.2%

Table 4-2: Median house prices by type in Braunton, 2011-2020

Source: Land Registry PPD

# Income

- 74. 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.
- 75. The first source is ONS's estimates of annual household income. 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 in Braunton before housing costs was £40,109 in for 2017/2018, as indicated in the Local Insight Report.
- 76. 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. North Devon's gross individual lower quartile annual earnings were £11,894 in 2020. To estimate the income of households with two lower quartile earners, this figure is doubled to £23,788.

77. It is immediately clear from this data that there is a 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

- 78. 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.
- 79. AECOM has determined thresholds for the income required in Braunton 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 B.
- 80. 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.
- 81. 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.
- 82. 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.

	rent	required	on average incomes?	earnings (single earner)?	on LQ earnings (2 earners)?
			£40,109	£11,894	£23,788
£286,875	-	£81,964	No	No	No
£261,000		£74,571	No	No	No
£227,475	-	£64,993	No	No	No
-	£9,323	£31,076	Yes	No	No
-	£7,860	£26,200	Yes	No	No
£180,731	-	£57,375	No	No	No
£154,913	-	£49,179	No	No	No
£129,094	-	£40,982	Marginal	No	No
£143,438	£3,984	£54,263	No	No	No
£71,719	£5,977	£40,413	Marginal	No	No
£28,688	£7,172	£32,103	Yes	No	No
-	£5,924	£19,726	Yes	No	Yes
-	£4,489	£14,947	Yes	No	Yes
	£261,000 £227,475 - - £180,731 £154,913 £154,913 £129,094 £143,438 £71,719 £28,688	£261,000         £227,475         -         £9,323         -         £7,860         £180,731         £154,913         £129,094         £143,438         £3,984         £71,719         £5,977         £28,688         £7,172	£261,000£74,571£227,475-£64,993-£9,323£31,076-£7,860£26,200-£7,860£26,200£180,731-£57,375£154,913-£49,179£129,094-£40,982£143,438£3,984£54,263£71,719£5,977£40,413£28,688£7,172£32,103-£5,924£19,726	£261,000£74,571No£227,475-£64,993No-£9,323£31,076Yes-£7,860£26,200Yes-£7,860£26,200Yes£180,731-£57,375No£154,913-£49,179No£129,094-£40,982Marginal£143,438£3,984£54,263No£71,719£5,977£40,413Marginal£28,688£7,172£32,103Yes-£5,924£19,726Yes	£286,875       -       £81,964       No       No         £261,000       £74,571       No       No         £227,475       -       £64,993       No       No         -       £9,323       £31,076       Yes       No         -       £7,860       £26,200       Yes       No         -       £7,860       £26,200       Yes       No         £180,731       -       £57,375       No       No         £129,094       -       £49,179       No       No         £143,438       £3,984       £54,263       No       No         £71,719       £5,977       £40,413       Marginal       No         £28,688       £7,172       £32,103       Yes       No

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

Source: AECOM Calculations

83. 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

- 84. 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 104% higher than the current average.
- 85. The high house prices in Braunton may be partly attributed to second/holiday homes. According to the 2011 Census, 8.1% of all dwellings across the NA are vacant compared to the national average of 4.3%. Vacant dwellings include households used by shortterm residents and visitors as well as household spaces that are used as second addresses.

86. Private renting is generally only affordable to average earners. Households made up of 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.

#### Affordable home ownership

- 87. There is a relatively large group of households in Braunton who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £26,200 per year (at which point entry-level rents become affordable) and £64,993 (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.
- 88. 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.
- 89. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. First Homes appear to be largely unaffordable for those on average incomes, although the affordability threshold for 50% discount (£40,413) may be in reach of those earning slightly above the average income (£40,109). In order for lower quartile earners to be able to access discounted market sales, a discount of well over 50% would be required.
- 90. Table 4-4 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.
- 91. As Table 4-4 shows, in order to access a First Home based on the median house price, households on mean income would require a discount of 51%, single earner households on lower quartile incomes would require a discount of 85%, and dual-earners would need a discount of 71%.

Tenure/product	Mean Income	LQ Income x1	LQ Income x2
NA Median house price	51%	85%	71%
LA New build mean house price	46%	84%	68%
NA Entry-level house price	38%	82%	63%

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

Source: Land Registry PPD; ONS MSOA total household income

- 92. Shared ownership (particularly at 10% equity) appears to be more affordable than First Homes, but are both broadly accessible to those on median incomes. Government has recently announced that the minimum equity share for shared ownership will fall to 10% of the property value.<sup>6</sup> If this is delivered in the NA, it will make shared ownership easier to access for more people. 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.
- 93. 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.
- 94. The income required to access rent to buy is assumed to be the same as that required to afford market rents. In this case, this income required to access entry level rents is £26,200 and average market rent is £31,076. Given average rents are affordable to those on mean incomes, Rent to Buy is likely to be a suitable option for those on average incomes who wish to access home ownership. However, given average rents (and entry level rents) are not affordable to households on LQ incomes, even with two earners, Rent to Buy is still not enough for LQ income households, who are likely to require affordable rented provision.
- 95. 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

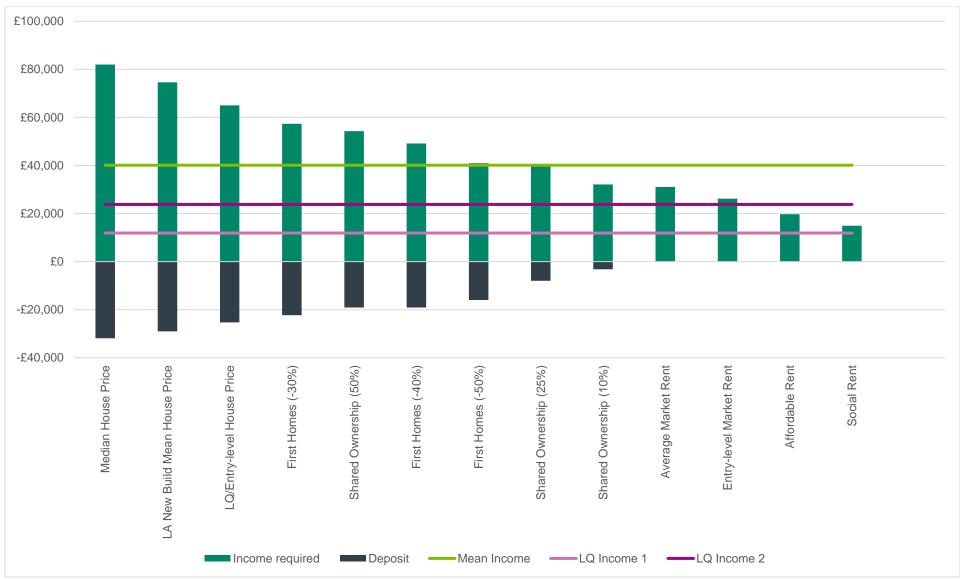
<sup>&</sup>lt;sup>6</sup> The previous minimum equity share was 25%. This change took effect from 28 June 2021 and transitional arrangements are in place for planning policy documents that are prepared during the implementation timeframe. Changes are also introduced to make the process of staircasing to full ownership more gradual with lower minimum increments of 1%. The ministerial statement confirming and detailing the changes is available here: <u>https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48</u>.

charges and 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.
- 96. In conclusion, such products do little to help households on lower earnings, even where there are two earners. Lower income households appear unable to afford any market tenure, including entry level rent. Taking into consideration the affordability thresholds set out above, it is apparent that the income required to buy an average market home, average new build home, or even lower quartile existing home for sale is higher than what would be expected to be available to those on average household incomes. Home ownership is out of reach for many, although shared ownership at a lower than 25% equity share may allow average earning households to get a foot on the housing ladder, while rent to buy is helpful to those on median incomes with little or no savings for a deposit. Likewise, First Homes (especially at 50% discount) may provide a better long-term investment to those who can afford to access it.

#### Affordable rented housing

- 97. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, 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.
- 98. The evidence in this chapter suggests that the affordable rented sector (both affordable private rent and social rent) performs a vital function in Braunton 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 mean that households supported by housing benefit to cover their rent. Although it is recognised that social housing usually has secure tenancies, giving residents much greater protection from eviction and enhanced rights compared to those renting privately or through a housing association.





Source: AECOM Calculations

## Affordable housing- quantity needed

- 99. The approach detailed in the following section has been used to get an understanding of the broad scale of need that might be attributable to Braunton based on the most targeted available study.
- 100. The starting point for understanding the need for affordable housing in Braunton is the relevant Strategic Housing Market Assessment SHMA. The Northern Peninsula SHMA was prepared in 2008 in partnership with the other local authorities who reside within the same housing market area with an update relating to North Devon and Torridge completed in 2012. A Housing and Economic Needs Assessment (HEDNA) and associated update were subsequently completed in 2016.
- 101. The HEDNA study estimates the need for affordable housing in accordance with Planning Practice Guidance at the time, using 2012-based Sub-national Population and Household Projections as its demographic starting point; before completing an assessment of their assumptions and legitimacy. In doing so the HEDNA tested alternative demographic scenarios, with the analysis considering potential sensitivities.
- 102. The HEDNA identifies that there is a total net need for 345 units of affordable housing each year across the entire Housing Market Area (HMA), split between 174 (North Devon) and 171 (Torridge). The HEDNA suggests that 20% of the affordable need is for intermediate housing and 80% is for social/affordable rent. When the HEDNA figure for North Devon is pro-rated to Braunton based on its fair share of the population (8.7% of the North Devon's population), this equates to 20 homes per annum (predominately for social/affordable rent) or 200 homes over the Neighbourhood Plan period 2021-2031.
- 103. Applying the HEDNA tenure split to the overall need implies the following affordable housing mix:
  - 40 affordable home ownership units
  - 160 affordable rented units
- 104. These HEDNA figures suggest that Braunton potentially has a large volume of need in proportion to the indicative housing need figure of 110 dwellings calculated in Appendix A of this report. It is therefore unlikely that the Neighbourhood Plan will be able to accommodate its potential share of the HEDNA identified Affordable Housing need estimated here.
- 105. This figure may overestimate the actual need in the NA as it also exceeds the 85 households in reasonable preference categories (priority bands A to D) on the Devon Home Choice register who had an address in Braunton, as of May 2021<sup>7</sup>. The approach to banding applications can be summarised as 'emergency housing need' (Band A), 'high housing need' priority (Band B), 'medium housing

<sup>&</sup>lt;sup>7</sup>Source: Braunton Neighbourhood Plan Steering Group – Requested from North Devon District Council in its capacity as manager of the local housing waiting list.

need' priority (Band C), 'low housing need' priority (Band D) and no housing need (Band E). A full description of the banding system can be found on Devon Home Choice website<sup>8</sup>. In relation to Braunton there are 0 households in Band A, 30 households in Band B, 13 households in Band C, 42 households in Band D, and 48 households in Band E. Of the 85 dwellings in reasonable preference categories, the Devon Home Choice register suggests there is a need for 50 onebedroom dwellings (58.8%), 20 two-bedrooms dwellings (23.5%), 14 threebedrooms dwellings (16.5%), and 1 four- bedroom dwelling (1.2%). It's important to express caution with these figures as there is usually a bias towards the need for smaller homes in the affordable sector because of the size of property households are entitled to (rather than what they would occupy if they had the resources).

- 106. Pro-rating District level estimates of affordable housing need to rural areas can present problems as the District level figures are likely to represent higher needs in the urban areas of the District where there is a large 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 villages like Braunton the lack of social housing means there is minimal 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 difficult to more precisely identify need for social/affordable rented housing within Braunton.
- 107. It is important to keep in mind that the households identified in the affordable home ownership unit HEDNA estimate above are, by and large, adequately housed in the private rented sector. They do not lack their own housing but would prefer to buy rather than rent. 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, though there are tools available to the Steering Group 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).
- 108. 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.

### Affordable Housing policy guidance

109. North Devon's adopted policy on this subject (Policy ST18) requires 30% of all new housing on sites of 11 dwellings or more to be affordable. 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

<sup>&</sup>lt;sup>8</sup> https://www.devonhomechoice.com/sites/default/files/DHC/devon\_home\_choice\_policy\_v10.0\_august\_2021.pdf

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.

- 110. 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 as75% social rented and 25% intermediate accommodation in the Local Plan. The HNA can supply more localized evidence, 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 Braunton specifically.
- 111. 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: Based on the HEDNA figures, this study estimates that Braunton requires roughly 160 units of affordable rented housing and 40 units of affordable home ownership over the Plan period. The relationship between these figures suggests that 80% of Affordable Housing should be rented and 20% should offer a route to ownership. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes, 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. The HEDNA tenure split prioritises tenures to assist those in acute need.
  - 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.

Based on the indicative HRF provided in Appendix A, if the Local Plan target of 30% were achieved on every site, up to around 33 affordable homes might be expected in the NA. As previously noted, there are no site allocations within the NA boundary. Any residential development which comes forward in the form of small infill developments is unlikely to be large enough to meet the threshold of 11 dwellings, above which the Affordable Housing policy applies. If that is the case, the potential delivery of Affordable Housing is likely to be lower still. This is not sufficient to satisfy the total potential demand for Affordable Housing identified from the HEDNA.

It's recognised that affordable housing may be come forward in the NA on exception sites, where the starting point for delivery is an expectation of providing 100% affordable housing. Where this is not viable, the level of open market housing will be the minimum required to provide the necessary financial cross-subsidy to deliver the proposed affordable housing.

As there are no site allocations within the NA and because the level of affordable housing provision on any future exception sites is unknown, it is reasonable to assume that supply will be limited. We therefore recommend that affordable rented housing should have a higher weighting in the tenure mix to ensure that the most acute needs are met as a priority. The 75% rented 25% ownership guideline mix in the Local Plan may offer an appropriate benchmark given the national policy limitations noted below.

C. Government policy (eg NPPF) requirements: current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. For 10% of all housing to be affordable ownership in Braunton, where 30% of all housing should be affordable (based on JLP Policy), 33% of Affordable Housing should be for affordable ownership. This does not comply with the guideline tenure split sought in the JLP (i.e. 25% intermediate accommodation).

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 affordable home ownership would impact on the ability to deliver social/affordable rented homes.

- D. Local Plan policy: As noted above, the adopted Local Plan seeks a tenure split of 75% affordable rented and 25% intermediate accommodation.
- 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. This would not be the case across North Devon as the JLP seeks 75% affordable rented.

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 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.

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 Braunton: as per the evidence presented in this chapter, Braunton has comparatively high levels of shared ownership but low rates of social rental properties. This suggests that some provision of Affordable Housing (particularly social and affordable rent) 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.
- 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 parish. 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 Braunton and/or the wider district. 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.
- 112. On the basis of the considerations above, Table 4-4 proposes an indicative Affordable Housing tenure mix that might be sought through Neighbourhood Plan policy. Given the affordability thresholds presented earlier, we recognise it would be advantageous to propose an 80% rented to 20% ownership mix, reflecting the HEDNA recommended split. However, national policy now stipulates that 'First Homes' should make up least 25% of the affordable housing requirement. In light of this policy context it is not possible for this report to recommend an 80/20 split, even though the evidence presented here suggest a need to prioritise affordable rented tenures to a high degree. Whether a departure from First Homes policy requirements can be justified and should be pursued is a policy decision to be taken in the Neighbourhood Plan in collaboration with the Local Authority.
- 113. Instead, we turn to the Joint Local Plan guideline mix of 75% rented to 25% ownership, which maximises the delivery of affordable rented options while also complying with the nationally mandated First Homes requirements for affordable home ownership.
- 114. If the First Homes product can be secured at greater discount levels (i.e. 50% of sale prices) then this product would be comparable, in terms of affordability, with shared ownership at a 25% share. While this discount might be unattainable, any lower discounts would still facilitate access to home ownership to groups of people, such as those earning slightly over the median income or young buyers

that may have additional financial support from their families, for instance. With First Homes taking up the full 25% share for the affordable home ownership provision there is little scope to include the rent to buy and shared ownership tenures within the suggested mix.

- 115. 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.
- 116. 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 North Devon to gather more detailed income and viability information, and to ensure that departures from the local policy context have their support.
- 117. 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.
- 118. AECOM cannot provide guidance on the appropriate share of social/affordable rented homes as this will depend on the level of funding available to housing associations which will determine at what level rents can be set. Registered providers (eg housing associations) may be reluctant to deliver small numbers of homes where there are ongoing management costs involved. For this reason, the proportion of rented homes which can be secured may depend on the willingness of local housing association to maintain and manage small numbers of homes.

Topuro	Indiaativa mix	Considerations and uncortainties
Tenure	Indicative mix	Considerations and uncertainties
Routes to home ownership, of which	25%	
First Homes	25%	Product untested so uncertainties around viability, developer, lenders and buyer appetite etc.
Shared ownership	0%	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	75%	
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.

Source: AECOM calculations

## **Conclusions- Tenure and Affordability**

- 119. At the time of the 2011 Census, Braunton was characterised by a very high proportion of home ownership and a higher share of shared ownership compared to district and national levels. Braunton had lower proportions of both social and private rented tenures compared to North Devon and England.
- 120. The 2021 Census will provide the most robust and up-to-date picture. However, it is interesting to observe the change recorded between the 2001 and 2011 Census. The proportion of shared ownership doubled (from 16 to 32 dwellings), exceeding the rate of growth at local and national averages. Whilst home ownership only increased by 0.1%, compared to a 1.7% increase at the district level and a 0.6% decline at the national level. The social rental sector in Braunton increased by 18.8%, compared to a 9.2% increase in North Devon and a 0.9% decline across England. The private rented sector also increased in Braunton by 89.6%, compared to a 79.9% increase in North Devon and an 82.4% increase in England.
- 121. In terms of house prices, there has been steady but gentle upward trend between 2011 and 2020. The mean house price increased by 51.0% and the median house price increased by 47.2%, to £351,117 and £318,750 respectively in 2020. Lower quartile prices loosely tracked the median house price in terms of its trajectory between 2011 and 2020, rising by 48.3%, to £252,750 in 2020.

- 122. Looking at house prices by type, detached properties experienced the greatest growth at 44.0%. Whereas semi-detached and terraced properties experienced more modest growth rates of 24.9% and 28.3%, respectively. Flats experienced the lowest growth between 2011 and 2020 at 11.7%, and tend to be substantially cheaper than the other housing types in the neighbourhood area.
- 123. By benchmarking the incomes required to afford the different tenures in the neighbourhood area, we determined the following:
- 124. Those on average incomes (£40,109) cannot access median or entry-level homes market homes. The median house price would require an annual income 104% higher than the current average. Therefore, market housing is likely to remain out of reach to most. Existing residents may be priced out of the market as second/holiday homes push house prices beyond the reach of locals.
- 125. Private renting is generally only accessible to those on average incomes, while average lower quartile earners cannot afford the rental thresholds. Therefore, Rent to Buy represents a viable route to affordable home ownership to those on mean incomes, however, is likely to be out of reach to those on lower quartile incomes.
- 126. There is a 'can rent, can't buy' cohort who are able to afford to rent privately but cannot afford home ownership, who may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 127. The income required to afford First Homes has been tested against the implications of 30%, 40% and 50% discount levels. Discounts of 30% and 40% appear to be largely unaffordable for those on average incomes, although the affordability threshold for 50% discount (£40,413) may be in reach of those earning slightly above the average income (£40,109).
- 128. In order for lower quartile earners to be able to access discounted market sales, a discount of well over 50% would be required. The discount on average market sale price required to enable households on mean incomes to afford median priced homes is 51%. For single earner households on lower quartile incomes, a discount of 85% would be required, while dual-earners would need a discount of 71%.
- 129. Shared ownership (particularly at 10% equity) appears to be more affordable than First Homes, however, these tenures are both broadly accessible to those on median incomes. While the income threshold for a 10% or 25% equity shared ownership home may be within the reach of median earners, 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.
- 130. Affordable rented housing (particularly social rent) is essential for accommodating those on the lowest incomes in Braunton, who can afford few other options.

- 131. When calculations presented in the HEDNA are pro-rated to Braunton based on its fair share of the population (8.7% of the LPA's population), Braunton can be assumed to have a need for 20 affordable homes per annum or approximately 200 homes over the Neighbourhood Plan period (2021-2031). Note, this figure is based on the district's need and doesn't necessarily reflect the lower need and suitability for affordable housing in more rural areas.
- 132. The HEDNA suggests that 20% of the affordable need is for intermediate housing and 80% is for social/affordable rent. Applying the HEDNA tenure split to the overall need implies there is a need for 40 affordable home ownership units and 160 affordable rented units. These HEDNA figures suggest that Braunton potentially has a large volume of need in proportion to the indicative housing need figure of 110 dwellings calculated in the Appendix A of this report. It is therefore unlikely that the Neighbourhood Plan will be able to accommodate the Affordable Housing identified from the HEDNA.
- 133. Based on a list of considerations presented in the 'policy guidance' section of this chapter, we recommend that an appropriate balance between affordable rented tenures and affordable home ownership within the Affordable Housing that comes forward on mainstream development sites would be 75% rent to 25% ownership. This reflects the Local Plan guideline mix of 75% rented to 25% ownership which also complies with the nationally mandated First Homes requirements for affordable home ownership.
- 134. We recognise it would be advantageous to propose an 80% rented to 20% ownership mix, reflecting the HEDNA recommended split. However, national policy now stipulates that 'First Homes' should make up least 25% of the affordable housing requirement. As such is not possible for the HNA to recommend an 80/20 split, even though the evidence presented here suggest a need to prioritise affordable rented tenures to a high degree. Whether a departure from First Homes policy requirements can be justified and should be pursued is a policy decision to be taken in the Neighbourhood Plan in collaboration with the Local Authority.
- 135. Table 4-5 summarises Braunton's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among subcategories of tenure to meet local needs over the Plan period. This exercise simply applies the 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.

	Step in Estimation	Expected delivery
А	Indicative need figure (HNA) <sup>9</sup>	110
В	Affordable housing quota (%) in LPA's Local Plan	30%
С	Potential total Affordable Housing in NA (A x B)	33
D	Rented % (e.g. social/ affordable rented)	75%
E	Rented number (C x D)	25 (24.6)
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	25%
G	Affordable home ownership number (C x F)	8 (8.3)

# Table 4-5 Estimated delivery of Affordable Housing in Braunton between 2021 and 2031

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

- 136. The expected level of delivery based on LPA's affordable housing policies doesn't meet the quantity of demand identified in HEDNA estimates of the need for affordable housing. Therefore, it is recommended that the policy requirement be met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) to be explored. If the group considers exceeding the Local Plan policy requirement in the neighbourhood plan then it must be noted 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 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.
- 137. 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. It has been suggested by the Steering Group that there has been a poor track record of this happening, resulting in under delivery. 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.

<sup>&</sup>lt;sup>9</sup> See Appendix A for more information.

# 5. RQ 2: Type and Size

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

- 138. The evidence in this chapter is intended to give a snapshot of the existing dwelling stock in Braunton 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.
- 139. 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 (understood to be a key objective of the Steering Group). 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.

# Existing types and sizes

### **Background and definitions**

- 140. 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 having more buying power choosing to occupy larger homes, and often preferring detached properties to denser types, such as flats.
- 141. 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.
- 142. 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.
- 143. 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 (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.

144. As noted in the Context section of this report, there is no perfect data source for the current mix of dwellings in the NA. In Braunton's case, Valuation Office Agency (VOA) boundaries can be made to align exactly with the NA area and as such this data can be used to understand the makeup of the housing stock

### **Dwelling type**

- 145. The data in Table 5-1 overleaf shows that Braunton has a significantly high proportion of Bungalows, which comprise nearly one third of all homes within the neighbourhood area. Although it is not necessarily a given that bungalows are completely accessible (e.g. for an occupant using a wheelchair),bungalows may represent an appealing offering for older people and those with mobility challenges. The availability of these bungalows for those with specific need is unknown given the relatively high proportion of second/holiday homes in the NA, which may be depleting the stock and increasing price pressure for the remaining bungalows.
- 146. The proportion of detached properties is comparable between Braunton and North Devon, both significantly exceeding the national level for this house type. The Parish is highly rural and the detached properties have/had the luxury of space to build in – in the form of extensions or even in-filling land for additional properties and holiday lets.
- 147. Braunton and North Devon also have a similar proportion of semi-detached homes, both lower than the national level.
- 148. Braunton has a lower proportion of terraces and a particularly low provision of flats. Flats and Terraces are generally the most affordable home types. The underrepresentation of these types might be expected to limit the options for local people on lower incomes, particularly growing families or downsizers or simply those who cannot afford the majority of the options currently available. Flatted development may, however, be deemed inappropriate for other reasons such as that of density and character.

Dwelling type	Braunton	North Devon	England
Bungalow	30.3%	17.8%	9.4%
Flat	8.9%	15.6%	23.0%
Terrace	16.8%	24.5%	26.4%
Semi-detached	15.8%	15.3%	23.8%
Detached	23.4%	24.0%	15.9%
Unknown/other	4.8%	2.8%	1.4%

Source: VOA 2021, AECOM Calculations

149. Census 2011 data is also presented in Table 5-2 alongside the raw VOA figures (which counts the stock of properties according to council tax banding), however this unfortunately 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 other dwelling types). Note also that VOA data is rounded to the nearest 10 in each dwelling category.

Property type	2011 (Census)	2021 (VOA)
Bungalow	-	1,180
Flat	384	350
Terrace	640	660
Semi-detached	999	620
Detached	1,765	920
Unknown/other	-	190
Total	3,863	3,930

Table 5-2: Accommodation type, Braunton, 2011 and 2021

Source: ONS 2011, VOA 2021, AECOM Calculations

### **Dwelling size**

- 150. Table 5-3 sets out current statistics and the change in the mix of housing by number of bedrooms in Braunton, comparing the 2011 Census mix to 2021 VOA data. While the VOA data helpfully shows changes that have been made to existing homes, the table appears to show a notable decrease in the amount of four + bedroom properties and a notable increase in three-bedroom dwellings. This could indicate that those in larger dwellings have chosen to convert spare bedrooms to other habitable rooms, but may be a function of changes in how dwellings have been classified. The amount of one and two properties in Braunton remains relatively unchanged.
- 151. Note the 2011 Census data in Table 5-3 only includes active dwellings, whereas the 2011 Census Data in Table 5-2 includes all properties. Also, the discrepancy between the VOA totals in Table 5-2 and Table 5-3 is likely a result of small-scale rounding within each category, full clarity is not available.

<sup>&</sup>lt;sup>10</sup> Note that Table 5-1 presents bungalows as a distinct dwelling type whereas Census data counts bungalows within each of the other categories.

Number of bedrooms	2011 (Census)	2021 (VOA)
1	240 (6.8%)	230 (6.3%)
2	1,008 (28.4%)	1,110 (29.9%)
3	1,508 (42.5%)	1,700 (46.2%)
4+	790 (22.2%)	640 (17.4%)
Unknown/No Bedrooms	6 (0.2%)	10 (0.3%)
Total	3,552 (100%)	3,680 (100%)

#### Table 5-3: Dwelling size (bedrooms), Braunton, 2011 and 2021

Source: ONS 2011, VOA 2021, AECOM Calculations

152. Again, it is useful to look at the percentage breakdown of dwelling sizes in comparison with the wider district and country. Braunton has a limited provision of one-bedroom homes, significantly lower than the national average. The NA has a slightly higher proportion of two-bedroom homes compared to local and national levels, and a significantly higher lower proportion of homes with three bedrooms. Finally, Braunton has a relatively low proportion of four+ bedroom properties compared to North Devon, although both exceed the rate found in England as a whole.

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Number of bedrooms	Braunton	North Devon	England
1	6.3%	9.6%	12.3%
2	29.9%	28.6%	28.1%

Table 5-4: Dwelling size (bedrooms), various geographies, 2021

Source: VOA 2021, AECOM Calculations

3

4+

## Age and household composition

46.2%

17.4%

153. Having established the current stock profile of Braunton 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.

40.7%

20.5%

43.4%

15.5%

### Age structure

154. Table 5-5 overleaf shows the most recent estimated age structure of the NA population, alongside 2011 Census figures. The direction of travel in population change is towards ageing: the largest growth in actual numbers is in the 65-84 age band, whereas the largest proportional change is seen in the 16-24 age band which declined by 21.2%. The 45-64 remains the largest single age band in Braunton, increasing by 7.1% between 2011 and 2020. The 85 and over age group remained relatively steady, with a minor decline of 0.6%. In terms of younger demographics, the 0-15 age band increased by 13.4%, this is slightly greater than the increase recorded for 65-84 (13.0%). Finally, the 25-44 age group declined by 15.4%.

- 155. 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.
- 156. 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.

Age group	2011 (0	Census)	2020 (ONS, estimated)		Rate of Change	
	Рор.	%	Pop.	%	%	
0-15	1,280	15.7%	1,451	17.5%	13.4%	
16-24	666	8.2%	525	6.3%	-21.2%	
25-44	1,796	22.1%	1,519	18.4%	-15.4%	
45-64	2,201	27.1%	2,357	28.5%	7.1%	
65-84	1,826	22.5%	2,063	24.9%	13.0%	
85 and over	359	4.4%	357	4.3%	-0.6%	
Total	8,128	100%	8,272	100%	13.4%	

#### Table 5-5: Age structure of Braunton population, 2011 and 2020

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

157. For context, it is useful to look at the parish population structure alongside that of the district and country. Figure 5-1 (using 2011 Census data) shows that the NA population was generally older than the local and national averages. Compared to North Devon, Braunton has a greater share of the population in the 65-84 and 85 and over age groups and smaller shares in the 0-15 and 16 – 24 age groups. Of the remaining age groups, the proportion of 25–44 year-olds is comparable across Braunton and North Devon, whereas North Devon has a higher proportion of 45-64 year olds.

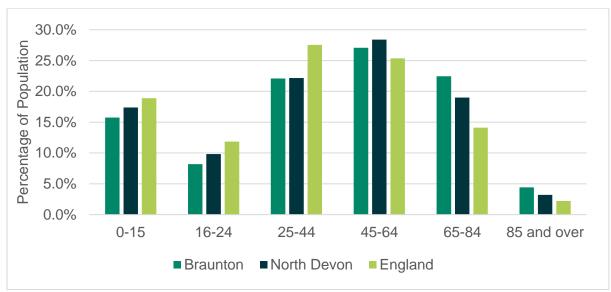


Figure 5-1: Comparative Age structure in 2011

Source: ONS 2011, AECOM Calculations

158. Figure 5-2 below (using ONS mid-2020 population estimates) shows that Braunton now has a slighter higher proportion in the 0-15 age group compared to North Devon, although both remain lower than the national average. Also of interest, the proportion of 25-44 in Braunton is now lower than the proportion in North Devon. The 45-64 is now comparable across Braunton and North Devon, exceeding the rate in England.

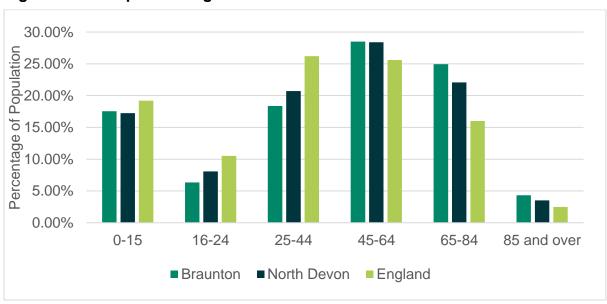


Figure 5-2: Comparative Age structure in 2020

Source: ONS mid-2020 population estimates, AECOM Calculations

### Household composition

159. 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 5-6 shows that Braunton has a slightly lower proportion of one person households and a higher proportion of families compared North Devon. Braunton has a higher

proportion of elderly one person and family households compared to the local and national levels. In Braunton more families have dependent children rather than none, similar to the trend seen in North Devon and across England as a whole.

160. 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 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. While the data is quite old at this point, it is interesting to observe that this category grew by 39.5% between 2001 and 2011 in the parish – a faster rate the district (14.4%) and national (10.6%) average.

Household composition		Braunton	North Devon	England
One person household	Total	29.0%	29.6%	30.2%
	Aged 65 and over	17.5%	14.8%	12.4%
	Other	11.5%	14.8%	17.9%
One family only	Total	65.9%	64.4%	61.8%
	All aged 65 and	14.8%	11.6%	8.1%
	over			
	With no children	18.7%	19.9%	17.6%
	With dependent	23.0%	24.0%	26.5%
	children			
	All children Non-	9.3%	8.9%	9.6%
	Dependent <sup>11</sup>			
Other household types	Total	5.1%	5.9%	8.0%

Table 5-6: Household composition, Braunton, 2011

Source: ONS 2011, AECOM Calculations

#### Occupancy ratings

- 161. The tendency of households to over- or under-occupy their homes is another 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.
- 162. In Braunton, a combined 80% of people lived in a home with at least one extra bedroom in 2011, with 42% living in a home with two or more extra bedrooms. The percentage of people living in homes with fewer bedrooms than they might be expected to need is low at 1.4%, indicating that around 114 people (1.4% multiplied by 8,128) may have been (or still be) living in inadequate housing conditions in the parish.

<sup>&</sup>lt;sup>11</sup> Refers to households containing children who are older than 18 e.g students or young working people living at home.

163. It is useful to cross-reference this data by age bracket, presented in Table 5-7 below. Extreme under-occupancy (+2 rating) is strongly correlated with age, with older age groups much more likely to under-occupy their homes. This is likely because such households tend to be small (i.e. after children have moved out) but remain in homes large enough for families either by preference or for a lack of more suitable options nearby.

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 65+	63.2%	34.2%	2.7%	0.0%
Single person 65+	41.9%	42.9%	15.2%	0.0%
Family under 65 - no children	68.1%	26.7%	5.3%	0.0%
Family under 65 - dependent children	20.1%	46.3%	30.5%	3.2%
Family under 65 - adult children	26.5%	43.1%	28.6%	1.8%
Single person under 65	39.5%	37.3%	23.2%	0.0%
All households	42%	38%	18%	1%

Table 5-7: Occupancy rating by age in Braunton, 2011

Source: ONS 2011, AECOM Calculations

## Dwelling mix determined by life-stage modelling

#### Suggested future dwelling size mix

- 164. 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 parish at the end of the Neighbourhood Plan period. The steps involved in this 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 Braunton 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 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 parish 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.
- 165. 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.
- 166. 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 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 placeand 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.
- 167. Before presenting the results of this exercise, it may be interesting to review two of the inputs described above.
- 168. The first, given as Figure 5-3, sets out the relationship between household life stage and dwelling size for North Devon 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.



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

Source: ONS 2011, AECOM Calculations

169. The second dataset of note is the result of applying Local Authority level household projections to the age profile of Braunton households in 2011 and the updated estimates of household numbers described in the bullets above. Table 5-8 below makes clear that population growth can be expected to be driven by the oldest households, with the largest growth seen in the 65 and over age category, which increases by 48% from 2011 levels to remain the dominant group and at a greater proportion (49%) of the projected total. There are more modest increases of 2% in the 25-34 age group and 8% in the 55 and 64 age group. The 24 and under category experiences a significant decrease of 21% and the 35-54 decreases by 3%.

Year		Age of HRP 25 to 34			
2011	46	302	1,175	628	1,401
2031	36	307	1,145	676	2,075
% change 2011- 2031	-21%	2%	-3%	8%	48%

#### Table 5-8: Projected distribution of households by age of HRP, Braunton

Source: AECOM Calculations

<sup>170.</sup> The final result of this exercise is presented in Table 5-9 overleaf. The model suggests that in terms of demographic change, new development might involve the following share of dwelling sizes: 27.0% as one bedroom, 18.6% as two bedrooms, 32.1% as three bedrooms, 11.8% as four bedrooms and 10.5% as five or more bedrooms.

Number of bedrooms	Current mix (2011)	Target mix (2031)	Balance of new housing to reach target mix
1 bedroom	6.8%	10.1%	27.0%
2 bedrooms	28.4%	26.8%	18.6%
3 bedrooms	42.5%	40.8%	32.1%
4 bedrooms	16.3%	15.6%	11.8%
5 or more bedrooms	6.0%	6.7%	10.5%

Source: AECOM Calculations

- 171. 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.
- 172. The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised 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. Continuing to provide smaller homes with fewer bedrooms would help to address this situation.
- 173. Table 5-9 suggests that 27.0% of new housing should consist of one-bedroom dwellings. This appears to be a significant increase, however, it should be viewed within the context of the relatively low existing one bedroom dwelling stock in the NA (6.8% according to the 2011 Census). Furthermore, the Devon Home Choice register referenced in the previous chapter suggested a significantly high need for one-bedroom dwellings (58.8%) amongst those in reasonable preference categories. Although, the Home Choice figures may be bias towards the need for smaller homes because of the size of property households are entitled to, rather than what they would occupy if they had the resources. One-bedroom dwellings typically can only accommodate a single person or couples. Likewise, a large proportion of traditional specialist housing for elderly people only has one bedroom. However, older people usually have a strong preference for two-bedroom or even larger dwellings, even when their needs suggest a requirement for one bedroom. Two-bedroom dwelling provide for the option of separate bedrooms for couples, or for family/friends or overnight carers coming to stay.
- 174. Normally, two-bedroom dwellings can also accommodate small families. This increased flexibility (compared to one-bedroom dwellings), weighed up against the relatively small extra cost and extra space associated with building a two-bedroom dwelling, may offer a strong argument for providing or providing two bedroom dwellings instead of one bedroom dwellings. One-bedroom homes also typically come forward as flats, which may not be seen as appropriate in a rural area like Braunton.

<sup>&</sup>lt;sup>12</sup> Modelling relates to dwellings as a whole and doesn't separate out different tenures.

- 175. To best meet the needs of the large cohort of older households expected to be present by the end of the Plan period, 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 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.
- 176. 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 smaller and mid-sized homes (one to three bedroom) 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.

# **Conclusions- Type and Size**

- 177. 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 parish 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.
- 178. According to 2021 data from the Valuation Office Agency (VOA), Braunton has a significantly high proportion of bungalows (comprising nearly one third of all homes within the NA). Bungalows may be an appealing offering for older people and those with mobility challenges, however, given the relatively high proportion of second/holiday homes in the NA it's not clear if these bungalows are obtainable to those will specific needs.
- 179. The proportion of detached properties is comparable between Braunton and North Devon, both significantly exceeding the national level for this house type. Braunton and North Devon have a similar proportion of semi-detached homes, both lower than the national level. Braunton has a lower proportion of terraces and a particularly low provision of flats. Flats and terraces are generally the most affordable home types, underrepresentation of these types might be expected to limit the options for those on lower incomes.
- 180. Between 2011 and 2020 there appears to be a notable decrease in the amount of four + bedroom properties and a notable increase in three-bedroom dwellings. This could indicate that those in larger dwellings have chosen to convert spare bedrooms to other habitable rooms, but may be a function of changes in how

dwellings have been classified. The amount of one and two properties in Braunton remains relatively unchanged.

- 181. Braunton currently has a limited provision of one-bedroom homes, significantly lower than the national average. The NA has a slightly higher proportion of two-bedroom homes and a significantly higher lower proportion of homes with three bedrooms compared to local and national levels. Braunton also has a relatively low proportion of four+ bedroom properties compared to North Devon, although both exceed the rate found in England as a whole.
- 182. The age structure of the population is a key indicator of the future need for housing. At the time of the 2011 Census, the NA population was generally older than the local and national averages. The population has continued to age since 2011. Between 2011 and 2020, the 65-84 age band recorded the largest growth in actual numbers, whereas the largest proportional change is seen in the 16-24 age band which declined by 21.2%. 45-64 remains the largest single age band in Braunton, increasing by 7.1%. The 85 and over age group remained relatively steady, with a minor decline of 0.6%. In terms of younger demographics, the 0-15 age band increased by 13.4%, whereas the 25-44 age group declined by 15.4%.
- 183. ONS mid-2020 population estimates shows that Braunton now has a slighter higher proportion in the 0-15 age group compared to North Devon, although both remain lower than the national average. Also of interest, the proportion of 25-44 in Braunton is now lower than the proportion in North Devon. The 45-64 is now comparable across Braunton and North Devon, exceeding the rate in England.
- 184. In 2011 Braunton had a slightly lower proportion of one person households and a higher proportion of families compared North Devon. Braunton had a higher proportion of elderly one person and family households compared to the local and national levels. In Braunton more families had dependent children rather than none, similar to the trend seen in North Devon and across England as a whole. This together with data above suggests a scenario that established families may be moving to Braunton and stay. The decline in 16-24 and 25-44 age groups may be a result of people leaving the parish to seek employment and/or affordable housing.
- 185. The proportion of households with 'non-dependent children' grew by 39.5% between 2001 and 2011 in the parish a faster rate the district (14.4%) and national (10.6%) average. 'Non-dependent children' refers to households in which adult children are living at home, or which students still call their primary residence despite living for most of the year near to university. While the data is quite old at this point, 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.
- 186. Braunton has a high rate of under-occupancy: 80.0% of people lived in a home with at least one extra bedroom in 2011. Indeed, extreme under-occupancy (+2 rating) is strongly correlated with age, with older age groups much more likely to

under-occupy their homes. The percentage of people living in homes with fewer bedrooms than they might be expected to need is relatively low. Around 114 people (1%) may have been (or still be) living in inadequate housing conditions in the parish.

- 187. The results of a modelling exercise, which looks at the sizes of dwelling occupied by households at different life stages and projects the growth and decline of those household age groups over the Plan period, suggests that new development of all tenures might involve the following share of dwelling sizes:
  - 27.0% as one bedroom,
  - 18.6% as two bedrooms,
  - 32.1% as three bedrooms,
  - 11.8% as four bedrooms, and
  - 10.5% as five or more bedrooms.
- 188. The Devon Home Choice register data presented in the Tenure and Affordability chapter suggests a significantly high need for one-bedroom dwellings (58.8%) amongst those in reasonable preference categories. Although, the Home Choice figure may be bias towards the need for smaller homes because of the size of property households are entitled to, rather than what they would occupy if they had the resources.
- 189. Whilst the modelling exercise for all tenures suggests 27.0% of new dwellings should be one bedroom, it's recognised that the increased flexibility of two bedrooms, weighed up against the relatively small extra cost and extra space, may offer a strong argument for providing two bedroom dwellings instead of one bedroom dwellings. It is generally not advisable to restrict the supply of specific size categories too strictly. These results are a starting point for thinking about how best to address the more nuanced needs of the future population.
- 190. Affordability is a serious and worsening challenge in Braunton. While the provision of Affordable Housing (subsidised 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. Neighbourhood Plan policies can provide a steer on this, clearly setting out the expectations of the community, even if final decisions will be made through negotiations with the Local Planning Authority. There is a sense locally that this has been challenging to achieve.
- 191. It would be unwise for any new housing 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 smaller and mid-sized homes (one to three bedroom) 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.

# 6. Conclusions

## **Overview**

192. Table 6-1 below sets out in full the conclusions and recommendations of this Neighbourhood Plan housing needs assessment, based on the evidence reviewed and analysed.

# Table 6-1: Summary of study findings specific to Braunton with a potential impact on Neighbourhood Plan housing policies

Issue	Summary of evidence and data assessed	Conclusions and recommendations
Housing tenure and affordability	In 2011 Braunton was characterised by a very high proportion of home ownership and a higher share of shared ownership compared to district and national levels. Braunton had lower proportions of both social and private rented tenures compared to North Devon and England. There has been a steady increase in house prices between 2011 and 2020. Mean house price increased by 51.0% and the median house price increased by 47.2%, reaching £351,117 and £318,750 in 2020 respectively. Lower quartile prices loosely tracked the median house price in terms of its trajectory rising by 48.3%, reaching £252,750 in 2020. Detached properties experienced the greatest growth in price (44.0%). Whereas semi-detached and terraced experienced more modest growths of 24.9% and 28.3%, respectively. Flats tend to be substantially cheaper than the other housing and experienced the lowest growth between 2011 and 2020 (11.7%). Between 2001 and 2011 shared ownership doubled (from 16 to 32 dwellings), exceeding local and national growth. Home ownership increased by 0.1% in the NA, compared to a 1.7% district increase and a 0.6% national decline. Social rental increased by 18.8%, compared to a 9.2% increase in North Devon and a 0.9% decline across England. The private rented sector also increased in the NA by 89.6%, compared to a 79.9% increase in North Devon and an 82.4% increase in England.	<ul> <li>There is need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Average incomes cannot access median market homes. Market housing is therefore out of reach to most. Locals may be priced out as holiday homes push prices.</li> <li>Regarding affordable tenures: <ul> <li>Rent to Buy is viable on median income, however, is out of reach to lower quartile (LQ) incomes.</li> <li>First Homes at 30% to 40% discounts fail to extend home ownership to those on median income. However, a discount of 50% may be in reach of those earning slightly above the average income. A discount of well over 50% would be required for LQ earners.</li> <li>Shared ownership (particularly at 10% equity) appears to be more affordable than First Homes, but is broadly accessible to those on median incomes.</li> <li>Affordable rent (both private rent and social) is essential, accommodating those on the lowest incomes in Braunton. Social rents are cheaper and give residents much greater protection from eviction compared to those renting privately or through a housing association.</li> </ul> </li> <li>The HEDNA suggests a need for 40 affordable home ownership units and 160 affordable rented units in Braunton over the Plan period. Braunton has a large volume of need in proportion to the indicative housing need figure (Appendix A). It's therefore unlikely the NP can accommodate the affordable need identified in the HEDNA.</li> <li>The HEDNA suggests a tenure split of 20% intermediate housing to 80% social/affordable rent. Braunton's affordable rented tenures to a high degree.</li> <li>In light of the First Home policy, it is not possible to recommend an 80/20 split. We therefore recommend a 75% rent to 25% ownership affordable tenure split. This accords higher priority to those in most need, whilst aligning with First Home national policy and the Joint Local Plan. Departures from policy requirements should be pursued in collaboration with the Local Authority.</li> </ul>

Braunton has a significantly high proportion of bungalows. The NA and LPA have a comparable proportion of detached homes, significantly exceeding the national level. Braunton has a similar proportion of semi-detached homes than the LPA. The NA has a low proportion of terraces and a particularly limited provision of flats. Between 2011 and 2020 there was a notable decrease in four + bedroom dwellings and notable increase in three-bedroom properties. Braunton currently has a limited provision of one-bedroom homes.

In 2011, the NA had an older population compared local and national averages. Between 2011 and 2020, the 65-84 age band recorded the largest growth in actual numbers, whereas the largest proportional change is seen in the 16-24 band declining by 21.2%. 45-64 remains the largest age band increasing by 7.1%. The 85 and over band remained relatively steady, with a minor decline of 0.6%. The 0-15 age band increased by 13.4%, whereas the 25-44 age group declined by 15.4%.

ONS mid-2020 population estimates shows that Braunton now has a slighter higher proportion in the 0-15 age group compared to North Devon, although both remain lower than the national average. The proportion of 25-44 in Braunton is now lower than North Devon. The 45-64 is now comparable across Braunton and North Devon, exceeding the rate in England. The decline in 16-24 and 25-44 groups may be a result of people leaving to seek employment and/or affordable housing.

In 2011 Braunton had a slightly lower proportion of one person households and a higher proportion of families compared to the LPA. Braunton had a higher proportion of elderlv households compared to the local and national levels. In Braunton more families had dependent children rather than none, similar to the trend seen in North Devon and across England. The NA has a high rate of under-occupancy, 80% lived in a home with at least one extra bedroom in 2011.

Modelling exercise suggests that new development of all tenures might involve the following share of dwelling sizes:

- > 27.0% as one bedroom,
- > 18.6% as two bedrooms,
- > 32.1% as three bedrooms,
- > 11.8% as four bedrooms, and
- > 10.5% as five or more bedrooms.

It is generally not advisable to restrict the supply of specific size categories. The modelling results are a starting point for how best to address the more nuanced needs of the future population.

Those wishing to move within or relocate to the NA will have a range of circumstances and preferences, and they should be offered choices.

The Devon Home Choice register data presented in the Tenure and Affordability chapter suggests a significantly high need for one-bedroom dwellings (58.8%) amongst those in reasonable preference categories. Although, the Home Choice figure may be bias towards the need for smaller homes because of the size of property households are entitled to, rather than what they would occupy if they had the resources.

Whilst the modelling exercise for all tenures suggests 27.0% of new dwellings should be one bedroom, it's recognised that the increased flexibility of two bedrooms, weighed up against the relatively small extra cost and extra space, may offer a strong argument for providing two-bedroom dwellings instead of one bedroom dwellings.

Affordability is a serious and worsening challenge in Braunton. While the provision of Affordable Housing 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. Neighbourhood Plan policies can provide a steer on this, clearly setting out the expectations of the community, even if final decisions will be made through negotiations with the Local Planning Authority.

It is recommended that priority is given to smaller and mid-sized homes (one to three bedroom), however, this is done to a degree that aligns with the wider objectives of the community and does not limit choice or viability.

Housing type and size

## **Recommendations for next steps**

- 193. This Neighbourhood Plan housing needs assessment aims to provide Braunton 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 North Devon 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 North Devon;
  - 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 North Devon.
- 194. 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.
- 195. Bearing this in mind, it is recommended that the Neighbourhood Plan steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, North Devon or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 196. 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 : Quantity**

## Introduction

- 197. The NPPF (paragraph 66) states that strategic policy-making authorities "should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the Plan period. Within this overall requirement, strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations".
- 198. NPPF paragraph 67 states that "Where it is not possible to provide a requirement figure for a neighbourhood area<sup>13</sup> the local planning authority should provide an indicative figure, if requested to do so by the neighbourhood planning body". This 'indicative' figure should (amongst other things) "take into account factors such as the latest evidence of local housing need, the population of the neighbourhood area and the most recently available planning strategy of the planning authority."<sup>14</sup>
- 199. Given that no indicative housing requirement figure has been provided to the specific NA of Braunton at the time of writing there is the potential to calculate an objectively assessed Housing Need Figure (HNF) for the Neighbourhood Plan area.
- 200. In calculating this HNF, it should be noted that paragraphs 66 and 67 place specific obligations on strategic or local planning authorities and no other parties (i.e. AECOM is not obliged to follow directly paragraphs 66 and 67). That said, AECOM's calculation will be of most use as a starting point if it can seek to mirror the NPPF suggested approach as closely as possible, and so this is the reasonable approach that has been taken
- 201. The Planning Practice Guidance<sup>15</sup> states "Housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations".
- 202. A housing need figure is a 'policy-off' figure. This means that, while it takes account of the factors set out paragraph 67 of the NPPF and dwelling completions over the course of the Plan period, it is an expression of total housing demand unconstrained by the limits of the land available to build on. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can then be reviewed in light of further evidence

 <sup>&</sup>lt;sup>13</sup> For example, this could be where a neighbourhood area has been designated at a late stage in the strategic policy-making process, or after strategic policies have been adopted; or in instances where strategic policies for housing are out of date.
 <sup>14</sup> NPPF, paragraph 67, available at <a href="https://www.gov.uk/government/publications/national-planning-policy-framework--2">https://www.gov.uk/government/publications/national-planning-policy-framework--2</a>
 <sup>15</sup> Paragraph: 001 Reference ID: 2a-001-20190220 at <a href="https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments">https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments</a>

including environmental constraints, land availability, relevant Local and Neighbourhood Plan objectives and policies, to formulate a 'policy-on' Neighbourhood Plan housing requirement figure.

- 203. This is the difference between the Housing Need Figure (HNF) calculated here and the Housing Requirement Figure (HRF) that the Neighbourhood Plan may take forward based upon it, or which may be provided by the LPA. The HNA figure represents need rather than a requirement.
- 204. The number of new dwellings that should be planned for in the Neighbourhood Plan area over the Plan period (the Housing Need Figure or HNF) is estimated using a four-step approach seeking to reflect to the maximum extent the National Planning Policy Framework (NPPF) 2021, Planning Practice Guidance (PPG) advice, and the April 2021 Government response to its consultation on 'Changes to the current planning system'.<sup>16</sup> This is set out in the box overleaf.

<sup>&</sup>lt;sup>16</sup> Available at: <u>https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system.</u>

#### Step 1: "the population of the neighbourhood area"

The HNF for the Neighbourhood Plan area should take as its starting point the housing target for the Local Planning Authority (LPA) in which it sits. The baseline for our calculation for NA is therefore a share of the current LPA Local Housing Need (LHN) figure that reflects the share of the district population living in the Plan area.

NPPF requires Local Authorities, and anyone calculating LHN in their place, to use the 'standard method' for calculating the minimum number of homes that a local authority should plan for in an area. The standard method is a simple and transparent way of calculating a baseline of need that can be applied consistently across the country using publicly available datasets. It produces a starting point for planning and not the final housing requirement.

The standard method was set out in PPG in February 2019.<sup>17</sup> In August 2020, the Government released a consultation document detailing proposed changes to the standard method that aim to make use of more recent data, achieve a better distribution of homes across the country, and smooth out potential areas of volatility.<sup>18</sup> However, the majority of these changes were abandoned following the consultation. The only change made was an 'urban centres uplift' which increases the need figures for the most densely populated urban districts in the country, which is not relevant in this case.

# Step 2: "most recently available planning strategy of the planning authority"

The NPPF guidance then states that the initial needs figure for neighbourhood plans should reflect "the overall strategy for the pattern and scale of development and any relevant allocations,"<sup>19</sup> and "the most recently available planning strategy of the local planning authority."<sup>20</sup>

This means introducing Local Authority spatial policy, housing targets, and assessments of housing need at different scales to estimate a more locally appropriate proportion of the LHN that should be provided in NA. This will often result in a slightly different figure to that produced in Step 1.

#### Step 3: Dwelling completions

Next, any dwellings that have already been completed over the Plan period to the present date should be deducted from the total in order to provide a HNF for the remainder of the Plan period and an annual HNF that reflects past under- or over-delivery. While it is appropriate to consider existing commitments (i.e. dwellings with planning permission, but not yet

<sup>&</sup>lt;sup>17</sup> https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments

<sup>&</sup>lt;sup>18</sup> https://www.gov.uk/government/consultations/changes-to-the-current-planning-system, pages 8-18.

<sup>&</sup>lt;sup>19</sup> NPPF, paragraph 65, page 18.

completed) at this point, they should not be deducted from the total until they are completed.

#### Step 4: the Local Authority

The NPPF makes it clear that the Local Authority should provide housing numbers to designated neighbourhood planning areas within their area where requested to do so. To this extent, AECOM is performing a similar role to that required of the Local Authority in providing a HNF to the Neighbourhood Plan area. With this in mind, it is important the group share the HNF and underlying methodology once they have received the final version of this document with the LPA to seek confirmation it is aligned with their current planning strategy, in particular those circumstances which may justify an uplift to the HNF set out in PPG.<sup>21</sup>

205. Employing this methodology, the Housing Needs Figure for the Neighbourhood Area may be calculated as follows:

## Standard method (Step 1)

- 206. Firstly, the Local Housing Need (LHN) for the district is calculated using the standard method outlined in Planning Policy Guidance, before taking the population of the Neighbourhood Plan area, and calculating the proportion of the total population of the LPA area that it represents. This percentage will then be used to determine the share of the LPA target that should be apportioned to the Neighbourhood Plan area.
- 207. The North Devon LHN figure, using the standard method, is calculated as follows<sup>22</sup>:
- 208. **Stage one** is to set the baseline, by calculating the projected average annual household growth in North Devon over a 10-year period, beginning with the current year, using the most recent ONS household projections:
  - According to North Devon's 2018-based household projection, total household growth will be 3,980 households between 2022 and 2032. This equates to an annual average of 398 households.
- 209. **Stage two** is to adjust this annual average using the most recent ONS median workplace-based affordability ratios,<sup>23</sup> which provide the ratio of house prices to earnings in various geographies. For each 1% increase in the ratio above 4, projected household growth should be increased by a quarter of a percent:
  - North Devon's 2020 median affordability ratio is 10.03. Using the formula

 <sup>&</sup>lt;sup>21</sup> Paragraph: 010 Reference ID: 2a-010-20190220, at <u>https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments</u>
 <sup>22</sup> Paragraph: 004 Reference ID: 2a-004-20190220, at <u>https://www.gov.uk/guidance/housing-and-economic-development-</u>

 <sup>&</sup>lt;sup>22</sup> Paragraph: 004 Reference ID: 2a-004-20190220, at <a href="https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments">https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments</a>
 <sup>23</sup> Available at

 $<sup>\</sup>label{eq:https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian$ 

outlined in PPG to calculate the adjustment factor<sup>24</sup> of 1.376875 results in a minimum annual figure of 548 dwellings (rounded).

- 210. **Stage three** is to apply a cap which limits the magnitude of increase (Stage two adjustment) an LPA can face. How this is calculated depends on the current status of relevant strategic policies for housing. There are two options depending on whether those policies were adopted within the last five years or are older:
  - Option 1: where the relevant strategic policies were adopted within the last five years (at the point of making the calculation), the LHN is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and have been found not to require updating.
  - Option 2: where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the LHN is capped at 40% above whichever is the higher of:

a) the annual average projected household growth for the area over the 10-year period identified in Stage One above; or

b) The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).

- The relevant strategic policy in this case is Policy ST08 in the North Devon and Torridge Local Plan 2011-2031 (adopted October 2018). As this document was adopted within the last five years, the first option above is applied. The housing requirement figure in Policy ST08 is for 17,220 dwellings in across northern Devon<sup>25</sup> over 2011-2031, which equates to an annual average of 861. A cap of 40% above 861 gives an result of 1,205.
- The cap of 1,205 dwellings is higher than the Stage two figure of 548 dwellings, and therefore does not limit the adjustment for affordability. The minimum LHN for North Devon therefore remains 548 net additional dwellings per year
- 211. Having derived northern Devon's LHN, it is possible to calculate a baseline measure of Braunton's share of that target, by determining what proportion of northern Devon's population currently reside in Braunton and applying that percentage to northern Devon's LHN.
- 212. According to the latest ONS mid-year population estimates for 2020, there were 8,272 people living in Braunton, or 4.96% of the 166,889 people across northern Devon (98,170 in North Devon and 68,719 in Torridge). Therefore, applying this percentage to northern Devon's LHN of 548 gives an indicative HNF for Braunton of 27 dwellings (rounded) per annum, or 270 dwellings over the Neighbourhood Plan period 2021-2031.

<sup>&</sup>lt;sup>24</sup> Paragraph: 004 Reference ID: 2a-004-20190220, at https://www.gov.uk/guidance/housing-and-economic-development-

needs-assessments <sup>25</sup> This HRF IS SET across the joint plan area and is not disaggregated to the individual constituent local planning authorities.

### Latest available LPA planning strategy (Step 2)

- 213. However, as stated in NPPF guidance, it is important to acknowledge the relevant policies in the most recently available<sup>26</sup> development plan document for the LPA. The policies reflect the overall strategy for the pattern and scale of development and any relevant allocations. This requires producing a HNF for the Neighbourhood Plan area that takes into account the Local Authority's spatial strategy, and therefore may differ from the initial HNF calculated above.
- 214. In North Devon, this document is the North Devon and Torridge Local Plan 2011-2031. The overall strategy for the pattern and scale of development is outlined in Policy ST06.
- 215. Braunton together with Wrafton is designated as a Main Centre. Main Centres are the largest settlements in northern Devon (beyond Barnstaple and Bideford), which function as major service centres where the majority of growth is proposed. Policy ST08 allocates 390 dwellings over the JLP period to Braunton/Wrafton. The Local Plan goes no further in indicating what proportion of this housing need is attributable to each of the villages. It is therefore necessary to calculate Braunton's fair share of this figure. To do this we compare the populations of each village, as the parish boundaries extend beyond settlement limits.
- 216. The villages of Braunton and Wrafton had a total combined population of approximately 8,009 people at the time of the 2011 Census (Braunton 7,353 people and Wrafton 656 people). Braunton represents approximately 91.8% of the total population between the two villages. Therefore, Braunton's indicative share of the allocations would be (390\*0.91) = 358 dwellings over the JLP period between 2011 and 2031, or 18 dwellings (rounded) per year.
- 217. We determined that Braunton's share of all dwellings that come under the Braunton and Wrafton Main Centre category is 358 dwellings and we can now calculate Braunton's share of the total housing need figure for northern Devon of 17,220 dwellings, which is 2.08%. Applying 2.08% to the northern Devon's LHN of 548 equates to 11 dwellings (rounded) for Braunton per annum.
- 218. This is 16 dwellings per year lower than the result of Step 1 above, and it is appropriate to take forward this figure because it complies with the PPG requirement that the local authority's strategy for the scale and pattern of development is taken into consideration. The difference between these figures highlights that the LPA view Braunton as a location that is less suitable for development than its population alone (Step 1) would suggest.

<sup>&</sup>lt;sup>26</sup> This is the exact word used in the NPPF, i.e. not necessarily 'adopted'. In the case of North Devon, the most recently 'available' planning strategy is North Devon and Torridge Local Plan 2011-2031, which also happens to be the most recently 'adopted' planning strategy.

## Past dwelling completions (Step 3)

- 219. The next step is to subtract any net completions of new dwellings that have occurred since the beginning of the Neighbourhood Plan period, i.e. the period between 2021 and present, as well as considering commitments.
- 220. The North Devon Housing Completions data for 2021 was not available at the time of writing. Any completions during Braunton in 2021 can be deducted from the overall quantity figure prior to adoption of the Neighbourhood Plan. Likewise, AECOM recommends that dwelling commitments (i.e. planning permissions that are yet to be implemented) can be discounted from the overall quantity figure; but only once they are completed.
- 221. Therefore, Braunton's indicative requirement is **110** dwellings between 2021 and 2031, or **11** dwellings (rounded) per year.

# **Final Housing Need Figure**

- 222. Based on the evidence above, this HNA recommends an overall HNF of 110 dwellings, which equates to 11 dwellings per year over the Neighbourhood plan period (2021 and 2031).
- 223. The housing figure for North Devon is derived from the Government's Standard Methodology and is likely to change annually as the Government publish new affordability data each year and new household projections approximately every two years. This could impact on the number of homes required in North Devon and any indicative housing requirement figure provided by North Devon for neighbourhood areas.
- 224. That figure has been broken down with the aim of allocating an appropriate share to Braunton with reference to the strategy for the pattern and scale of new development across the district as expressed in the latest local development plan, which takes into account the sustainability and suitability of the district's various settlements for growth. This process relies on interpretations and assumptions made by AECOM.
- 225. At the time the final Neighbourhood Plan housing requirement figure is provided by North Devon, it can be considered to supersede the provisional calculation within this study. Consequently, there is a need for the neighbourhood group to continue to engage with the LPA to confirm the final housing figure for the Neighbourhood Plan.

# Appendix B : Calculation of Affordability Thresholds

### **B.1 Market housing**

- 226. Market housing is not subsidised, and tends to be primarily accessible to people on higher incomes.
- 227. To determine affordability in market housing, this assessment considers two primary indicators: income thresholds, which denote the maximum share of a 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

- 228. 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.
- 229. 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 Braunton, 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.
- 230. The calculation for the purchase threshold for market housing is as follows:
  - Value of a median NA house price (2020) = £318,750;
  - Purchase deposit at 10% of value = £31,875;
  - Value of dwelling for mortgage purposes = £289,875;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £81,994.
- 231. 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 £252,750, and the purchase threshold is therefore £64,993.
- 232. 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 records 8 sales of new build properties in the NA in 2020,

all of which were detached. This sample size is fairly small, therefore data from North Devon has been used as a proxy. There were 194 sales of newly built homes across North Devon in 2020. The median price was £290,000 (compared to £249,950 the median price for a new build in Braunton between 2011 and 2020), ranging from £214,950 for an average flat to £350,000 for an average detached house. These figures give a reasonable indication of how much newly built housing might cost in the NA in future.

## ii) Private Rented Sector (PRS)

- 233. 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.
- 234. 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 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.
- 235. The property website Rightmove shows rental values for property in the Neighbourhood Plan area. However, there were no properties listed for rent in the NA at the time of search in December 2021. A wider radius of 5 miles from Braunton village was therefore used, which stretches towards Barnstaple and Appledore. This produced a sample of 21 rental listings, primarily in Barnstaple, although it should be noted that these locations may not be perfectly comparable particularly because they contain a number of maisonettes/flats which are less common in the NA.
- 236. According to Rightmove, there were 21 properties for rent at the time of search, with an average monthly rent of £777. Of these there were seven two-bed properties listed, with an average price of £655 per calendar month.
- 237. The calculation for the private rent income threshold for entry-level (twobedroom) dwellings is as follows:
  - Annual rent = £655 x 12 = £7,860;
  - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £26,200.
- 238. The calculation is repeated for the overall average to give an income threshold of £31,076.

# **B.2 Affordable Housing**

239. 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

- 240. 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.
- 241. To determine social rent levels, data and statistical return from Homes England is used. This data is only available at the LPA level so must act as a proxy for Braunton. This data provides information about rents and the size and type of stock owned and managed by private registered providers and is presented for North Devon in the table below.
- 242. 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 might make housing affordable or unaffordable it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent	£75.68	£85.34	£93.97	£108.53	£86.32
per week					
Annual average	£3,935	£4,438	£4,886	£5,644	£4,489
Income needed	£13,105	£14,777	£16,272	£18,793	£14,947

Table A-1:	Social	rent l	levels	(£)
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Source: Homes England, AECOM Calculations

### ii)Affordable rent

- 243. 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).
- 244. 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%.

- 245. Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for North Devon. Again, it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- 246. Comparing this result with the average two bedroom annual private rent above indicates that affordable rents in Braunton are actually closer to 73% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£83.81	£107.32	£119.16	£134.00	£113.92
Annual average	£4,358	£5,581	£6,196	£6,968	£5,924
Income needed	£14,513	£18,584	£20,634	£23,203	£19,726

#### Table A-2: Affordable rent levels (£)

Source: Homes England, AECOM Calculations

### iii) Affordable home ownership

- 247. 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.
- 248. In paragraph 65 of the NPPF 2021, the Government introduces a recommendation that "where major housing development is proposed, planning policies and decisions should expect at least 10% of the 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**

- 249. 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.
- 250. As noted above, there is a lack of data on new build prices in the NA. Therefore, the median house price in the NA is used as a proxy for the price of new build entry-level housing in the NA (i.e. assuming that new build entry-level homes will cost around the same as a median existing home, because of the premium usually associated with new housing).
- 251. The starting point for these calculations is therefore £318,750, the median house price in the Braunton in 2020.

- 252. For the minimum discount of 30% the purchase threshold can be calculated as follows:
  - Value of a new home (NA Average) = £318,750;
  - Discounted by 30% = £223,125;
  - Purchase deposit at 10% of value = £22,313;
  - Value of dwelling for mortgage purposes = £200,813;
  - Divided by loan to income ratio of 3.5 = purchase threshold of £57,375.
- 253. 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 £49,176 and £40,982 respectively.
- 254. All of the income thresholds calculated here for First Homes are below the cap of  $\pounds$ 80,000 above which households are not eligible.
- 255. 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 two 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 Braunton.

#### Shared ownership

- 256. 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'.
- 257. 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.
- 258. To determine the affordability of shared ownership, calculations are again based on the proxy used to estimate the 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).

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

- A 25% equity share of £318,750 is £79,688;
- A 10% deposit of £7,969 is deducted, leaving a mortgage value of £71,179;
- This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £20,491;
- Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £239,063;
- The estimated annual rent at 2.5% of the unsold value is £5,977;
- This requires an income of £19,922 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
- The total income required is £40,413 (£20,491 plus £19,922).
- 260. The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £32,103 and £40,413 respectively.
- 261. All income thresholds here are below the £80,000 cap, above which households are not eligible.

#### Rent to buy

262. Rent to buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used 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 savings with a portion of the rent.

#### Help to Buy (Equity Loan)

- 263. 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.
- 264. It is important to note that this product widens access to market housing but does not provide an affordable home in perpetuity.

# Appendix C : 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 =  $\pounds 25,000$ , house price =  $\pounds 200,000$ . House price: income ratio =  $\pounds 200,000/\pounds 25,000 = 8$ , (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 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 methods<sup>27</sup>.

#### 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 Standard<sup>28</sup>

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'.

#### **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

<sup>&</sup>lt;sup>27</sup> The Tenant Services Authority has issued an explanatory note on these methods at

http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf

<sup>&</sup>lt;sup>28</sup> See <u>https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report</u>

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 Order<sup>29</sup>

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)<sup>30</sup>

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  $\pounds 200,000$  property with a 10% equity loan ( $\pounds 20,000$ ). They pay a small amount for the loan and when the property is sold e.g. for  $\pounds 250,000$  the lender receives 10% of the sale cost ( $\pounds 25,000$ ). 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

'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.

<sup>&</sup>lt;sup>29</sup> See <u>https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary</u>

<sup>&</sup>lt;sup>30</sup> See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776\_350282.pdf

#### **First Homes**

The Government has recently confirmed the introduction of First Homes as a new form of discounted market housing which will provided 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**

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 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: <u>http://www.lifetimehomes.org.uk/</u>.

#### 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 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 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 years<sup>31</sup>, 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).

#### **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

<sup>&</sup>lt;sup>31</sup> See <u>https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/</u>

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.

#### **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% (though this was lowered in 2021 to a minimum of 10%), 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

#### Sheltered Housing<sup>32</sup>

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

<sup>&</sup>lt;sup>32</sup> See <u>http://www.housingcare.org/jargon-sheltered-housing.aspx</u>

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**

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.<sup>33</sup>

<sup>&</sup>lt;sup>33</sup> See http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing

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10<sup>th</sup> May 2022

Planning Policy North Devon Council Lynton House Commercial Road Barnstaple EX31 1DG

Dear Sirs,

Re: Affordable Housing Supplementary Planning Document (SPD) Draft Consultation

Please find below the joint response from Braunton Parish Council, the Braunton Neighbourhood Plan Steering Group, Love Braunton and the Braunton Community Land Trust concerning the above consultation.

Section	Paragraph	Comment	Comment Type
1. Introduction	1.7	Social housing levels have been decimated. There appears to be no commitment from local councils to tackle the problems that have led to the huge shortage in social housing. Development of affordable housing to buy will not address the local housing crisis, social housing stock needs to be replenished. For many people their circumstances will mean they will never be in a position to buy.	General comment
	1.11	An objective should be to increase the level of social housing – social housing does not appear anywhere in the objectives.	General comment
	1.11(b)	Clarity required: what will this mean for the consultation process?	General comment
	1.11(d)	How will this ensure that the 30% affordable target can be met. It is evident from previous planning applications that the 30% affordable target is met at pre-application but the developer later makes a case that it cannot be met due to viability and the affordable element is usual removed.	General comment
	1.11(e)	It is evident from previous planning applications that social housing is identifiable	Support

	1		
		due to higher density, size and location. We support this objective to ensure that affordable housing is integrated effectively within development sites. We suggest that affordable housing is delivered during the construction of the site as a whole. Delivery of affordable housing should not be delayed until the end of the construction phase. It is evident with the current housing crisis that there is a greater need for affordable/social housing rather than open market.	
2. Policy Context	2.14	Written Ministerial Statement on First Homes – As evidenced in the Braunton Parish HNA (Table 1-1 Affordability thresholds in Braunton (income required, £) First Homes will not meet affordable needs. Even discounted at maximum 50% affordability would be marginal.	General comment
	2.16	The ND&T Local Plan is known to be failing in its strategic aim to deliver a balanced local housing market as shaped by the HENA dated 2016. More recent evidence in the Braunton HNA details actual current local need which is not addressed by Local Plan or government interventions in the housing market.	General comment
	2.18	The ND&T Local Plan has not kept up to date with planning law changes, nor have developers built out to the required number of units resulting in the LP being silent on policies relating to housing. This has resulted in developers arguing for and being granted 10% affordable contribution as per the NPPF.	General comment
	2.22	Braunton Parish HNA indicates that for the Parish the appropriate tenure split is 80% social rented and 20% intermediate accommodation	General comment
	2.24 and 2.25	These paragraphs make reference to research by Altair Consultancy and Advisory Services September 2021. This research is not in the public domain and should be particularly as the draft SPD and its proposals are based upon its findings.	ACTION REQUIRED Publication of Altair Report
3. The Development Management Process	3.2	What happens in those cases where the viability of a proposal at pre application stage changes significantly by application stage and in some cases post permission stage?	General comment
	3.8	Viability Assessments should be a matter of public record (as per Government Guidance)	General comment

		and the NDC LPA guidenee of suggesting	
		and the NDC LPA guidance of suggesting applicants sign confidentiality agreements is at odds with this.	
4. What is Affordable Housing?	4.4(a)	Rental properties rates are much higher in Braunton compared with other areas. The disparity between low income and high rents is a growing problem. 20% below local market rental is not sufficient to meet local affordability.	Object
	4.9 – 4.29	This entire section for Discounted Market Sales is based on research conducted by Altair but not published. It is unclear how NDC can propose such an approach without providing the research evidence.	Object
	4.9 - 4.29	Discounted Market Sales (DMS) Housing - It is recognised that the NPPF (Annex 2) stipulation of 20% market value discount is unrealistic to meet local affordability. Areas have been split into Zones which will determine the level of discount allocated in each area. It is noted that Braunton has been split over two Zonal areas. Braunton East is in Zone 3 and Braunton West and Georgeham is in Zone 4.	General comment
		Why has Braunton been split over two Zones? What impact will this have on the discounted market values?	
		The Altair research suggests that the Zones have been identified based on the average cost of housing. This implies that depending on which Zonal area you are in you will be entitled to a different level of discount, where is the evidence to support this?	
	4.18	States that there is insufficient data for one- bedroom properties. Zoopla search indicates a price range of £120k to £300k depending on location of one -bedroom properties.	Object
		Braunton Parish HNA clearly identifies that one-bedroom properties are the greatest need at 27%. However, it is recognised that the increased flexibility of two bedrooms, weighed up against the relatively small extra cost and extra space, may offer a strong argument for providing two-bedroom dwellings instead of one- bedroom dwellings.	

	4.24 - 4.29	This needs more clarity. The wording is complex and may be difficult to understand.	Object
	4.36	These discount percentages do not enable affordability as identified by the Braunton Parish HNA - please see 2.14 above.	Object
5. Delivery of Affordable Housing on Development Sites	5.4 -5.5	The wording suggests that the threshold of 11+ and of contributions for 6 -10 dwellings as currently defined Policy ST18 are being set aside. The threshold will be 10+ and on- site contributions for 6 – 10 dwellings. Is this correct? If so, the paragraphs should be revised to clearly state the policy changes.	Clarification sought
	5.13	Paragraph states that Braunton is covered by Designated Protected Area status and goes on to state growth in housing stock since its designation has resulted in the LPA being able to treat it as urban. This statement is incorrect.	Object
		Braunton Parish is highly rural area. We do not support the proposal to staircase up to 100% shared ownership. We would request that shared ownership should not go above 80%. This will protect affordable housing and provide the opportunity for shared ownership to be offered to other residents.	
		Where is the growth of housing stock in Braunton? Braunton Parish HNA - based on the VOA data shows that there were 3,930 dwellings in Braunton in 2021, indicating a growth of approximately 67 dwellings since 2011 (3,863 dwellings recorded in 2011 Census).	
		We request clarity regarding how NDC is defining Braunton. Braunton should be treated as a village within the Parish of Braunton.	
	5.27	Braunton Parish will expect its Housing Needs Assessment to be reflected in planning applications made for developments in the Parish	General comment
	5.36	We would challenge this as recent statistics show that there is a cohort of younger people with families choosing to live in the Parish. We should be responding to the younger people who want to stay. The provision of	Object

		one/two bedroom affordable homes would	
		accommodate this.	
	5.39	We object to the promotion of these standards as illustrated in Table 5.1. We should be striving towards the highest standards possible that are inclusive of wheelchair users. This would prevent future difficulties addressing living needs as the home could be adapted to make it accessible.	Object
	5.44	We support the phasing proposal that affordable housing should be delivered in- step with market housing.	Support
		How do you propose to enforce this? We would suggest that each phase of development should contain 30% affordable housing within the mix. This would ensure delivery of affordable housing and integration of affordable housing with open market. Could also help to avoid non delivery due to claims of no longer viable.	
	5.55	This should be strengthened as it provides too much opportunity for developers to challenge the viability. Viability Assessments should also be publicly available and open to scrutiny	Object
	5.57	It is noted that the rural Parish of Braunton is explicitly given a local cascade Appendix 6 Figure 6.3 – why?	Clarification sought
6. Exception Sites	6.4	Policy ST19 – in the ND&T Local Plan Braunton is linked to Wrafton (in adjoining Parish) and categorised as a 'Main Centre'. We are concerned that Braunton village within the wider Parish would not be supported as an area where affordable housing on exception sites can be brought forward. We request that Braunton village be listed under the North Devon Villages.	Support subject to requested amendment
	6.16	We request clarity regarding how the sum of £10,000 per plot was arrived at. The Farmers Weekly website indicates that the EUV is £8-£9k per acre. An acre can accommodate a lot of plots. Existing use value should be based on the predominate agricultural/pasture land in the local area.	Object
	6.17	The number of dwellings developed on exception sites should also be based on the density of the surrounding settlement.	Support subject to amendment

	0.04		
	6.21	This survey should be mandatory for all development proposal not just affordable housing. This would help to ensure that housing need is being delivered to meet	Support subject to amendments
		evidenced local need.	
7. Alternative Delivery Mechanisms for Affordable Housing	7.6	Self-build is non-existent in North Devon. The self-build register held by the Council does not appear to deliver and is only used as a tool to collect data. Self-build provides opportunities for higher standards of housing and should be encouraged and supported where possible.	Support
		How many examples of self-build do we have in North Devon?	
	7.7	How do these definitions address affordability and provision of housing for local need as opposed to "executive style" proposals?	General comment
	7.12-7.13	We feel these statements are robust. However, we would suggest that there could be a more collective approach to delivering community-led housing. If social landlords are developing their sites why not do this through a Community Land Trust.	Support subject to amendments
8. Managing Arrangements	8.7	The 'DMS allocation policy' link doesn't work.	General comment
	8.12	From experience affordable housing is not actively and continuously marketed as set out in this paragraph. Braunton Parish Council has never been alerted regarding affordable housing available in the Braunton and Wrafton extension.	Support but does not happen in reality.
	8.18	We support the cascading approach but from experience this does not happen in reality. See comment in section 8.12.	Support but does not happen in reality.
	Appendix 6	Suggest that a percentage of affordable housing is allocated to parishes. Braunton has identified a local housing need yet it has never been contacted as part of the cascade process.	
	8.25	This is not realistic in the real world. The affordability of rentals in Braunton is much higher than other areas and this should be taken into account.	Object
9. Assessing Financial Viability	9.4	We support an 'open-book' approach to Viability Assessments. However, this is contradicted by the LPA, as on their website they encourage developers to sign a non-	Support subject to the removal of NDC's non- disclosure

		disclosure agreement. We also have evidence of requesting viability assessments	agreement guidance
		and being declined by the LPA on grounds of	guidance
		confidentiality. The Government states that	
		viability reports should be in the public	
		domain and we support this.	
	9.11	We are concerned regarding the premium for	Object
		landowners. Farmers Weekly indicate	
		average Devon EUV arable is £10.5k per	
		acre and Devon EUV pasture is £8.2k per	
		acre (figures 2021 within the last six months).	
		What is an acceptable premium for the	
		landowner on existing use arable/pasture	
		land?	
		The government recommend a return of 15-	
		20% per gross development value to a	
		developer. Even if these percentages where used the	
		cost of an acre would be no more than	
		£12.6k per acre reenforcing our comment in	
		respect of para 6.16 and suggested £10k per	
		plot.	
		The reference to option agreement should be	
		struck out as this immediately inflates the	
		existing land use value.	
		No consideration is given to the coloulation of	
		No consideration is given to the calculation of the Gross Development Value which	
		presumably is the opening figure for a	
		Viability Assessments.	
	9.12 - 9.14	Not robust enough in ensuring that Affordable	Object
		housing quota is meet. Developers should	
		ensure that their proposals are fully policy	
		compliant	
		Suggest the Council take a large sum at the start of development giving that the	
		developers are well funded	
11. Financial	11.1	We object to the delivery of affordable	Object
contributions		housing offsite. Affordable housing should	<b>,</b>
towards the off-		be delivered onsite and with the open market	
site delivery of		dwellings (see comment under 5.44). It is not	
affordable		acceptable to deliver affordable housing	
housing		elsewhere given the demonstrable local	
	11 10	housing crisis.	Object
	11.12	The figures in this table do not bear any relevance to local values. Where have these	Object
		TELEVATILE IN INCAT VALUES. VVITETE TIAVE LITESE	

Table 1. Example Zone Ta Values	figures and be evidenced.	
11.18	We object to this approach described in the paragraph and should be removed. If a developer can't afford to deliver affordable housing on site – they are not policy compliant and permission should be refused.	Object
11.20	The Council's monitoring reports are not sufficient. The North Devon Funding Statement for Section 106 Agreements for year end 31 March 2021 are not easily readable for residents. Request a summary/overview be provided that is updated every quarter	Support subject to suggested change

Yours sincerely,

Tracey Lovell Clerk to the Council Braunton Parish Council