

APPENDIX D: ABBOTS LANGLEY HOUSING NEEDS ASSESSMENT

Abbots Langley Housing Needs Assessment

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Quality information

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Table of Contents

1.	Executive Summary	8
2.	Context	17
2.1	Local context	17
2.2	Planning policy context	17
3.	Approach	19
3.1	Research Questions (RQs)	19
3.1.1	Quantity	19
3.1.2	Tenure	19
3.1.3	Type and size	19
3.1.4	Housing for specialist groups	20
3.2	Study Objectives	21
3.3	Relevant Data	21
3.3.1	SHMA	21
4.	RQ1. What <u>quantity of housing</u> is appropriate for the NPA over the Plan period to address housing need?	22
4.1	Core Strategy	22
4.2	SHMA	23
4.3	DCLG Household Projections	23
4.3.1	Home growth 2001 – 2011	24
4.3.2	Home growth since 2011	24
4.4	The Standard Methodology	24
5.	RQ2. What affordable housing (social housing, affordable rented, shared ownership, intermediate rented) and market housing tenures should be included in the housing mix?	25
5.1.1	Definitional issues	25
5.2	Current tenure profile	27
5.2.1	Age Structure	27
5.2.2	Household composition	30
5.2.3	Affordability	31
5.2.4	Purchase threshold	35
5.2.5	Income Threshold	35
5.2.6	Over-crowding	35
5.3	Housing Needs Register	36
5.4	Market Segmentation	37
5.4.1	Arrows Analysis	38
5.5	What forms of Affordable Housing should be included in the tenure mix?	40
5.5.1	Shared ownership	41
5.5.2	Affordable Rented Dwelling (ARD)	41
5.6	What type of market housing (private rented and housing for sale) should be included in the housing mix?	42
5.6.1	Build to Rent	42
6.	RQ3. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?	43
7.	RQ4: Specialist housing (e.g., What provision should be made for retirees and the elderly?)	46
7.1	Sheltered and extra-care housing	46
7.1.1	Retirement villages	47
7.1.2	Senior Co-housing	47
7.1.3	Multi-generational homes	47
7.1.4	Lifetime Homes	47
7.1.5	Right-sizing	48
7.1.6	Planning flexibility	48

7.1.7	Lifetime neighbourhoods.....	48
7.1.8	Age-friendliness	48
7.1.9	Housing for people with Dementia	49
7.1.10	The role of the Local Authority	50
8.	Market Signals.....	50
8.1	Commuting and Employment.....	50
8.2	Housing Sales (Prices)	53
8.3	Housing Affordability	55
8.4	Migration	57
8.5	Overcrowding	58
8.6	Concealment.....	58
8.7	Rate of Development	59
9.	Conclusions	61
9.1	Overview	61
9.2	Recommendations for next steps	66

List of Tables

Table 1: Summary of factors specific to Client NP with a potential impact on neighbourhood plan housing quantity	11
Table 2: Summary of local factors specific to Abbots Langley with a potential impact on housing Type	13
Table 3: Relative proportional size of the urban areas of Key Centres in Three Rivers	22
Table 4: Tenure (households) in Abbots Langley, 2011	27
Table 5: Rates of tenure change in Abbots Langley, 2001-2011	27
Table 6: Rate of change in the age structure of the population of Abbots Langley, 2001-2011	28
Table 7: Population change 2013 to 2036 by fifteen-year age bands (2012-based SNPP)	29
Table 8: Projected Change in Population of Older Persons (2013 to 2036)	29
Table 9: Household composition (by household) in Abbots Langley, 2011	30
Table 10: Rates of change in household composition in Abbots Langley, 2001-2011	30
Table 11: Estimated change in households headed by someone aged under 35 (2013-36) – using 2012-based CLG household formation rates	31
Table 12: SHMA LQAR and MAR	32
Table 13: Household Income - Averages	33
Table 14: Household Income	34
Table 15: Property values in Abbots Langley (£,000)	35
Table 16: Trends in number of persons per room in Abbots Langley, 2001-2011	36
Table 17: Concealed households	36
Table 18: Market Segments	39
Table 19: Estimated Housing Size required by Household Type, by Age of Head of Household	40
Table 20: Accommodation type (households) in Abbots Langley, 2011	43
Table 21: Rates of change in number of rooms per household in Abbots Langley, 2001-2011	43
Table 22: Change in number of rooms per household in Abbots Langley (absolute numbers), 2001-2011	44
Table 23: Size of homes	44
Table 24: Type of homes	45
Table 25: Change in the population of over 75s between 2011 and 2032	46
Table 26: Distance to work, 2011	51
Table 27: House Prices in Abbots Langley, 2007-2016	53
Table 28: House Price Rises in Abbots Langley and Three Rivers District, 2007-2016	54
Table 29: Country of birth and length of residence, Abbots Langley 2011	57
Table 30: Number of persons per room in Abbots Langley and Three Rivers, 2001 and 2011	58
Table 31: Concealed families in Abbots Langley, 2011	58
Table 32: Growth in dwellings numbers, 2001-2011	60
Table 33: Summary of Key Factors	61

List of Figures

Figure 1: Dwelling projections for the Client NP Area, 2011-2031	10
Figure 3: Map showing coverage of Metropolitan Green Belt around Abbots Langley	17
Figure 4: Age Structure	28
Figure 5: Lower Quartile Affordability Trend, 1997-2013	32
Figure 6: Median Residents' Annual Earnings (Gross), 2014	33
Figure 7: Lower Quartile Residents' Annual Earnings (Gross), 2014	33
Figure 8: Median House Prices, Jan 2013 – Dec 2014	34
Figure 9: Dementia care chart	49
Figure 10: Main Destination of Employment	51
Figure 11: Commuting Patterns in Three Rivers District	52
Figure 12: Forecast Growth Rates for Comparator Areas, 2013-2036	52
Figure 13: Map of Hertfordshire Growth Areas	53
Figure 14: Median House Price Trends, 2008-2013	54
Figure 15: Inflation- Adjusted House Price Index	55
Figure 16: Ratio of house price to residence-based earnings in Three Rivers	55
Figure 17: Private Rents in Three Rivers District, 2012-17	56
Figure 18: Indicative Income Required to Purchase/Rent Without Additional Subsidy	56
Figure 19: Distribution of Household Income in South West Herts	57
Figure 20: Housing completions versus planned targets in Three Rivers, 2006-2014	59
Figure 21: Collated HMA Housing Completions against Targets, 2006-2014	59
Figure 22: Summary of local factors specific to Abbots Langley with a potential impact on neighbourhood plan housing characteristics	63

Glossary of terms used in text

ALPC	Abbots Langley Parish Council
AH	Affordable Housing (NPPF definition)
AMH	Affordable Market Housing
DCLG	Department for Communities and Local Government
GT	Gypsy & Traveller
GTAA	Gypsy and Traveller Accommodation Assessment
HNA	Housing Needs Assessment
LPA	Local Planning Authority [The local authority]
NDP	Neighbourhood Development Plan
NP	Neighbourhood Plan
NPA	Neighbourhood Plan Area
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RTF	Rural Town and Fringe
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment (2016)
SWHES16	South West Hearts Economic Study (2016)
TRCS	Three Rivers Core Strategy (adopted 2011)
TRDC	Three Rivers District Council

1. Executive Summary

Introduction

1. The 2011 Localism Act introduced neighbourhood planning, allowing parishes, town councils or neighbourhood forums across England to develop and adopt legally binding development plans for their neighbourhood area.
2. As more and more parishes, towns and forums seek to address housing growth, including tenure and type of new housing, it has become evident that developing policies need to be underpinned by robust, objectively assessed housing data.
3. In the words of the national Planning Practice Guidance (PPG), establishing future need for housing is not an exact science, and no single approach will provide a definitive answer. The process involves making balanced judgments, as well as gathering numbers and facts. At a neighbourhood planning level, one important consideration is determining the extent to which the neighbourhood diverges from the local authority average, reflecting the fact that a single town or neighbourhood almost never constitutes a housing market on its own and must therefore be assessed in its wider context.
4. The guidance quoted above on housing needs assessment is primarily aimed at local planning authorities preparing Strategic Housing Market Assessments (SHMAs), which are used to determine housing need at a local authority level. However, it helpfully states that those preparing neighbourhood plans can use the guidance to identify specific local needs that may be relevant to a neighbourhood, but that any assessment at such a local level should be proportionate.
5. Our brief was to advise on data at this more local level to help Abbots Langley Parish Council (ALPC) understand, among other matters, the type, tenure and quantity of housing needed to inform neighbourhood plan policies.

PPG-Based Assessment

6. This objective and independent housing needs advice note follows the PPG approach where relevant. This ensures our findings are appropriately evidenced. The PPG advises that assessment of development needs should be thorough but proportionate and does not require planners to consider purely hypothetical future scenarios, only future scenarios that could be reasonably expected to occur.

Summary of Methodology

7. Housing Needs Assessment at neighbourhood plan level can be focused either on quantity of housing needed, type of housing need, or both. In most cases, there is a need to focus on quantity where the housing target for the settlement being assessed is unclear, for example where the local authority has not set a specific target for the settlement, or where there is no local plan in place.
8. In the case of Three Rivers District Council (TRDC), the current adopted Development Plan, the Core Strategy (adopted 17 October 2011), sets a housing target for the district of 4,500 dwellings, or 180 dwellings per year between 2001 and 2026¹. Abbots Langley is defined as a 'key centre' in this document. Policy PSP2 Development in Key Centres (as well as Abbots Langley, this includes South Oxhey, Croxley Green, Chorleywood, Leavesden and Garston and Mill End) states that Key Centres should provide 'approximately 60% of the District's housing requirements over the Plan period to include approximately 45% of affordable housing as informed by the Strategic Housing Market Assessment (2010).' As a plan that pre-dates the National Planning Policy Framework, this cannot however be used as a reliable basis on which to calculate a suitable housing needs figure for the parish.
9. While TRDC is in the process of producing a new local plan, this is at an early stage of preparation, with no formal drafts published. While an Issues & Options (and Call for Sites) Consultation was published in July 2017, this document only goes so far as to outline a range of potential directions for housing policy and does not settle on specific housing targets for either the district or parish levels.
10. The SHMA, published in October 2016, provides the evidence base for the housing policy at the new Local Plan. This document does not however provide clear recommended housing targets at the parish level. The core purpose of this study is therefore to consider both quantity of housing needed, in light of the recently commissioned SHMA, identifying a housing needs figure for Abbots Langley, as well as type, in accordance with the wishes of the Parish Council.

¹ Three Rivers District Council Core Strategy, Adopted 17th October 2011, page 29

11. Notwithstanding the weakness of the policy context at the district level, it is important the housing needs figure arrived at is based on evidence deemed acceptable for plan-making purposes, and that inform housing numbers at the district level. This is because neighbourhood plans need meet the basic conditions and these are tested through the independent examination of Basic Conditions to be 'made' by the LPA. One of these, Basic Condition E, requires the Neighbourhood Plan to be in 'general conformity with the strategic policies' of the Local Plan. The Government's Planning Practice Guidance indicates that the level of housing development is likely to count as a strategic policy.²
12. In terms of the types of housing needed, there is generally more flexibility on what neighbourhood plans can cover. In order to understand the types of housing needed in Abbots Langley, we have gathered a wide range of local evidence and summarised it into policy recommendations designed to inform decisions on housing characteristics.

Gathering and Using a Range of Data

13. The PPG states that:

'no single source of information on needs will be comprehensive in identifying the appropriate assessment area; careful consideration should be given to the appropriateness of each source of information and how they relate to one another. For example, for housing, where there are issues of affordability or low demand, house price or rental level analyses will be particularly important in identifying the assessment area. Where there are relatively high or volatile rates of household movement, migration data will be particularly important. Plan makers will need to consider the usefulness of each source of information and approach for their purposes'.

14. It continues:

'Plan makers should avoid expending significant resources on primary research (information that is collected through surveys, focus groups or interviews etc. and analysed to produce a new set of findings) as this will in many cases be a disproportionate way of establishing an evidence base. They should instead look to rely predominantly on secondary data (e.g. Census, national surveys) to inform their assessment which are identified within the guidance'.

15. Compared with the 2001 Census, the 2011 Census gathered data in a number of new categories and across a range of geographies that are highly relevant to planning at the neighbourhood level and helpful if a PPG-based approach is being used.
16. Like much of the data forming the housing policy evidence base, the Census information is quantitative. However, at a local level, qualitative and anecdotal data, if used judiciously, also has an important role to play, to a perhaps greater extent than at local authority level. We have gathered data from as wide a range of sources as practicable in order to ensure robustness of conclusions and recommendations arising from the analysis of that data. Our conversation with local estate agents, Haart, Your Move, Connells, Proffitt Holt based in Abbots Langley, helped ensure our conclusions were informed by a qualitative, local perspective.

Focus On Demand Rather Than Supply

17. Our approach is to provide advice on the housing required based on need and/or demand rather than supply. This is in line with the PPG, which states that *'the assessment of development needs should be an objective assessment of need based on facts and unbiased evidence. Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints.'*
18. For this reason, we advise that the conclusions of this report should be assessed against supply-side considerations (including, for example, factors such as transport infrastructure, landscape constraints, flood risk and so on) as a separate and follow-on study³.

Quantity of Housing Needed

19. Our assessment of a wide range of data sources identified five separate projections of dwelling numbers for Abbots Langley over the proposed Plan period between 2017 and 2032 based on:

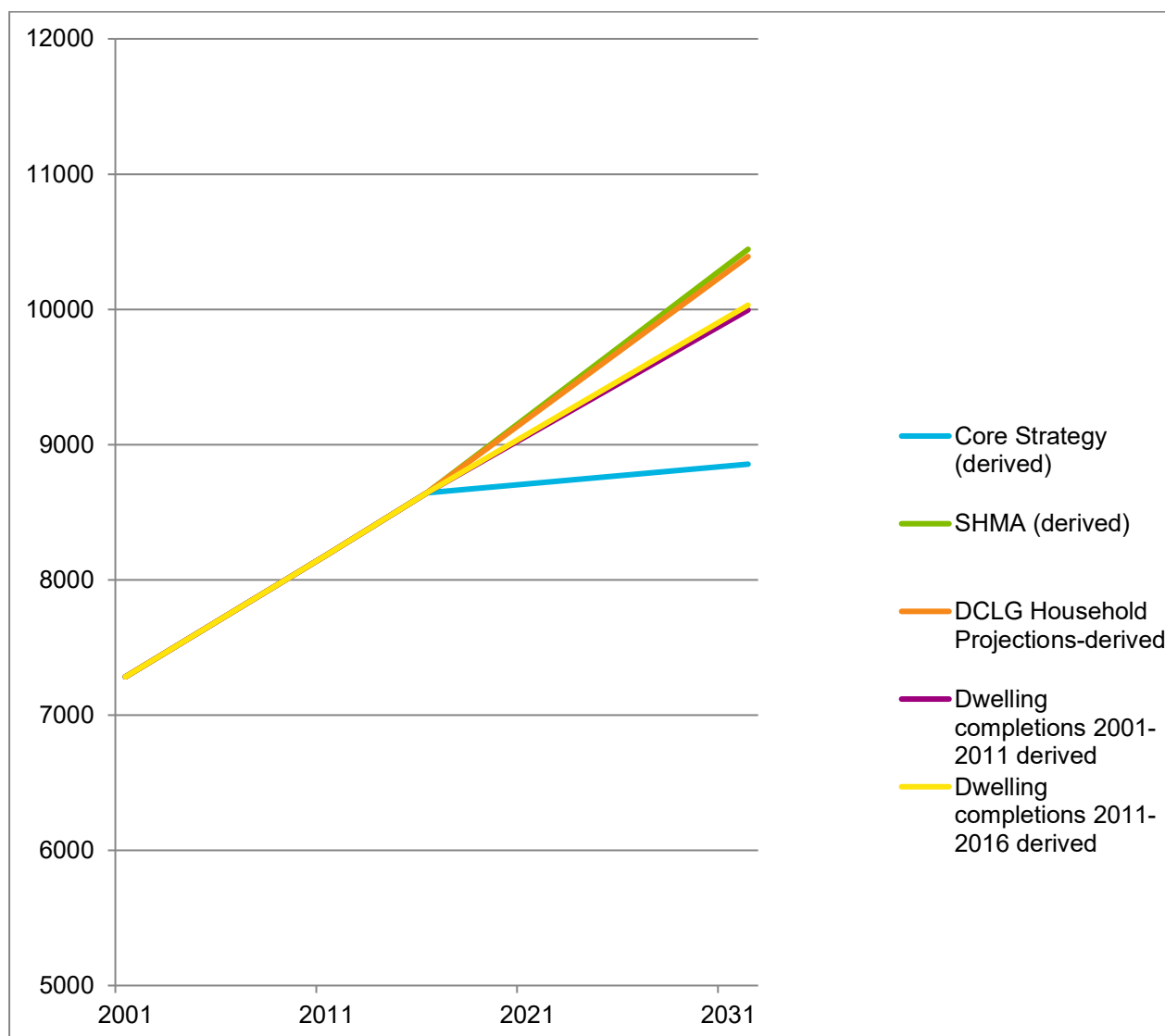
² See Planning Practice Guidance Paragraph: 006 Reference ID: 2a-006-20140306

³ Such an approach, clearly separating housing need assessment from dwelling capacity assessment, was endorsed by the Government for calculating housing need at local authority level in the ministerial statement and press release 'Councils must protect our precious green belt land' (DCLG, 4 October 2014, available at <https://www.gov.uk/government/news/councils-must-protect-our-precious-green-belt-land>)

1. A figure derived from the current Core Strategy (adopted 2011) is **210 dwellings between 2017 and 2032 or 22 homes per year** (rounded);
2. A 'proportionate share' derivation from the 2016 SHMA, Objectively Assessed Need⁴ (OAN) is **1,799 dwellings over the Plan period, or 120 dwellings per annum** (rounded);
3. A rebased DCLG Household Projection-derived figure of **1,745, or 116 dwellings per annum** (rounded) over the Plan period;
4. A forward projection of net dwelling completion rates 2001-2011, produces a gross need for **1,350 homes or 90 dwellings per annum** (rounded); and
5. A projection forward of net dwelling completion rates 2011-2016 produces a projection of **1,386 homes over the Plan period** (rounded).

20. These dwelling number projections are illustrated in Figure 1 below.

Figure 1: Dwelling projections for the Client NP Area, 2011-2031



Source: AECOM Calculations



21. The graph above sets out the total number of homes factoring in each of the projections we have identified in Abbots Langley. So, for example, factoring in DCLG derived data (orange line) to the number of dwellings that

⁴ The OAN includes the baseline demographic need, plus any adjustments made to official forecasts to account for projected rates of household formation post 2021, past suppression of the formation of new households, the effect of past under-supply, employment forecasts, market signals and affordable housing need (as set out in paragraph ID2a-004 of the NPPG).

have already been built in the NPA between 2011 and 1st January 2016 (462) produces a total requirement that there should exist in the NPA 10,390 homes by the end of the Plan period (adding together existing dwellings, and new homes that are required to be built).

22. The starting point to arrive at an overall projection for housing numbers to be delivered in the NPA over the Plan period is the average of the five projections set out above; we depart from this approach if we have reason to believe a given projection should be awarded more weight than others, or should be excluded. For example, if the Local Plan was out of date in planning terms, or another was a clear outlier.
23. In the case of Abbots Langley, the current adopted Core Strategy was adopted before the National Planning Policy Framework and therefore provides an unreliable basis on which to arrive at a housing needs figure for the parish. We therefore propose to exclude this number from our calculations.
24. Moreover, of the remaining projections those based on projecting forward completion rates we see as 'supply constrained' in that they reflect the difficulty of delivering housing on the ground. Given this HNA is seeking to produce a naked expression demand that explicitly does not take these factors into account, these have been excluded.
25. These adjustments also reflect the authority that should be accorded the recently completed SHMA. Taking as our starting point to arrive at the initial housing projection projections 2 and 3 above, we arrive at a range for Abbots Langley of between 1,745 and 1,799 dwellings to be delivered over the Plan period.
26. Moreover, a further assessment applied to this initial projection indicates that market signals (for example the economic context in which the NPA sits, together with the performance of the housing market) are likely to impact on it. We have applied our professional judgment on the scales of increase and decrease associated with each factor on a scale from one to three, where one arrow indicates 'some impact', two arrows 'stronger impact' and three arrows indicates an even stronger impact. Factors are set out in the table below in alphabetical but no other order.
27. We have applied our professional judgment on the scales of increase and decrease associated with each factor on a scale from one to three, where one arrow indicates 'some impact', two arrows 'stronger impact' and three arrows indicates an even stronger impact. Factors are in alphabetical but no other order.

Table 1: Summary of factors specific to Client NP with a potential impact on neighbourhood plan housing quantity

Factor	Source(s) (detailed in Chapter 5)	Possible impact on future housing need	Rationale for judgement
Commuting and Employment trends	SHMA 2016, Census 2001/11, Neighbourhood Statistics, South West Herts Economic Study (SWHES16)		<p>Abbots Langley has been shown to have high rates of commuting, particularly to Watford and to Central London. In addition, a highly skilled workforce will support positive job growth of up to 0.8% per annum, higher than in many nearby economic areas within Hertfordshire.</p> <p>Future employment growth driven by infrastructure investment in Watford in particular is likely to significantly increase demand for housing.</p> <p>Overall, three up arrows is deemed appropriate.</p>
Housing Sales (Prices)	Land Registry Price Paid Data for 2006-2016, SHMA16		<p>Abbots Langley has been shown to have experienced significant price growth over the last 10 years, totalling 49% across all housing types, with most housing types experiencing far greater growth. Whilst this growth has broadly been in line with that of price growth in the district as a whole, this growth has been more significant, in the context of inflation, than in any other parts of the Housing Market Area, with absolute prices the second highest of all comparator areas. For this reason two up arrows has been deemed appropriate.</p>

**Housing
Affordability**DCLG Live Tables
on Affordability
Ratios, VOA,
SHMA16

Abbots Langley has been shown to have had a significant worsening of the affordability ratio for both Median and Lower Quartile earnings and house prices, with the median ratio recently surpassing the lower quartile ratio.

Furthermore, lower quartile rents in Three Rivers as a whole have been shown to have risen faster than inflation, with this quartile of rent now requiring an income of £31,000 per annum, which would be unaffordable for more than 40% of the population. For this reason, three up arrows is deemed appropriate.

**Migration and
demographics**HNHD15, SHMA
2009, Census data
2001, 2011

Significant population growth in Abbots Langley has matched and even exceeded that experienced by London, and was more than double that of three Rivers District as a whole, which experienced growth more in line with the average for England. Such growth is indicative of the attractiveness of Abbots Langley as a place to live, explained chiefly by access to employment opportunities and its qualities as a place both to bring up a family and retire. In line with government policy to concentrate development in those areas with the strongest locational advantages two up arrows is deemed appropriate.

OvercrowdingCensus Data 2001,
2011

Abbots Langley experienced double the rate of increase in households experiencing overcrowding than Three Rivers over the 10 years to 2011. This is considered a significant indicator of increased demand, and as such two up arrows have been deemed appropriate.

ConcealmentCensus Data 2001,
2011

Census data suggests that 87 concealed families exist in Abbots Langley. This rate is lower than in Three Rivers and England as a whole, and there for one down arrow is deemed appropriate.

**Rate of
development**

Three Rivers has been effective in meeting its housing targets in recent years, and furthermore Abbots Langley has over delivered, proportional to its population, in comparison with the rest of the district. Therefore two down arrows is considered appropriate.

28. The demand for housing is heavily influenced by the fact that Abbots Langley is with commuting distance to London; it therefore attracts people who are relatively well-paid, this is reflected in both higher average household income as well as higher house prices than the local authority average.
29. The Lower Quartile Affordability Ratio at 11.2 and Medial Ratio of 10.4 indicates a crisis of affordability at the lower income registers. This impression of strong demand is reinforced by evidence of the incipient overcrowding within the NPA.
30. The delivery of additional dwellings is the market mechanism that brings the housing market back into equilibrium, and should, subject to the principles of sustainable development, be allowed to operate. In this regard, it is important to acknowledge guidance from government, which it to strengthen the pipeline of development and focus development in those areas that are both most sustainable as well as offer the most compelling locational advantages.

31. Overall, the analysis makes a compelling argument for an uplift in dwelling numbers in the NPA. With this in mind, we recommend that the housing needs figure for Abbotts Langley should fall into range of **1800 – 1850 new dwellings for the period 2017 to 2032.**

Table 2: Summary of local factors specific to Abbotts Langley with a potential impact on housing Type

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
Affordable Housing (AH)	SHMA, CACI, Local Agent questionnaire	<p>Given the Lower Quartile Affordability Ratio (LQAR) of 11.2 and the Median Affordability Ratio (MAR) of 10.4 at the district level, affordable market homes (AMH) are out of reach to those on modest incomes.</p> <p>While median incomes may be as much as 30% higher and Lower Quartile incomes are 15% higher in Abbotts Langley than the district average, and property is also substantially more expensive than elsewhere in the Three Rivers district.</p> <p>An entry-level dwelling in Abbotts Langley is priced at approximately £270,000; a similar property will rent in the area for around £14,000 pa; around 60% of all households would be unable to afford to rent at this level and retain enough income to cover other needs and allow for some discretionary spending. As a result, this HNA concludes that roughly 60% of all households are unable to afford suitable market housing (for either rent or purchase) without some form of subsidy.</p>	<p>While AMH in Abbotts Langley is unaffordable to households with incomes around the median, the introduction of Discounted Market Sale Housing (DMSH) does offer a realistic means for those on incomes at this level to access the property market. We would therefore recommend DMSH form part of the AH quota within the NPA, with policy seeking to fulfil the Government's policy expectation that 10% of all new build dwellings are starter homes.</p> <p>Shared ownership dwellings have grown substantially during the inter-censal period and should remain a component of intermediate AH products.</p> <p>For Affordable Rented Dwellings to expand the choice of housing available to residents in the NPA, rent levels should be set substantially below the maximum of 80% so as to avoid competition with intermediate AH products; this will encourage 'true affordability,' providing a route to housing for households on lower quartile incomes. We note, however, that policy of this kind can only be devised where it does not threaten viability.</p>
Demand/need for smaller dwellings	SHMA, Census, Local Agent questionnaires	<p>Households headed by a person under 35 will gravitate more strongly to the Three Rivers district than the Housing Market Area (HMA) generally.</p> <p>There is a wide range of dwelling types and sizes in Abbotts Langley. Of new homes built during the inter-censal period, large homes of 6 habitable rooms or more form the majority (51%).</p>	Based on the evidence uncovered, the bias in favour of larger dwellings indicates a mis-alignment between supply and demand given the evidence we have uncovered of strong demand for smaller homes (1-3 habitable rooms) suited to both first time buyers as well as those seeking to downsize.
Demographic change	Census, SHMA	Analysis of the evidence gathered in respect of the age structure reveals a broadly balanced population with a substantial number of adults of parental	The ageing population points to a need to increase the provision of dwellings suited to older groups within the community;

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
		<p>age (roughly 55% of the population).</p> <p>Young adults are the age group with the smallest representation, despite a substantial uplift in their numbers during the inter-censual period.</p> <p>While the area did not exhibit a disproportionately large older-people's cohort at the 2011 Census, evidence presented in the SHMA describing change in age structure at the HMA and district levels points to substantial increases in their numbers in the period to 2036.</p> <p>This contrasts with younger age groups which show very modest increases in comparison, particularly the 30-44 age group whose numbers are estimated to grow by only 7.5% in the period between 2013 and 2036.</p>	<p>notwithstanding this, the neighbourhood plan should not lose sight of the need to maintain a balanced population, supporting the ambition of younger age groups to establish households in the neighbourhood.</p>
Dwelling type		<p>The types of dwelling for which there is the greatest demand are bungalows and semi-detached dwellings.</p> <p>Local estate agents suggest demand for flats is weaker than for that of houses, and there may be an over-supply of flats (Your Move, Connells).</p>	<p>These findings support the need, identified elsewhere, to plan to accommodate greater numbers of older residents, as well as sustain the neighbourhood's function as a place to bring up a family.</p> <p>Notwithstanding the reported preference for houses as a dwelling type, flats provide a route to affordable home ownership and should remain an important aspect of the housing mix.</p>
Family-sized housing	Census, SHMA	<p>Bringing together our findings relating to household composition, the NPA is popular for families, with 40.1% of all households including children, and this has strengthened during the inter-censual period. While district level data displays similar trends, they are more pronounced within the NPA.</p> <p>All households with families grew by 9.7% in Abbots Langley during the inter-censual period, as against 2.8% for the district. Those families with children grew by 19.3% in the NPA, compared with a district growth of 8.7%.</p>	<p>Dwellings suited to the needs of younger families (5 habitable rooms) should be a priority for development over the Plan period.</p>

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
Housing for independent living for older people	SHMA	SHMA data forecasts growth in older residents (aged 75-85), and in particular, the elderly (85+) population. These groups are forecast to grow by 57.6% and 136.5% respectively between 2013 and 2036 at the district level.	<p>Using the Learning and Improvement Network's (LIN) recommendations for the number of specialist dwellings per 1000 population of those aged 75+, we have arrived at a need for:</p> <ul style="list-style-type: none"> • 88 additional conventional sheltered housing units; • 176 additional leasehold sheltered housing units; • 30 additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale; • 22 additional extra care housing units for rent; • 44 additional extra care housing units for sale; and • 9 additional specialist dementia care homes. <p>As noted previously, it is not necessarily the case that all of these dwellings would need to be or could be provided within the parish itself.</p>
Tenure of housing	Census	There has been an increase of 901 dwellings during the inter-censal period and this has resulted in a large increase in private rented and shared ownership homes. These two tenures saw an increase of 236 and 69 units respectively. In 2011, however, the dominant tenure remains owner-occupation at 72% of all dwellings.	PRS will continue to provide a growing role in satisfying housing need in the NPA, given the shortage of shared equity stock and overall affordability of for-sale homes. As a result, Abbots Langley should seek build to rent (BTR) development, which may include an element of affordable housing in the form of Affordable Private Rent Housing (APRH).

Recommendations for next steps

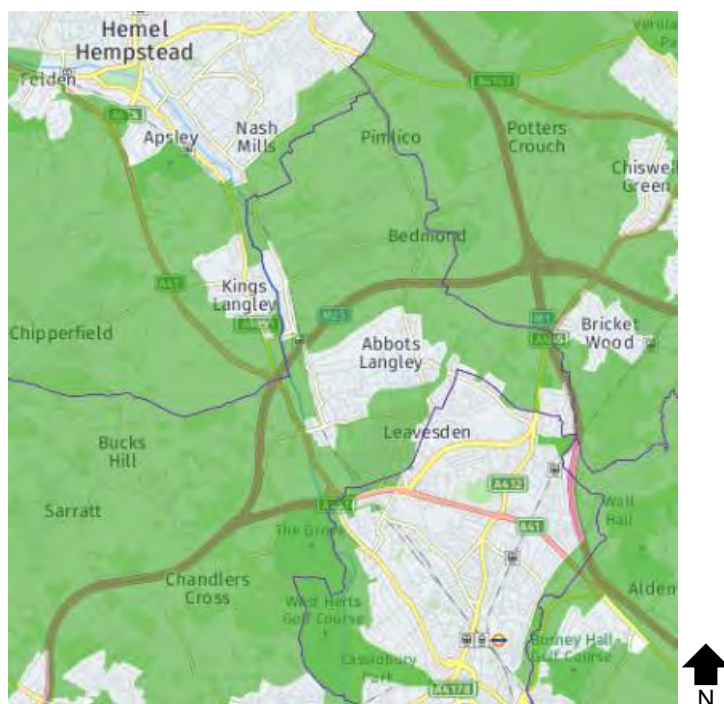
32. This neighbourhood plan housing needs advice has aimed to provide Abbots Langley Parish Council with evidence on housing trends from a range of sources. We recommend that the parish should, as a next step, discuss the contents and conclusions with Three Rivers District Council (TRDC) with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NP area, bearing the following in mind:
 - Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
 - the views of TRDC– in particular in relation to the housing need figure that should be adopted;
 - the views of local residents;
 - the views of other relevant local stakeholders, including housing developers;
 - the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by the TRDC, including but not limited to the SHLAA;
 - the recommendations and findings of this study;
 - recent changes to the planning system, forthcoming changes to the NPPF, as well as the implementation of the Housing and Planning Act, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level; and,
 - the impact of the new Government proposed standard methodology on calculating housing need on the district and its neighbourhoods.
33. This advice note has been provided in good faith by AECOM consultants on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
34. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the Borough Council or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
35. At the same time, monitoring ongoing demographic or other trends in the factors summarised in Tables 1 and 2 would be particularly valuable.

2. Context

2.1 Local context

36. Abbots Langley is a large village, in the Three Rivers district of Hertfordshire near Watford, with the surrounding parish also encompassing parts of the villages of Leavesden, Kings Langley and Bedmond. The parish is bisected by the River Gad, running north to south, and by the M25 London Orbital Motorway running east to south west. It is also the home of the major film studio Warner Brothers, and sits in close proximity to the interchange between the M25 and M1 motorway, a portion of which passes through the eastern-most edge of the Parish.
37. There are five parish councils within Three Rivers, all of which are in close proximity to Watford itself, with Abbots Langley also bordering the town of Hemel Hempstead to its north. Significant areas of Abbots Langley are also designated as part of the London Metropolitan Greenbelt, as shown in the figure below.

Figure 2: Map showing coverage of Metropolitan Green Belt around Abbots Langley



Source: http://londongreenbeltcouncil.org.uk/threats_map/

2.2 Planning policy context

38. In line with the Basic Conditions of neighbourhood planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with the adopted strategic local policies. Consequently, there is a requirement for the relevant Local Plan to be reviewed as part of this HNA. The Three Rivers District Council Core Strategy, adopted in 2011, is the most up to date local plan for the area, and so is reviewed below. The emerging Three Rivers District Local Plan is at an early stage of preparation, with no formal drafts published, and is projected to be published in 2018⁵.
39. However, an Issues & Options (and Call for Sites) Consultation was published in July 2017 on the emerging local plan. Given that this document only goes so far as to outline a range of potential directions for policies to travel in, it would be premature to consider these for the purposes of establishing conformity.
40. The 2011 Core Strategy sets out the settlement hierarchy for the district, taking into account settlement size, population, existence of and access to a range of services and transport infrastructure and importance in economic and retailing terms⁶. The document designates four settlements within the neighbourhood plan area of Abbots Langley: it designates the villages of Abbots Langley and Leavesden and Garston as Key Centres,

⁵ Three Rivers Local Development Scheme, February 2017, pp. 2

⁶ Core Strategy 2011, para. 3.12, pp. 16

Kings Langley as a Secondary Centre, and Bedmond as a Village. Settlements other than these, such as Hunton Bridge, are not considered part of the formal settlement hierarchy.

41. Policy CP2: Housing Supply further indicates a housing target of 4,500 units in Three Rivers for the Plan period, that is between 2001 and 2026, totalling 180 dwellings per annum across the district.
42. It should be noted that the recent SHMA (February 2016) prepared for the area by GL Hearn suggests an objectively assessed need of 514 dwellings per annum in Three Rivers (for the period 2013-36).
43. Policy PSP2 Development in the Key Centres (South Oxhey, Croxley Green, Abbots Langley, Chorleywood, Leavesden and Garston and Mill End), states that approximately 60% of this housing requirement will be met within key centres such as Abbots Langley and Leavesden, as well as approximately 45% of the affordable housing target for the district.
44. Policy PSP3: Development in Secondary Centres (Kings Langley, Carpenders Park, Eastbury, Maple Cross, Moor Park, Oxhey Hall) similarly sets targets for such settlements to provide approximately 24% of the District's housing requirement, including approximately 45% of the affordable housing requirement.
45. Policy PSP4: Development in Villages (Bedmond, Sarrat) establishes that such settlements should provide approximately 1% of the district's housing requirements over the Plan period and affordable housing to meet local need. It further states that development will be guided by a subsequent site allocations document allocating and releasing sites solely for affordable housing using a Rural Exception Site Policy.
46. Policy CP3: Housing Mix and Density states that the council will require housing to meet local needs in terms of types and sizes, including specialist housing for the elderly, with density relating to existing residential areas, except where transport, services and facilities might support higher densities.
47. Policy CP4: Affordable Housing states that the council will seek a target of 45% of all housing to be affordable, incorporating a mix of tenures with a view towards seeking 70% social housing and 30% intermediate housing. It further adds that site-specific targets will be sought via a future Site Allocations Development Plan Document, which in some cases may suggest a target of 50% or above. It also states that the affordable housing provided should reflect the mix of size and type identified as needed by the SHMA and subsequent updates and be provided on site, except on sites of one to nine dwellings, where offsite payments may be acceptable. It goes on to outline where the development of Rural Exceptions Sites will be acceptable.
48. Policy CP5: Gypsy and Traveller Provision sets out criteria for allocating sites for Gypsies and Travellers or Travelling Showpeople, including flooding, landscape importance, proximity to existing settlements, services and transport and access, onsite facilities, privacy and amenities and local need and circumstances.

3. Approach

3.1 Research Questions (RQs)

49. Housing Needs Assessments at neighborhood plan level can be focused either on the quantity of housing needed, the type of housing needed, or both. In most cases, there is a need to focus on quantity where the housing target for the settlement being assessed is unclear, for example where the local authority has not set a specific target for the settlement, or where there is no local plan in place.
50. Below, we set out the RQs relevant to this Housing Needs Assessment (HNA) as discussed and agreed with Abbots Langley Parish Council (ALPC). These have been arrived at the start of the project through discussion with the parish. They serve to direct our research and provide the structure for the HNA.

3.1.1 Quantity

51. The Core Strategy (adopted 2011) sets a housing target for the district of 4,500 dwellings, or 180 between 2001 and 2026⁷. Abbots Langley is defined as a 'key centre' in this document. Policy PSP2: Development in Key Centres (as well as Abbots Langley, this includes South Oxhey, Croxley Green, Chorleywood, Leavesden and Garston and Mill End) states that Key Centres should provide 'approximately 60% of the District's housing requirements over the Plan period to include approximately 45% of affordable housing as informed by the Strategic Housing Market Assessment (2010).'
52. The local authority is currently in the process of developing a new Local Plan; at the time of writing, the position of Three Rivers District Council is to treat the number of dwellings set out in the Strategic Housing Market Assessment (SHMA) as the minimum number of dwellings that should be delivered over the proposed Plan period. However, the council is conscious of the potential impact of the Standard Methodology for Accessing Housing Need (SMAHN) on their OAN. At the current time, therefore, there is a lack of clarity as to an appropriate housing needs figure for the NPA, making it appropriate that the HNA provide one.

RQ1. What quantity of housing is appropriate for the NPA over the Plan period to address housing need?

53. To answer this question, it will be necessary to arrive at an estimate for the required housing growth relying on a number of reliable sources; these are,
 - A number derived from the currently adopted core strategy;
 - SHMA - proportional share drawn from OAN;
 - DCLG Household projections;
 - Net dwelling completion rates 2001-2011; and
 - Net dwelling completion rates 2011-2015.
54. We will also provide a projection based on the SMAHN on a 'for information only' basis, given that the policy is, at the time of writing, not yet resolved and subject to consultation.

3.1.2 Tenure

55. ALPC has expressed an interest in seeing more affordable housing in the NPA. This study will therefore explore tenure mix, with a particular focus on affordable housing, including the role of discounted market housing.

RQ2. What affordable housing (social housing, affordable rented, shared ownership, intermediate rented) and market housing tenures should be included in the housing mix?

3.1.3 Type and size

56. ALPC wishes to understand what type and size of dwellings is suitable given forecast changes in demography and household composition.

⁷ Three Rivers District Council Core Strategy, Adopted 17th October 2011, page 29

RQ3. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?

3.1.4 Housing for specialist groups

57. ALPC is interested in the housing needs of older residents as well as newly forming households, and how these may be addressed over the Plan period.

RQ4. What provision should be made for specialist housing within the NPA, in particular:

- The needs of older residents, including those who need sheltered, extra care dwellings and those suffering from dementia; and
- Newly forming households?

3.2 Study Objectives

58. The objectives of this report can be summarised as:

- Collation of a range of data with relevance to housing need in Abbots Langley relative to Three Rivers;
- Analysis of that data to determine patterns of housing need and demand; and
- Setting out recommendations based on our data analysis that can be used to inform the Neighbourhood Plan's housing policies.

59. The remainder of this report is structured around the objectives set out above:

- Chapters 4, 5, 6, 7 and 8 which set out the data gathered from all sources; and
- Chapter 9, which sets out our conclusions and recommendations based on our data analysis that can be used to inform the Neighbourhood Plan's housing policies.

3.3 Relevant Data

3.3.1 SHMA

60. The PPG states that neighbourhood planners can refer to existing needs assessments prepared by the local planning authority as a starting point. Abbots Langley is located within a local Housing Market Area which includes the four commissioning authorities of Dacorum, Hertsmere, Three Rivers and Watford, together with St Albans District and the majority of settlements in Chiltern District.
61. In gathering appropriate data for this HNA, we therefore turned to the South West Hertfordshire Strategic Housing Market Assessment, published in January 2016, which covers Three Rivers and informs emerging housing policies at a local authority level, including affordable housing policy.
62. The SHMA draws upon a range of data including population projections, housing market transactions and employment scenarios to derive the objectively-assessed housing need. As such, it contains a number of points of relevance when determining the degree to which the housing needs context of Abbots Langley itself differs from the authority-wide picture.

4. RQ1. What quantity of housing is appropriate for the NPA over the Plan period to address housing need?

63. We have estimated the quantity of housing needed in NPA according to four different sources; these are,

- Core Strategy (CS);
- SHMA - proportional share drawn from OAN;
- DCLG Household projections;
- Net home completion rates 2001-2011; and
- Net home completion rates 2011-2015.

These calculations are set out below.

4.1 Core Strategy

64. As we have seen, policy PSP2 in the current adopted Core Strategy requires that the Key Centres, of which Abbots Langley is one, are a focus for development, and therefore fulfil a strategic function by addressing district level need as well as that emanating from their 'home' settlements. The relevant criteria are set out below:

- Focus future development predominantly on sites within the urban area, on previously developed land;
- Provide approximately 60% of the District's housing requirements over the Plan period to include approximately 45% of affordable housing as informed by the Strategic Housing Market Assessment (2010), Development Economics Study (2009) and Strategic Housing Land Availability Assessment Update (2010), totalling 180 to 2026.

65. In order to arrive at a suitable target we have therefore arrived at an estimate of the relative size of the urban areas of these settlements, based on the settlement boundaries put forward by the Core Strategy, and used this as a basis for a 'fair share' calculation. These calculations are set out below in Table 3.

Table 3: Relative proportional size of the urban areas of Key Centres in Three Rivers

Key Centre	Urban Area	Percentage of Total
Croxley Green	2.687 km ²	21%
South Oxhey	1.979 km ²	16%
Abbots Langley	2.540 km ²	20%
Chorleywood	2.965 km ²	24%
Leavesden and Garston	1.146 km ²	9%
Mill End	1.238 km ²	10%
Total	12.555 km ²	

Source: AECOM Calculations/<http://www.planvu.co.uk/trdc/>

66. We have calculated that the total area of all key centre urban areas is 12.555km², with Abbots Langley making up approximately 20% of the total. The district's housing requirement over the Plan period is 4,500 dwellings, with 60% of this figure (2,700 homes) allocated to the key centres. Abbots Langley's 'fair share' of this figure then comes to 540 dwellings (20% of 2,700) between 2001 and 2026, or 22 homes per year (rounded). Projecting this figure forward a further 6 years to 2032 would yield 672 dwellings.

67. However, in arriving at a final total for Abbots Langley, it is important to take into consideration that 462 dwellings⁸ were built between 2011 and 2016 in the NPA. Allowing for these completed dwellings, a housing target for Abbots Langley that is in conformity with the current adopted Core Strategy would be **210 dwellings (672-462) between 2017 and 2036 or 22 homes per year (rounded).**

⁸ Email received from Martin Wells, Senior Planning Officer, Economic & Sustainable Development, Three Rivers District Council 20/09/17

4.2 SHMA

68. It is important to remember that the SHMA presents a demand-side only, or 'unconstrained' assessment of need (often identified as Objectively Assessed Need, or OAN⁹), as opposed to a final housing target. The final housing target will take into account a number of other factors, including for example the availability of land, viability, infrastructure and environmental constraints and the results of consultation.
69. The SHMA presents an appropriate starting point for deriving need at the NP level, because it is the most up-to-date evidence available, and importantly, because it takes into account the latest population and household projections, as set out in the 2014 Sub-National Population Projections on which the Household Projections are based, which the PPG guidance suggests should be taken as a 'starting point' in determining need at the local authority level.
70. The SHMA identifies an OAN for Three Rivers over the period 2013 - 36 of 514.¹⁰ This was based on a preferred methodology which takes as its starting point the 2012-based Household Projections. These projections represent a reasonable trend-based demographic assessment of housing need. However, the evidence of affordable housing need, together with the analysis of market signals, point towards affordability pressures within the HMA. The evidence provides a basis for considering upwards adjustments to the assessed housing need to, on the basis of reasonable assumptions, improve affordability.¹¹
71. To calculate the NPA's 'fair share' of this target, it is possible to use ALPC's proportion of all housing in the district¹². At the time of the last Census there were 36,155 dwellings in Three Rivers, of these 8,183 were in Abbots Langley, or 22.6% of the total.
72. Taking the 514 dwellings as an annual target, it is possible to arrive at a OAN for housing to be provided between 2013 and 2032 at the district level of 9,766 dwellings (514 x 19 years). The 'fair share' for Abbots Langley will therefore be 2,207.
73. However, it is necessary to take into consideration homes built in the NPA since the base year of 2013. Based on data provided by the Local Authority, 408 dwellings have been built between 2013 and 2016. This produces a final target of **1,799 dwellings over the Plan period, or 120 per year** (rounded).

4.3 DCLG Household Projections

74. The Department for Communities and Local Government (DCLG) periodically publishes household projections. The NPPG recommends that these household projections should form the starting point for the assessment of housing need.
75. The most recent (2014-based) household projections were published in July 2016¹³, and extend to 2039. Although these projections are only available at a local authority level, a calculation of the share for the NPA is nevertheless possible based on the NPA's household numbers in the 2011 Census.
76. At the 2011 Census, Abbots Langley had 8,023 households and the Three Rivers District 35,108 households, or 22.9% of the total (rounded).
77. In the 2014-based household projections, the projection for 2032 is for 44,248 households in Three Rivers. Assuming it continues to form 22.9% of the district total, the NPA's new total number of households would be 10,133 (rounded); therefore 2,110 new households would form in the NPA between 2011 and 2032 (or a rate of growth of 100.5 households per year).
78. Number of households does not, however, equate precisely to number of homes, with the latter slightly higher in most places. The NPA is no exception; in the 2011 Census, there were 8,023 households but 8,183 homes. This gives a ratio of 0.98 households per home. In the case of this NPA, then, a projection of 2,110 new households translates into a need for 2,153 homes (rounded to the nearest whole number).

⁹ The OAN includes the baseline demographic need, plus any adjustments made to official forecasts to account for projected rates of household formation post 2021, past suppression of the formation of new households, the effect of past under-supply, employment forecasts, market signals and affordable housing need (as set out in paragraph ID2a-004 of the NPPG). This is sometimes described as 'policy off' because it does not take account of final policy responses as a result of taking into account capacity, environmental and infrastructure constraints.

¹⁰ SHMA, January 2016, page 187

¹¹ SHMA, January 2016, page 186

¹² For the projection based in the SHMA we do not use prescription set out in policy PSP2 because this represents a 'policy on' approach.

¹³ See 2014-based DCLG Household Projections live tables at <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>

79. These figures are based on the assumption that 2014-based government projections as to household growth at the Local Authority level are accurate. As the annual mid-year population estimates have now been released for 2015, the 2014-based household projections may need to be 'rebased' for accuracy. The mid-2015 population estimates give the actual number of people in the NPA at that point, meaning the difference between the estimated and the previously projected number of households can be taken into account in future projections.
80. The 2014-based household projections were based on the 2014-based Sub-National Population Projections, which estimated that by 2015 there would be 91,962 people in Three Rivers. The mid-2015 Estimates show that based on the latest information there were estimated to be 92,533 people, which is greater than the projections by 571 people. Assuming average household sizes remain constant (in 2011 there were an average of 2.44 people per household, obtained by dividing population by number of households) this equates to 234 more households across Three Rivers.
81. Taking 44,482 (44,248 + 234) as our revised household number at 2032, this equates to 10,186 households in the NPA (rounded), producing a revised growth in the number of households between 2011 and 2032 of 2,163. Taking into account the disparity between household numbers and dwelling numbers (2,163/0.98), this produces a figure of 2,207 homes. Netting off the 462 dwellings completed since 2011, we arrive at **a re-based household projections-derived outstanding dwellings requirement of 1,745, or 116 dwellings (rounded) per year over the Plan period.**
82. This projection is an entirely unconstrained, theoretical figure comprising a relative proportion of the overall projected increase, and thus does not take into account political, economic, demographic or any other drivers that might have influenced, or may in future influence, the Local Plan distribution across the District and hence any difference between this figure and a future Local Plan-derived figure.

4.3.1 Home growth 2001 – 2011

83. Consideration of home growth 2001-2011 provides a projection based on the rate of delivery of net new homes between the two censuses. As we have seen, there was an increase of 901 homes in the NPA between these two dates, or an average annual rate of increase of 90 homes (rounded). Multiplying this annual figure by the number of years remaining within the Plan period from 2016 **produces a gross need for 1,350 homes.**

4.3.2 Home growth since 2011

84. It is also helpful to consider a projection based on the rate of delivery of net new homes since the last census (2011), using data gathered and monitored by the LPA. As we have seen, between 1st April 2011 and the 31st March 2016, 462 new dwellings were completed¹⁴. This equates to an annual rate of delivery of 92.4 homes (462 divided by 5, the number of years elapsed). If this rate of delivery was continued to 2032, this would equate to **a projection of 1,386 homes over the Plan period of 2017-2032** (92.4 x 15, rounded to the nearest whole number).

4.4 The Standard Methodology

85. On September 14th, 2017, the Department for Communities and Local Government (DCLG) published "Planning for the right homes in the right places: consultation proposals" (henceforth 'the consultation proposals'), a consultation on a new proposed Standard Methodology for Assessing Housing Need (SMAHN) for arriving at an OAN for housing for individual local authorities, thus avoiding both the expense of producing complex SHMAs and the disagreements surrounding their methodologies. DCLG has stated that "this consultation sets out a number of proposals to reform the planning system" including "how neighbourhood planning groups can have greater certainty on the level of housing need to plan for".¹
86. Whilst the document is currently being consulted on at the time of this HNA report, it is important to consider the implications of this emerging policy guidance for potential housing need calculations in the NDP. Therefore, what follows is an assessment of the NPA's housing need based on the new proposed methodology, which, should the policy be put in place in its current form, will be the preferred figures for housing need in the area. This projection is included *for information only*, bearing in mind that the consultation makes clear that LPAs will have the option of using alternative methods of calculating their OAN, so long as the number they arrive at exceeds that produced by the new standard methodology.
87. Proposed updates to the PPG include a requirement that LPAs provide a housing need figure to neighbourhood planning groups, and that they may do this by making a reasoned judgement based on the settlement strategy

¹⁴ Email from AREA Borough Council, 14/02/17

and housing allocations in their plan, so long as the local plan provides a sufficiently up-to-date basis to do so.¹⁵ The starting point for using the SMAHN at neighbourhood level is therefore whether the current Local Plan was adopted before or after the introduction of the NPPF.

88. In the case of TRDC, the Core Strategy was adopted in October 2011 and is therefore out-of-date. It does not provide a reliable basis for arriving at a housing needs figure for the NPA. The indicative assessment using the SMAHN formula is 610 dwellings per year for TRDC. This is an uplift on the current figure of 180 dwellings per year set out in the currently adopted Core Strategy.
89. Clearly, this is a very substantial uplift in the housing numbers to be delivered over the Plan period. However, the consultation proposals put forward a 40% cap on any uplift that results from the application of the SMAHN. It is therefore necessary to calculate whether a cap will apply in the case of Three Rivers. The guidance on the application of the cap reads as follows:
“for those authorities that do not have an up-to-date local plan (i.e. adopted over five years ago), we propose that the new annual local housing need figure should be capped at 40 per cent above whichever is higher of the projected household growth for their area over the Plan period (using Office for National Statistics’ household projections), or the annual housing requirement figure currently set out in their local plan.”
90. As we have seen, the re-based DCLG projection of household growth to 2032 is 44,482, from 35,108 in 2011, an increase of 9,374, or 446 households per year (rounded), higher than the 180 dwellings per year set out above. The cap would therefore be set at 624 dwellings (rounded). Given this is above the 610 dwellings per year set out above, the application of the cap is not relevant.
91. It is therefore reasonable to assume at this point that TRDC will see an uplift in its housing need figure of 610 dwellings per year with the introduction of the SMAHN.
92. The next step in the process is to use the Government’s proposed formula for arriving at a housing needs figure for NPA in these circumstances. This *“is simply to take the population of the neighbourhood planning area and calculate what percentage it is of the overall population in the local planning authority area. The housing need figure in the neighbourhood planning area would then be that percentage of the local planning authority’s housing need.”*^{12]}
93. Using this proposed approach, we can estimate that the annual requirement for NPA, based on the proportion of the population of Three Rivers falling into the NPA (19,574 of 87,317, or 22.42%) would be 137 dwellings per annum (rounded), or 2,877 dwellings by the end of the Plan period to 2032. Taking into consideration the 462 dwellings build in the period 2011 to 2016, **a final housing needs figure based on the SHAHN methodology comes to 2,415 dwellings, or 161 dwellings per year.**

5. RQ2. What affordable housing (social housing, affordable rented, shared ownership, intermediate rented) and market housing tenures should be included in the housing mix?

94. The provision of affordable housing is critical to the continuity of most communities as viable settlements; it needs however to be understood in relation to other tenures. The PPG states that HNAs should investigate household tenure in the current stock and recent supply, and make an assessment, based on a reasonable interpretation of the evidence gathered, whether continuation of these trends would meet future needs or whether, on account of significant misalignments between supply of housing falling into different tenure types and local need/demand, policies should support a change to the profile of tenure within the NPA’s housing stock.¹⁶

5.1.1 Definitional issues

95. It is necessary at this stage of the study to make clear the distinction between affordable homes as a piece of planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to ‘AH’. We mean by this those forms of housing tenure that fall within the definition of Affordable Housing set out in the National Planning Policy Framework (NPPF): social, affordable rented and

¹⁵ DCLG, [planning for the right homes in the right places: consultation proposals](#), page 31

^{12]} Planning for the Right Homes in the Right Places, pp. 32

¹⁶ PPG Paragraph: 021 Reference ID: 2a-021-20160401

various forms of intermediate housing. To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).

96. In this paragraph we briefly review the proposed reforms to the definition of AH set out in the Government's Housing White Paper published in February 2017. These reforms make clear the Government's commitment to home ownership but recognised the important role of affordable rent for those not currently seeking home ownership. The changes proposed would broaden the definition of affordable housing, supporting 'present and future innovation by housing providers in meeting the needs of a wide range of households who are unable to access market housing'. This would include 'products that are analogous to low cost market housing or intermediate rent, such as discount market sales or innovative rent to buy housing. Some of these products may not be subject to 'in perpetuity' restrictions or have recycled subsidy'.
97. The Housing and Planning Act 2016 made provision for a new simplified definition of affordable housing as 'new dwellings...to be made available for people whose needs are not adequately served by the commercial housing market'¹⁷. Secondary legislation is required to implement this definition, necessitating further parliamentary debate¹⁸.
98. The Housing White Paper¹⁹ confirms that a revised definition of AH will be brought forward through changes to the NPPF later this year, proposing a definition as 'housing that is provided for sale or rent to those whose needs are not met by the market (this can include housing that provides a subsidised route to home ownership' and which 'meets the criteria' for one of the following models²⁰:
 - **Social rented housing**, defined as currently and owned by local authorities and private registered providers with guideline target rents determined through the national rent regime. It may be owned by other persons and provided under equivalent rental arrangements, as agreed with the local authority or Homes and Communities Agency;
 - **Affordable rented housing**, defined as currently let by local authorities or private registered providers of social housing to households eligible for social rented housing. Affordable rent is controlled at no more than 80% of the local market rent including service charges where applicable;
 - **Starter Homes**, as defined in the Housing and Planning Act 2016 and subsequent secondary legislation with an income restriction of £80,000 outside London. These homes are expected to provide a new low cost market housing product for first time buyers between the ages of 23 and 40 with a mortgage, sold for no more than 80% of open market value and capped at £250,000 outside London;
 - **Discounted market sales housing**, sold at a discount of at least 20% below market value with provision to remain at a discount for future eligible households. Eligibility is to be determined with regard to local incomes and house prices;
 - **Affordable private rent housing**, made available for rent at a level which is at least 20% below local market rent with provision to ensure that rent remains at a discounted level or alternative affordable housing provision is made if the discount is withdrawn. This is viewed as particularly suited to the provision of affordable housing in Build to Rent schemes; and
 - **Intermediate housing**, defined to include discounted market sales and affordable private rent housing – as outlined above – and other housing that is 'provided for sale and rent at a cost above social rent, but below market levels'.
99. A transition period is proposed to enable a review of local policies, with the revised definitions intended to apply from April 2018. The Government also intends to introduce a requirement for sites of 10 units or more to ensure that at least 10% of all homes are affordable home ownership products, including Starter Homes, shared ownership homes and homes available for discount market sale.

¹⁷ Housing and Planning Act 2016, part 6, section 159 (4)

¹⁸ Section 159(2) of the Act inserts '(3ZB) No regulations may be made under section 106ZB [which contains the updated definition of affordable housing] unless a draft of the instrument containing the regulations has been laid before, and approved by a resolution of, each House of Parliament'

¹⁹ DCLG (2017) Fixing our Broken Housing Market (para A.120)

²⁰ Ibid (p100)

100. In order to make a judgement about the suitability of the tenure of the current stock, it is necessary to understand the nature of demand. We do this by seeking to identify both broad trends as well as specific market segments. This is done through an analysis of three principle drivers of demand trends, the age structure of the population, the compositional groupings that exist within it and, finally, affordability. Through a consideration of these trends and how they interrelate to each other, it is possible to arrive at recommendations as to how not only the tenure of housing in the plan area, but also type and size, should be modified through planning policy.

5.2 Current tenure profile

101. Before we present this data, it is necessary to present a picture of tenure in the NPA at the moment. Table 4 below presents Census data from 2011 that shows that the great majority of dwellings in the settlement are in owner occupation. The numbers show a very close correlation with the tenure split for the district as a whole.

Table 4: Tenure (households) in Abbots Langley, 2011

Tenure	Abbots Langley	Three Rivers	England
Owned; total	72.0%	72.7%	63.3%
Shared ownership	1.0%	0.6%	0.8%
Social rented; total	15.9%	15.1%	17.7%
Private rented; total	10.4%	10.6%	16.8%

Source: Census 2011, AECOM Calculations

102. In Table 5 below we present how the tenure split has changed during the inter-censal period. The growth of shared ownership and privately rented dwellings is very striking; in terms of actual numbers, there has been an increase in the numbers of dwellings privately rented from 263 to 833, and in shared ownership from 17 to 82. The number of those dwellings in owner occupation and socially rented has seen a modest increase in comparison, by 236 and 69 dwellings respectively. Given the increase in dwellings across all the tenures recorded in Table 5, it is notable that 901 net new dwellings have come into existence over this period.

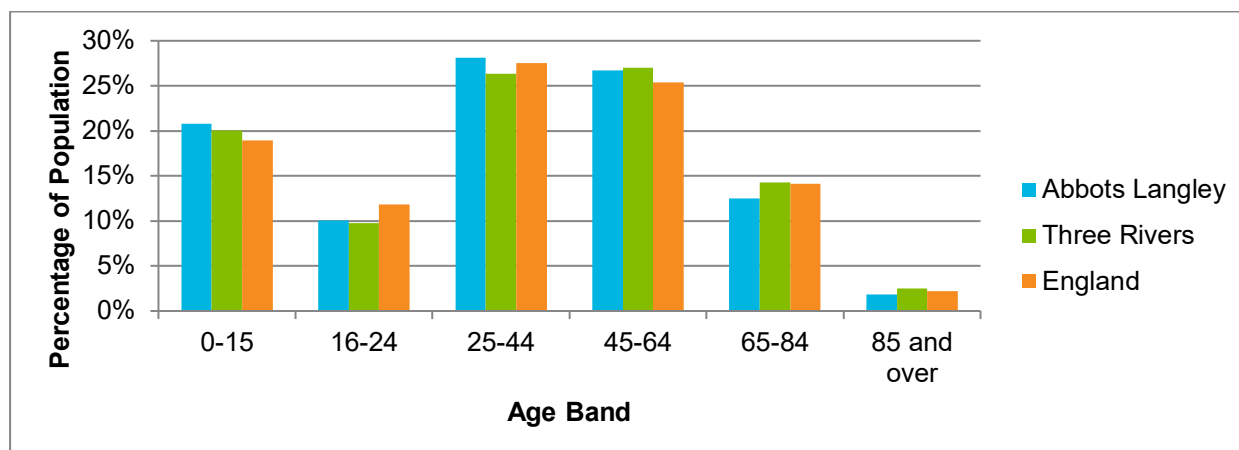
Table 5: Rates of tenure change in Abbots Langley, 2001-2011

Tenure	Abbots Langley	Three Rivers	England
Owned; total	4.3%	-0.4%	-0.6%
Shared ownership	382.4%	47.0%	30.0%
Social rented; total	5.7%	0.3%	-0.9%
Private rented; total	216.7%	140.0%	82.4%

Source: Census 2001 and 2011, AECOM Calculations

5.2.1 Age Structure

103. In figure 3 on the following page we present the age structure of the population as recorded in the last census. As with the tenure split, the data for the district and that for the NPA are similar. Roughly 55% of the population are of parental age, and this is reflected in the high proportion of residents of school age. Young adults show a weaker representation, less than the England average by around 2%. As regards those aged 65 and above, again there are fewer falling into this bracket than for either the wider district, or the national average.

Figure 3: Age Structure

Source: Census 2011, AECOM Calculations

104. In terms of the way the age structure of the population has changed during the inter-censal period, the population has shown a reasonably balanced development, with no striking changes in any one age category. Two trends, however, deserve comment; firstly, the increase in the number of young adults. Given the relatively low representation of people within this age group in the 2011 numbers, the growth trend over the decade is a positive development. Secondly, the small fall in the numbers of those in the 25-44 age bracket. This indicates that, over the period, the NPA saw a small net loss of younger adults. Overall, however, this is very substantially off-set by increases in other age groups, producing an increase in the size of the population from 17,278 to 19,574 over the period, an overall uplift of roughly 22%.

Table 6: Rate of change in the age structure of the population of Abbots Langley, 2001-2011

Age group	Abbots Langley	Three Rivers	England
0-15	13.4%	2.4%	1.2%
16-24	33.9%	13.7%	17.2%
25-44	-0.4%	-3.6%	1.4%
45-64	24.9%	13.9%	15.2%
65-84	10.3%	5.6%	9.1%
85 and over	23.7%	19.1%	23.7%

Source: Census 2001 and 2011, AECOM Calculations

105. In Table 7 on the following page we reproduce Table 7 from the SHMA²¹ that provides an indication of changes in the age structure at the Housing Market Area level over the period 2013 to 2036. Again, this suggests growth across all age groups; two factors stand out however for special mention. Firstly, the weak performance of younger adults and the substantial growth in the numbers of those of retirement age (60-74) and secondly the elderly (those aged 75+). This suggests a continuation of trends observed during the inter-censal period but also a rapid growth in older age groups; this is similar to other parts of the UK where the phenomenon of the aging population is pronounced.

²¹ GL Hearn, South West Hertfordshire Strategic Housing Market Assessment Final Report , January 2016 page 44

Table 7: Population change 2013 to 2036 by fifteen-year age bands (2012-based SNPP)

Age group	Population 2013	Population 2036	Change in population	% change from 2013
Under 15	112,241	132,544	20,303	18.1%
15-29	98,110	112,339	14,229	14.5%
30-44	125,616	135,016	9,400	7.5%
45-59	117,771	136,568	18,797	16.0%
60-74	76,900	109,016	32,116	41.8%
75+	45,154	82,103	36,949	81.8%
Total	575,792	707,585	131,793	22.9%

Source: Office for National Statistics

106. Table 8 below, which reproduces Table 52 from the SHMA, set out how the increases among older age groups is sub-divided among different age brackets. This suggests the greatest rate of increase will be that exhibited among two oldest groups, those aged between 75 -85, and those aged 85 and above.

Table 8: Projected Change in Population of Older Persons (2013 to 2036)

	Under 65	65-74	75-84	85+	Total	Total 65+
Dacorum	12.5%	49.7%	60.8%	130.9%	21.2%	65.4%
Hertsmere	14.2%	50.1%	64.5%	143.4%	23.8%	69.8%
St. Albans	14.6%	40.5%	46.5%	123.8%	21.2%	55.0%
Three Rivers	14.8%	48.3%	56.1%	149.6%	23.8%	65.9%
Watford	19.3%	61.6%	64.2%	145.2%	26.3%	74.4%
South West Herts	14.8%	48.7%	57.6%	136.5%	22.9%	64.8%
Hertfordshire	13.6%	50.7%	57.6%	142.7%	22.2%	66.2%
Eastern Region	8.4%	39.9%	61.1%	155.3%	18.5%	62.6%
England	5.8%	38.0%	58.1%	143.2%	14.9%	58.6%

Source: derived from ONS data and demographic projections

107. A legitimate concern could be raised that, given the difference in geographies, changes in the age structure at the HMA level may not reflect future trends within the NPA. As we have shown in Figure 3, there is a marked similarity in the demographic profile between the parish and the district geographies. While the logic of the HMA provides some comfort that, broadly speaking, trends observed across these geographies will be similar, it is worth providing additional evidence that this is indeed the case. In Table 8 we show the growth of the population across the HMA broken down to the individual local authorities. It is worth noting the increase for Three Rivers is 23.8%, broadly similar to the 22.9% shown above. This suggests that the demographic trends across all three geographies will be broadly comparable.
108. Bringing together the data gathered thus far, there has been an increase of 901 dwellings during the inter-censal period and this has resulted in a large increase in private rented dwellings and shared ownership homes. These two tenures saw an increase of 236 and 69 dwellings respectively. In 2011, however, the dominant tenure remains owner-occupation, at 72% of all dwellings.
109. Analysis of the evidence gathered in respect of the age structure reveals a broadly balanced population with a substantial number of adults of parental age (roughly 55% of the population). This is broadly similar to trends at the district level. Young adults are the least well-represented age group, despite a substantial uplift in their numbers during the inter-censal period. While the area did not exhibit a disproportionately large older-people's cohort at the 2011 Census, evidence presented in the SHMA describing change in age structure at the HMA and district levels points to substantial increases in their numbers in the period to 2036. This contrasts with younger age groups which show very modest increases in comparison, particularly the 30-44 age group, whose numbers are estimated to grow by only 7.5% in the period between 2013 and 2036.

5.2.2 Household composition

110. In Table 9 we present the distribution of the population across the principle compositional groupings in the NPA; this data again shows broadly similar patterns compared with district level data. The family character in the neighbourhood is reflected in the majority of residents falling into one of the four family household types, with 40.1% of all households including children.

Table 9: Household composition (by household) in Abbots Langley, 2011

		Abbots Langley	Three Rivers	England
One person household	Total	29.7%	27.7%	30.2%
	Aged 65 and over	11.7%	12.6%	12.4%
	Other	18.0%	15.1%	17.9%
One family only	Total	64.5%	66.1%	61.8%
	All aged 65 and over	7.1%	8.9%	8.1%
	With no children	17.4%	16.5%	17.6%
	With dependent children	30.2%	29.8%	26.5%
	All children Non-Dependent	9.9%	10.9%	9.6%
Other household types	Total	5.7%	6.2%	8.0%

Source: Census 2011, AECOM Calculations

111. Over the inter-censal period, the number of households has increased in the NPA from 7141 to 8023, an increase of around 11%. Table 10 below shows how this increase has been distributed across the household types. A number of observations are possible; firstly, there has been a substantial increase (15.8%) in one person households, and the majority of this increase is accounted for by people below the age of 65. Secondly, the presence of families has grown over the period, with the largest increases recorded among families with children. It is notable that these changes outstrip the district level data by a significant margin. The increase in families with children stands out particularly strongly, registering an increase of 19.3% compared with district data of 8.7%. Finally, there has been an increase in 'other household types' in the NPA that is in contrast with that of the district. This will be made up of dwellings in multiple occupation, for example where a group of people other than a family share the same home, or extended families in which relatives as well as parents and children live together in the same dwelling.

Table 10: Rates of change in household composition in Abbots Langley, 2001-2011

Household type		Percentage change, 2001-2011		
		Abbots Langley	Three Rivers	England
One person household	Total	15.8%	8.5%	8.4%
	Aged 65 and over	-2.5%	-8.9%	-7.3%
	Other	31.8%	29.3%	22.7%
One family only	Total	9.7%	2.8%	5.4%
	All aged 65 and over	-5.2%	-7.2%	-2.0%
	With no children	0.6%	-4.6%	7.1%
	With dependent children	19.3%	8.7%	5.0%
	All children non-dependent	12.6%	9.3%	10.6%
Other household types	Total	27.0%	13.7%	28.9%

Source: Census 2001 and 2011, AECOM Calculations

112. As we have seen in our analysis of age structure, the SHMA indicates an increase in the elderly population. Notwithstanding the modest falls in the numbers of households aged 65+ during the inter-censal period, we must assume that in future years their numbers will increase.

113. As regards other household types, in Table 69, the SHMA forecasts an increase in the district of households headed by someone aged under 35 of 11.2%, or 510 households between 2013 and 2036. This data is reproduced in Table 11 on the following page. It is notable that the district data differs from the HMA as a whole by around 3%, suggesting the district is more desirable for younger households than elsewhere in the HMA, on average.

Table 11: Estimated change in households headed by someone aged under 35 (2013-36) – using 2012-based CLG household formation rates

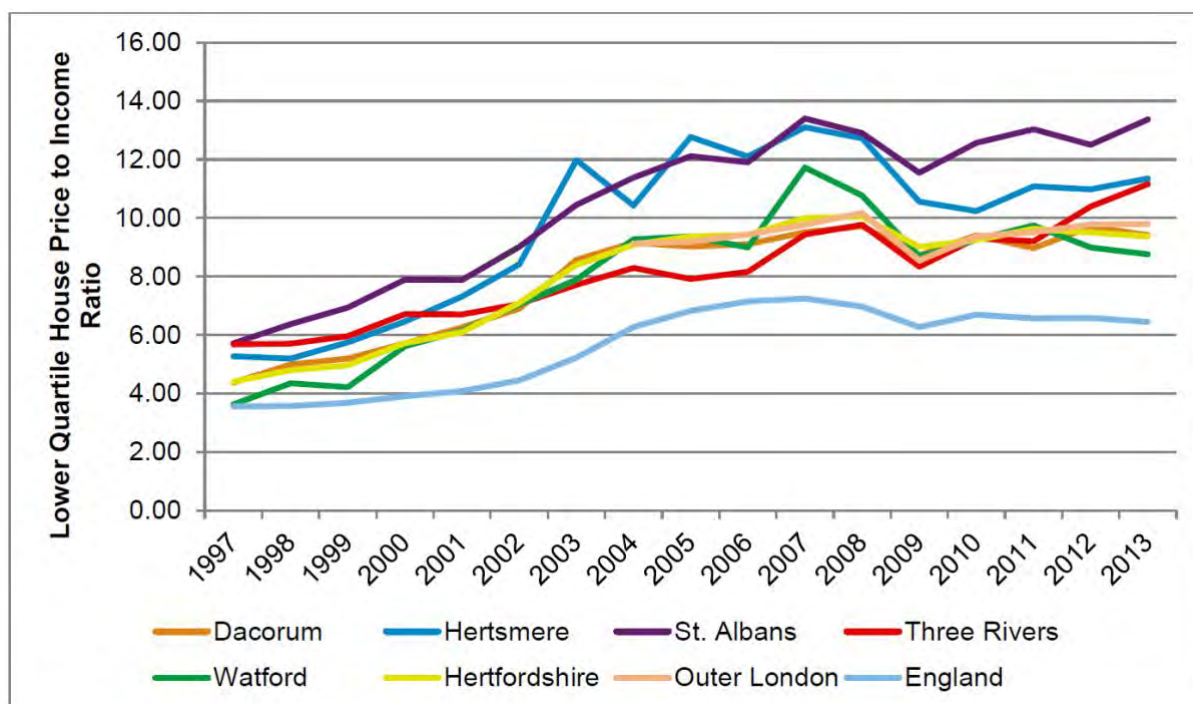
Area	Households aged under 35		Change (2013-36)	% change from 2013
	2013	2036		
Dacorum	9,493	9,978	485	5.1%
Hertsmere	5,923	6,799	876	14.8%
St. Albans	8,080	8,799	719	8.9%
Three Rivers	4,575	5,085	510	11.2%
Watford	8,168	8,498	330	4.0%
South West Herts	36,239	39,160	2,921	8.1%

Source: SHMA (derived from demographic modelling)

114. Bringing together our findings relating to household composition, the NPA displays a strong family characteristic with 40.1% of all households including children, and this has strengthened during the inter-censal period. While district level data displays similar trends, they are more pronounced within the NPA. All households with families grew by 9.7% in Abbots Langley, as against 2.8% for the district and those families with children grew by 19.3% in the NPA, compared with district growth of 8.7%.
115. Breaking this down to specific market segments, data from the SHMA is helpful, suggesting households headed by a person under 35 will gravitate more strongly to the Three Rivers district than to the HMA generally. This is, however, not to under-estimate the importance of the forecast growth in the older (75-85), and in particular, the elderly (85+) population, groups that are forecast to grow by 57.6% and 136.5% respectively between 2013 and 2036.

5.2.3 Affordability

116. In order to understand whether the tenure profile of the current stock reflects the needs of the population over the Plan period, it is necessary to consider whether this profile enables different target groups to access dwellings of a suitable type and size given their composition.
117. In line with the Planning Practice Guidance, we have considered evidence of affordability by looking specifically at the relationship between lower quartile house prices and incomes, as expressed in the Lower Quartile Affordability Ratio (LQAR). While this is a relatively crude measure of affordability, as it does not take account of the cost of servicing mortgage debt, it is a useful basic measure for benchmarking affordability changes over time.
118. In Figure 5 on the following page we reproduce Figure 34 from the SHMA. This shows that, for the district, the LQAR has increased from just under 6 in 1997 to 11.2; that is to say that, in 2013, lower quartile house prices were eleven times lower quartile earnings.

Figure 4: Lower Quartile Affordability Trend, 1997-2013

Source: DCLG Live Tables: Land Registry Data

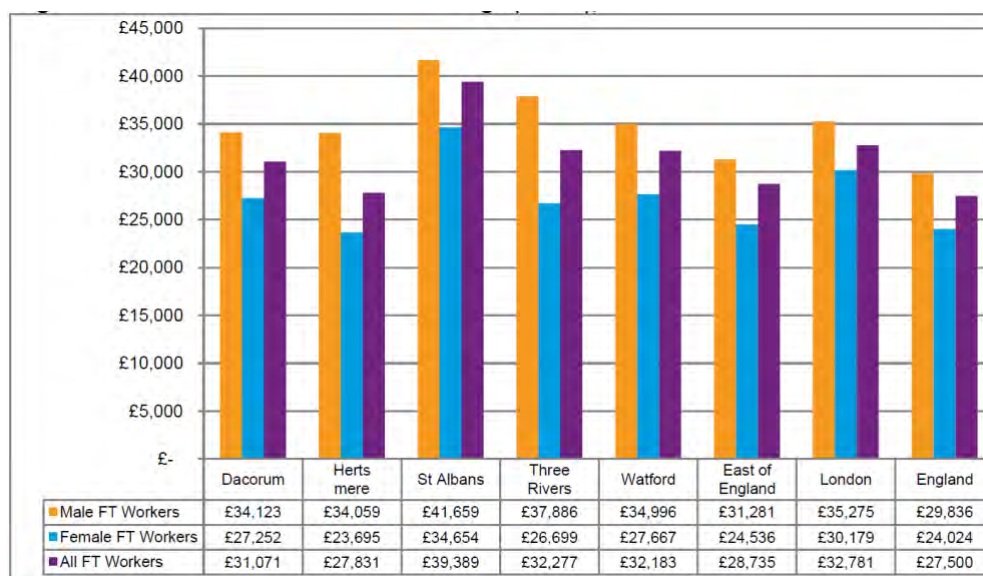
119. In Table 12 we reproduce SHMA Table 20. This provides a comparison of the LQAR and the Median Affordability Ratio (MAR). While the LQAR considers affordability at the lower end of the market, the MAR provides an indication of whether people on median incomes can afford dwellings at a price that represents the median, or mid-point, in the house-price spectrum. In Three Rivers the MAR is 10.4. Given the LQAR of 11.2 in the district, the principal conclusion is that market dwellings for sale are unaffordable to those on lower quartile and median incomes, but that the inability to access Affordable Market Homes (AMH) is particularly acute at the lower end of the market.

Table 12: SHMA LQAR and MAR

	Lower Quartile Ratio	Median Ratio	Difference
Dacorum	9.4	8.7	0.7
Hertsmere	11.3	10.9	0.4
St. Albans	13.4	13.3	0.1
Three Rivers	11.2	10.4	0.7
Watford	8.8	7.6	1.1
Hertfordshire	9.4	8.8	0.6
Outer London	9.8	9.1	0.7
England	6.5	6.7	-0.3

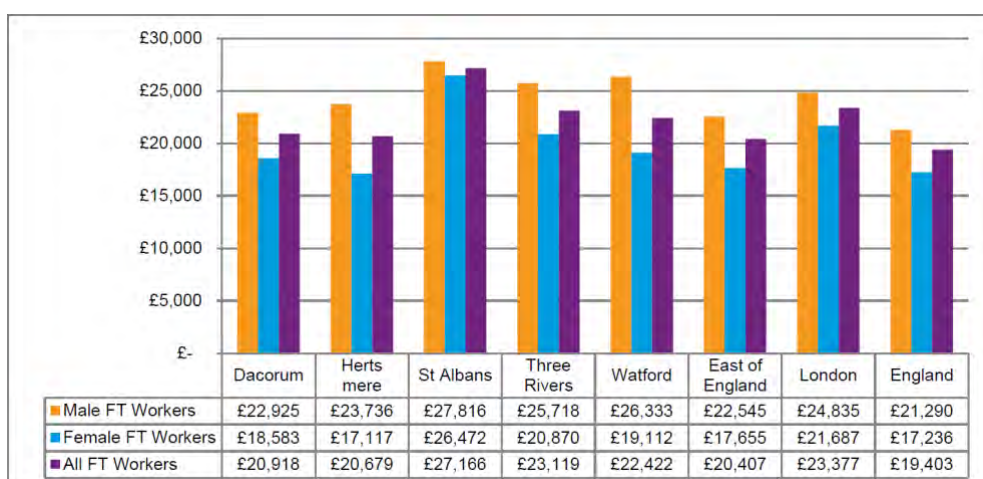
Source: DCLG Live Tables: Land Registry Data

120. To examine affordability more closely, it is necessary to consider household income. The SHMA provides data on median and lower quartile household income for the district. These are set out in Figures 5 and 6. In 2014, the median income in Three Rivers was £32,277.

Figure 5: Median Residents' Annual Earnings (Gross), 2014


Source: ASHE, 2015

121. In 2014, the Lower Quartile Income for Three Rivers was £23,119.

Figure 6: Lower Quartile Residents' Annual Earnings (Gross), 2014


Source: ASHE, 2015

122. In Table 13 we set out household income at the parish level according to the 'standard' averages of mean and median. The terms 'Area' and 'Base' relate to Abbotts Langley and England respectively. Making a comparison with district level data shown in the tables above, the relative wealth of the NPA comes across. In Three Rivers, median and lower quartile annual earnings amounted to £32,183 and £23,119 respectively in 2014, whereas in Abbotts Langley the same averages in 2017 came to £46,538 and £27,249 respectively. The gap between them equates to roughly 30% for the former and 15% for the latter, a difference that cannot be explained through the different years in which the data was gathered.

Table 13: Household Income - Averages

	Area	Base
Mean	£54,059.90	£38,719.87
Median	£46,538.42	£31,591.03
Mode	30 - 35k	10 - 15k
Lower Quartile	£27,249.57	£17,845.10
Upper Quartile	£73,080.93	£52,529.37

Source: CACI

123. In Table 14 we show how households in the NPA break down into different income brackets.

Table 14: Household Income

	Area Profile	Area %	Base %	Index av=100
0 - 5k	101	1.1%	2.4%	48
5 - 10k	339	3.9%	8.4%	46
10 - 15k	473	5.4%	10.2%	53
15 - 20k	541	6.2%	10.2%	61
20 - 25k	552	6.3%	9.1%	69
25 - 30k	579	6.6%	8.5%	78
30 - 35k	593	6.8%	7.7%	88
35 - 40k	551	6.3%	6.4%	98
40 - 45k	552	6.3%	5.9%	107
45 - 50k	489	5.6%	4.7%	118
50 - 55k	469	5.3%	4.2%	128
55 - 60k	430	4.9%	3.5%	138
60 - 65k	406	4.6%	3.1%	147
65 - 70k	344	3.9%	2.5%	156
70 - 75k	291	3.3%	2.0%	167
75 - 80k	249	2.8%	1.6%	176
80 - 85k	259	3.0%	1.6%	184
85 - 90k	235	2.7%	1.4%	192
90 - 95k	98	1.1%	0.6%	198
95 - 100k	147	1.7%	0.8%	203
100 - 120k	585	6.7%	3.0%	220
120 - 140k	206	2.4%	1.0%	246
140 - 160k	137	1.6%	0.6%	263
160 - 180k	92	1.1%	0.4%	280
180 - 200k	12	0.1%	0.0%	292
200k+	32	0.4%	0.1%	302
Total households	8,763			

Source: CACI

124. In order to gain a clear understanding of affordability, it is necessary to link household income to house prices. Data on house prices is provided in the SHMA; in Figure 8 below we reproduce SHMA figure 29 showing average prices achieved across the different types of dwelling over the period January 2013 to December 2014.

Figure 7: Median House Prices, Jan 2013 – Dec 2014



Source: GLH Analysis: Land Registry Price Paid Data

125. In Table 15 on the following page we present feedback from local estate agents as to the value of different types of dwellings in the NPA. Each agent was asked to respond to the question, 'please can you supply approximate prices for the following different types of dwelling (by way of example properties sold in the second half of 2017)?'. This suggests that property in the NPA is significantly more expensive than for the wider district of Three Rivers. The average value for a 2 bed house in the table below is £380,000; assuming a terraced house is a comparable dwelling, a similar property in the NPA is 25% more expensive than the wider district, although this difference can in part be explained by the difference in time between when the samples were taken.

Table 15: Property values in Abbots Langley (£,000)

Agent Name:	Haart	Your Move	Connells	Proffitt Holt
1 bed flat/house	195	220	220	250
2 bed bungalow	500	400	410	475
2 bed house	375	360	370	415
3 bed house	475	400	465	550
4 bed house	550	500	525	675

Source: Local agent questionnaire

126. For the purposes of our analysis it is necessary to arrive at a value for an 'entry-level' property²². Following discussions with estate agents, within Abbots Langley this is likely to either be a flat or home within a sub-divided house consisting of two habitable rooms (1 bedroom). Such a home would be suitable for a single occupier or a couple. Alternatively a new build dwelling of three habitable rooms (2 bedrooms) would be eligible for Help to Buy. From the data above (Table 15, Property Values in Abbots Langley) and further discussions with agents, the average house price for dwellings of these types would be in the region of £270,000.

5.2.4 Purchase threshold

127. Having established the value of an entry level home, it is possible to arrive at the purchase threshold; this indicates the minimum income level required to buy such a property. The purchase threshold is calculated by netting 10% off the entry level house price to reflect purchase deposit. The resulting cost is divided by 4 to reflect the standard household income requirement to access mortgage products. For a property prices at £270,000, the purchase threshold is £60,750.

128. This is helpful in determining the portion of households unable to access AMH without subsidy. As we have seen, the mean household income for Abbots Langley is £54,059. In 2017, the proportion of those earning £60,000 and above, and therefore able to afford AMH, came to 35.4% of the population of Abbots Langley. This indicates that a majority are unable to afford to buy a suitable market property without subsidy.

5.2.5 Income Threshold

129. In order to understand the affordability of dwellings for private rent the concept of the 'income threshold' is employed; this is derived from the annualisation of the monthly rental cost and then assuming that the annualised cost represents a maximum of 25% of annual household income. According to the Home.co.uk website, the average monthly rent for a two bedroom home in Abbots Langley is £1,161, or £13,932. The income threshold needed to afford a dwelling of this size is therefore £55,728. Again, referring to our CACI household income data, a minority of households (40.3%) would be able to afford a dwelling of this size.

130. Taking into account affordability issues, it is reasonable to conclude that roughly 60% of all households are unable to afford suitable housing without some form of subsidy.

5.2.6 Over-crowding

131. In areas where affordability is acute, over-crowding is common. In table 16 on the following page, we record changes in number of persons per room in the parish during the inter-censal period. The increase of 31.3% in those households showing over 1.0 and up to 1.5 persons is notable, and reflects an increase of 20 households (from 64 to 84) living in these circumstances. It is worth noting the difference with the data for the District where an increase in 17.2% was recorded. Nevertheless, the data is contradictory given the increase in 'under-occupation' also recorded; moreover, the data for number of households reporting the number of persons per room being greater than 1 is very similar for both the parish and the district at around 1%.

²² Further intelligence suggests houses of 2 and 3 bedrooms are popular with first time buyers, but only those with access to other sources of money (for example, the 'bank of mum and dad'). Only new build homes are accessible to those without access to these super-normal financial resources given eligibility for 'Help to Buy'.

Table 16: Trends in number of persons per room in Abbots Langley, 2001-2011

Persons per room	Abbots Langley	Three Rivers	England
Up to 0.5 persons per room	10.7%	4.9%	7.9%
Over 0.5 and up to 1.0 persons per room	16.1%	5.0%	7.0%
Over 1.0 and up to 1.5 persons per room	31.3%	17.2%	27.3%
Over 1.5 persons per room	-5.0%	-13.8%	2.5%

Source: Census 2001 and 2011, AECOM Calculations

132. For thoroughness, it is also worth considering data on concealed households. Concealed households are family units or single adults living within 'host' households²³, such as a young couple or non-dependant son or daughter living with parents. Again the numbers are low for Abbots Langley, and comparable with the wider district.

133. However, it is important to note that each year the settlement will produce a number of 'new' households. If they are 'concealed' for more than one year it is likely they will move to another part of the country, so-called 'displacement.'

Table 17: Concealed households

All families: total	5,566	25,193	14885145
Concealed families: total	87	459	275954
Concealed families as % of total	1.6%	1.8%	1.9%

Source: Census 2011, AECOM Calculations

134. The 87 concealed households revealed in Census data therefore represent those new households coming into existence in the settlement who are unable to access suitable housing and who have, so far, have decided not to accept displacement. Unless steps are taken to enable these households to remain, the cumulative effect will amount to tens if not hundreds of households over the years.

135. Moreover, as we have seen, 12.6% of households have non-dependent children in Abbots Langley, as against 9.3% for the district. These could be construed as potentially concealed households, who have simply not yet self-reported as such.

136. In conclusion, it is initially difficult to reconcile our analysis of affordability, which points to the majority of households being unable to afford their own home without support, and the modest levels of over-crowding suggested by the lead indicators (persons per room and concealment). One possible explanation, however, is that of displacement. Indeed, data relating to age structure does suggest an exodus from the area of young adults, although the overall proportion of the population accounted for by this age group is not out of line with the wider district.

5.3 Housing Needs Register²⁴

137. We requested data from TRDC's Housing Strategy team, for an assessment of the number of households currently on the waiting list that have expressed a preference for being located in the NPA. TRDC operates a Choice Based Lettings allocations scheme; this means it is neither possible to accurately report the number of people actively seeking to live in the Abbots Langley area as a personal preference nor state the type of property they are interested in. However the district authority has been able to provide the following data from the Housing Needs Register:

138. There are currently 54 households on the register with a WD5 (Abbots Langley) postcode. In terms of size of dwelling, these are broken down by bedroom need as follows:

- 1 bedroom - 24
- 2 bedroom - 19
- 3 bedroom - 11
- 4 bedroom - 0

²³ DCLG, *Estimating housing need*, page 5

²⁴ Data provided by Three River District Council by email 3rd October 2017

139. The priority bands for the 54 households are as follows:

- A – 1
- B – 21
- C – 8
- D – 15
- E – 9

140. The waiting list is divided into five bands according to urgency of need. Council officers advised that bands A-D were categorised as priority need, whilst band E is categorised as being of least urgent need. Therefore, we have taken the approach that band E should be discounted from calculations of immediate housing need, as households in these categories tend to be on the waiting list more as an insurance policy against future need, rather than in immediate or urgent need. This suggests that 45 households are in priority need within Abbots Langley.

141. As we have seen, the current adopted Core Strategy sets out policy as regards affordable housing in policy CP4. It states that the council will seek a target of 45% of all housing to be affordable, incorporating a mix of tenures with a view towards seeking 70% social housing and 30% intermediate housing.

142. Although the waiting list is only a snapshot in time, assuming the parish is successful in achieving the dwelling numbers put forward in this HNA, there does not appear to be a requirement for the Neighbourhood Plan to set its own affordable housing target on the basis of this data. Nevertheless, it may reference the waiting list and mention the need to work closely with TRDC to ensure the needs of those on the housing waiting list continue to be met.

143. It is important to note that even after the Neighbourhood Plan is adopted, the TRDC's affordable housing policy will continue to apply, and it will still be the Council that will control the housing waiting list and negotiate affordable housing commitments with developers as part of the development management process.

144. Bringing together our findings relating to affordability, given the LQAR of 11.2 and the MAR of 10.4 at the district level, it is fair to conclude that affordable market dwellings are out of reach to those on modest incomes, and this is particularly true for those on incomes that fall into the lower quartile.

145. Incomes are higher in Abbots Langley than for the district; the data we have gathered suggests median incomes are 30% higher and Lower Quartile incomes are 15% higher than the district average.

146. Given the demographic profile of the area, a home suitable for two or three individuals is appropriate to use for the purposes of identifying an entry-level dwelling. A home of this size in Three Rivers is valued at approximately £270,000. At this value, around 65% of the population would be unable to buy a suitable home. A similar property will rent in the area for around £14,000 pa; around 60% of all households would be unable to afford to rent at this level. As a result, this HNA concludes that roughly 60% of all households are unable to afford suitable market housing (for either rent or purchase) without some form of subsidy.

5.4 Market Segmentation

147. Bringing together the evidence from our consideration of affordability, age structure and household composition, in line with PPG, we have sought to identify the different market segments in the population of Abbots Langley. We then use this understanding to put forward recommendations for policy relating to Affordable Housing as well as size and type of dwelling.

148. In order to understand the terminology surrounding size of dwellings, it is important to note the number of rooms recorded in Census excludes kitchen, bathrooms and toilets. In the market segments table that follows, 'dwelling size' should be translated as follows:










- 1 room = Bedsit
- 2 rooms = flat/house with one bedroom
- 3 rooms = flat/house 2 bedrooms
- 4 rooms = flat/house with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room
- 5 rooms = flat/house with 3 bedrooms and 2 reception rooms
- 6 rooms = house with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms
- 7+ rooms = house with 4, 5 or more bedrooms house

149. The table on the following page indicates the different market segments, and the degree to which they are a growing, stable or declining group within the local population. One 'up' arrow indicates this grouping is growing modestly in the NPA; two 'up' arrows indicates strong growth, three 'up' arrows suggests very rapid growth in years to come. Where segments are falling in numbers, or not growing, neutral or down arrows are shown.
150. It is important to note that, as we have seen, the market is good at picking up growth trends. For this reason, policy intervention is only justified in the case of market failure (where the market is unable, for reasons of viability, or there are incentives, deliberate or otherwise, that drive the market not to respond to trends). Examples include the failure of the market to provide homes to those on low incomes and the under-supply of dwellings for the elderly.
151. Similarly, because we believe in the capacity of the market to deliver the homes required for the majority of residents (either through for-sale dwellings or for-rent), policy intervention is only required where the evidence is both compelling and the circumstances it describes serious. This is because policies carry both costs and risks; they can distort the market, preventing it from providing homes (or they can encourage a position of market equilibrium in which homes are accessible to target markets).

5.4.1 Arrows Analysis

152. The arrows analysis brings together our findings relating to the three key indicators of age structure, household composition and affordability. It identifies the policy aims that ALPC may legitimately address in their housing policy.
 - Demographic trends identified in our analysis supports a balance of dwellings of different tenures, types and sizes in order to maintain the established function of the neighbourhood as a place to bring up a family. This is underlined by data from the SHMA that suggests the Three Rivers district is particularly attractive to those under the age of 35. In order to reinforce this trend it would be appropriate for the NDP to ensure a good supply of dwellings suited to young families. This suggests policy should support delivery of medium sized dwellings of 5 habitable rooms.
 - While all market segments are forecast to grow, district level data reported in the SHMA suggests a strong increase in those aged 75+. This suggests smaller dwellings of between 2-3 habitable rooms would be appropriate to enable right-sizing on the part of older households, freeing up larger family dwellings to other household types.
 - The need for smaller dwellings is reinforced by the indication in the evidence gathered that over-crowding is on the increase and the proportion of households with non-dependent children is greater than that for the wider district. It is therefore appropriate for policy to support the delivery of small dwellings of 1-3 habitable rooms to enable those households that are currently concealed to set up an independent home.
 - Notwithstanding that, in general, households in Abbots Langley enjoy higher incomes than those in the district as a whole; less than half of all households can afford market dwellings in the area. The provision of affordable housing is therefore of paramount importance if the community is to maintain a balance of different income groups and ages

Table 18: Market Segments

Market segments	Income range	Tenure	Presence in Plan Area	Size of home
Young family where parents are aged 24-44 with 1+ children aged 0-15	Median	PRS, Social housing, shared equity, AMH		5 rooms
Professional Head of Household Young family where parents are aged 24-44 with 1+ children aged 0-15	Mean	AMH, Market Housing (MH)		5 rooms
Professional Head of Household family where parent are aged 44-64 with non-dependent children living at home	>Mean (equity rich)	Market Housing		6+ rooms
Lone parent (with 1+ children)	Lower Quartile (equity poor)	Social Housing		3 rooms
One person household aged under 65	Median (equity poor)	PRS, shared equity, DMH		2 rooms
One person household aged 65+ with wealth	Median (equity rich)	Market Housing		2-3 rooms
One person household aged 65+ without wealth	Lower Quartile (equity poor)	Social Housing		2 rooms
Young couple no children	>Mean (equity poor)	Market Housing, Shared Equity, DMH		4+ rooms
Concealed households	Lower Quartile (equity poor)	Social Housing		1-3 rooms

Source: AECOM

153. In table 19 below we provide a table, devised by Nathaniel Lichfield and Partners, setting out recommended dwelling sizes for different household types. This table has been defined on the basis of the following assumptions:

- Smaller apartments/flats or houses will be more suitable for meeting the initial requirements of married couples until they have a family. Those households without children could occupy either houses or flats of the appropriate size;
- Cohabiting couples and lone parents will want and require similar sizes of housing to married couples. Those households without children could occupy either houses or flats of the appropriate size;
- Smaller apartments/flats or houses will be more suitable to meeting the requirements of single person households;
- According to their composition, institutional accommodation such as a residential care home, hostel or purpose-built student accommodation may provide a suitable form of specialist housing for groups such as elderly people and students;
- Further qualitative allowances will need to be made for households at retirement age who are likely to continue living in their previous home unless more manageable two bed flats, houses and bungalows are available; and,
- The requirement for housing with care, including supported housing and extra care provision, is likely to increase at 85 and above.

Table 19: Estimated Housing Size required by Household Type, by Age of Head of Household

Age Range 2013	One Person	Married Couple / With 1/2 Children	Married Couple / With 3+ Children	Cohabiting Couple / With 1/2 Children	Cohabiting Couple / With 3+ Children	Lone Parent / With 1/2 Children	Lone Parent / With 3+ Children	Other Multi-Person
0-14	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15-24	1 bed flat/house	2 bed flat/house	3 bed house	2 bed flat/house	3 bed flat/house	2 bed flat/house	3 bed house	1 bed flat
25-34	1 bed flat/house	3 bed house	3 bed house	3 bed house	3 bed house	3 bed house	3 bed house	1 bed flat
35-44	2 bed flat/house	3 bed house	4 bed house	3 bed house	4 bed house	3 bed house	4 bed house	2 bed flat
45-59	2 bed flat/house	3 bed house	4 bed house	3 bed house	4 bed house	3 bed house	4 bed house	2 bed flat
60-84	2 bed flat/bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat
85+	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care

Source: Nathaniel Lichfield and Partners

5.5 What forms of Affordable Housing should be included in the tenure mix?

154. In this section we consider the different housing tenures, besides social rented dwellings, and their suitability given the evidence we have gathered relating to age structure, household composition and affordability.

155. As we have seen, the Housing and Planning Act 2016 (HPA) includes provisions to introduce a general duty on planning authorities in England to promote the supply of 'starter homes,' and a specific duty to require a minimum number or proportion of 'starter homes' on certain residential development sites. At the time of writing, however, the relevant legislative provisions are not yet in force and no specific proportion or minimum has been put forward.

156. The Housing White Paper sheds further light on the government's intentions in this area. It states that, 'in keeping with our approach to deliver a range of affordable homes to buy, rather than a mandatory requirement for 'starter homes,' we intend to amend the NPPF to introduce a clear policy expectation that housing sites deliver a minimum of 10% affordable home ownership units. It will be for local areas to work with developers to agree an appropriate level of delivery of 'starter homes', alongside other affordable home ownership and rented tenures.'

157. This is a substantial watering-down of the 'starter home' requirement as envisaged when policy contained in the Housing and Planning Act was first conceived. In effect, it leaves it to local groups, including neighbourhood

plans, to decide an appropriate level of affordable home ownership products, while taking note of the 10% policy expectation.

158. The decision whether to treat Discounted Market Sale Homes (DMSH) as affordable housing should be determined by whether lowering the asking price of new build homes to a size and type suitable for first time buyers (for example, by 20%) would bring them within reach of people currently unable to access Affordable Market Homes (AMH) for sale.
159. As we have seen the income required (purchase threshold) for AMH, defined for the purposes of this study as entry level family dwellings of 3 habitable rooms valued at £270,000, is £60,750. In the event of a 20% discount on this price, reducing the purchase price to £216,000, the purchase threshold would fall to £48,600.
160. Using the household income data set out in Table 13 and 14, it is possible to state, firstly that those households on incomes around the median would be able to access entry-level homes subject to the starter home discount and that, secondly, around 10% of households currently excluded from the market for housing would be able to access dwellings of this type. For this reason, we can conclude that DMSH do offer a realistic means for those on lower incomes to access the property market.
161. On the basis of the evidence we have gathered, we would therefore recommend DMSH form part of the AH quota within the NPA, with policy seeking to fulfil the 10% policy expectation. We note that 20% is a minimum discount and, of course, greater discounts will make the policy more effective in enabling households on modest incomes afford to buy their own home. The ultimate level of discount should be arrived at on a site-by-site basis and will be determined by viability as well as other calls on finite resources stemming from planning gain, such as other forms of AH and infrastructure requirements.
162. While the Housing White Paper does not specify scale of development (i.e. number of units proposed), it is appropriate for this to be taken into account when considering how the 10% policy expectation should be applied in practice. When the policy was conceived, it was linked to the notion of rural exception sites, land that would normally not be considered for housing, to bring forward substantial numbers of affordable dwellings where there is evidence of local need.
163. Given the projections for housing need over the Plan period are substantial, it is appropriate for the WTC to plan for 'Starter Homes' within their overall approach to meeting housing need in the community.

5.5.1 Shared ownership

164. As we have seen, the shared ownership tenure has seen growth in the NPA between the 2001 and 2011 Censuses. It is therefore worth considering its future role in Abbots Langley. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in terms of the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable.
165. The share owned by the leaseholder can be varied by 'stair-casing'. Generally, stair-casing will be upward, thereby increasing the share owned. In exceptional circumstances (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.
166. Shared ownership constitutes a form of AH, targeting those on incomes around the mean; as such, it is termed 'intermediate' and is available to both first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose household income does not exceed £60,000. Given these conditions, it is not surprising that it has started to taken root in Abbots Langley; on the basis of the affordability analysis discussed above, it should form part of the AH mix in the Parish.

5.5.2 Affordable Rented Dwelling (ARD)

167. Commentators have repeatedly raised concerns about ARD not constituting a realistic form of AH given that in many areas this reduces rents to levels that are still beyond the means of the target group: those on incomes substantially below the mean.
168. As we have seen in Table 13 (Household Income - Averages) the lower quartile income for households in Abbots Langley is £27,250. As a form of AH, it is households at this level that constitute the target group for affordable rented dwellings. Based on the income threshold principle set out above that no more than 25% of a household's income should be spent on rent, the most a household at this income level should pay is £6,813 or £568 per month if it is to be able to cover other expenses, as well as enjoy a modest budget for discretionary

spending. Given the rent for an entry level dwelling that has been identified in this study of £13,932, a rent set at 80% of this figure, or £11,147, would still be well in excess of what this household could afford.

169. For this reason, for ARD to add to the menu of AH available in the NPA, rent levels should be set substantially below 80% so as to avoid competition with intermediate products, offering a route to housing for households on lower quartile incomes.

5.6 What type of market housing (private rented and housing for sale) should be included in the housing mix?

170. Given the limited quantity of affordable housing in the NPA, the needs of the great majority of the people will be served by the market. People on higher incomes will be able to access a variety of market dwellings; their choices will be driven principally by how much they can afford to spend, the extent to which old age is driving their choice of home, and personal taste.
171. As explained previously, the operation of the market is the best means of addressing the demand for different types of housing for sale. It is important planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand; this is, after all, the principal way equilibrium is achieved in the housing market and house price growth is kept in check. In this sense, the notion of viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

5.6.1 Build to Rent

172. There is evidence of growing demand for private rented accommodation in the NPA. At the sub-regional HMA level, on-going changes to the benefit system and the way social housing is allocated are likely to increase demand on the private rented sector, especially at the lower-cost end of the market. Given the very substantial increases in PRS revealed by Census data, this trend is one shared by Abbots Langley.
173. The reason for the strength of this demand is that, for those households unable to access market housing to buy, and who do not qualify for affordable housing, private rented housing is the only remaining option.
174. Given the trends identified in this HNA, Abbots Langley should seek build to rent (BTR) development, which may include an element of affordable housing and is likely to be brought forward by specialist developers, or indeed by Three Rivers through a wholly-owned development company or similar vehicle, funded by debt and/or institutional investors. This will provide accommodation of consistently higher quality than is available through the traditional small private landlord.
175. As we have seen, the Housing White Paper proposed a number of modifications to the definition of affordable housing for planning purposes. One of these is Affordable Private Rent Housing (APRH); this is housing made available for rent at a level which is at least 20 per cent below local market rent. It is envisaged such housing would be delivered as part of BTR schemes.
176. Bringing the evidence together on housing tenure, as we have seen, while affordable market housing in Abbots Langley is unaffordable to households with incomes around the median, the introduction of Discounted Market Sale Housing (DMSH) does offer a realistic means for those on incomes around the median to access the property market. We would therefore recommend DMSH form part of the AH quota within the NPA, with policy seeking to fulfil the Government's 10% policy expectation. Shared ownership dwellings have grown substantially during the inter-censal period and should remain a component of intermediate AH products. For Affordable Rented Dwellings to expand the choice of housing available to residents in the NPA, rent levels should be set substantially below the maximum of 80% so as to avoid competition with intermediate products; this will encourage 'true affordability,' providing a route to housing for households on lower quartile incomes. We note, however, that policy of this kind can only be devised where it does not threaten viability.
177. The operation of the market is the best means of addressing the demand for different types of housing for sale. PRS will continue to provide a growing role in satisfying housing need in the NPA, given the shortage of shared equity stock and overall affordability of for-sale homes. As a result, Abbots Langley should seek build to rent (BTR) development, which may include an element of affordable housing in the form of Affordable Private Rent Housing (APRH).

6. RQ3. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?

178. As identified earlier in this study, PPG recommends a consideration of the existing housing provision and its suitability, having regard to demographic shifts in age and household composition as well as affordability, to address future as well as current community need. For this reason, we start with a consideration of the existing housing stock.

179. In Table 20, we set out the housing stock in terms of type at the time of the last Census. While the profile of dwellings is dominated by houses of the three principal types (detached, semi-detached and terraced), flats constitute a substantial proportion (16.9%) of all dwellings. It is also worth noting that, in broad terms, the spread of dwellings is broadly comparable to that of Three Rivers.

Table 20: Accommodation type (households) in Abbots Langley, 2011

Dwelling type		Abbots Langley	Three Rivers	England
Whole house or bungalow	Detached	22.4%	26.3%	22.4%
	Semi-detached	33.3%	35.0%	31.2%
	Terraced	23.9%	19.1%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	16.9%	16.7%	16.4%
	Parts of a converted or shared house	0.8%	1.1%	3.8%
	In commercial building	0.6%	1.0%	1.0%

Source: Census 2011, AECOM Calculations

180. In Table 21 we record the way the profile of the neighbourhood has changed during the inter-censal period. The data shows how the increase in the overall numbers of dwellings (901) has been apportioned across dwellings of different sizes.

181. From this, it is clear the greatest number has been allocated to the largest size, those of 7 and 8 rooms or greater. Overall, the data suggests that 51% (456) of all new homes fell into this category; the next greatest increase is smaller homes, particularly three room dwellings, these account for 29% (258) of all new homes; medium sizes dwellings, suited to young families of 4 and 5 rooms, account for the balance of 19% (172) of homes built between 2001 and 2011.

Table 21: Rates of change in number of rooms per household in Abbots Langley, 2001-2011

Number of Rooms	Abbots Langley	Three Rivers	England
1 Room	15.2%	-18.6%	-5.2%
2 Rooms	11.9%	17.3%	24.2%
3 Rooms	33.0%	20.4%	20.4%
4 Rooms	16.9%	0.3%	3.5%
5 Rooms	-1.3%	-2.1%	-1.8%
6 Rooms	-3.5%	-5.9%	2.1%
7 Rooms	27.6%	13.2%	17.9%
8 Rooms or more	35.9%	21.2%	29.8%

Source: Census 2001-2011, AECOM Calculations

182. Construction of new dwellings over the inter-censal period has resulted in a modest shift in balance of dwellings overall, an increase in smaller dwellings from 13% to 14%, and a fall in medium sized family homes from 41% in 2001 to 38% in 2011. The proportion of all homes of 6 habitable rooms or more remains constant at 45%.

Table 22: Change in number of rooms per household in Abbots Langley (absolute numbers), 2001-2011

	2001	2001	2011	2011
Number of Rooms	Abbots Langley	Three Rivers	Abbots Langley	Three Rivers
1 Room	33	183	38	149
2 Rooms	185	625	207	733
3 Rooms	701	2812	932	3385
4 Rooms	1163	6166	1359	6187
5 Rooms	1793	7709	1769	7548
6 Rooms	1663	7165	1604	6739
7 Rooms	711	3389	907	3836
8 Rooms or more	888	5390	637	2741
9 Rooms or more			570	3790

Source: Census 2001 – 2011, AECOM Calculations

183. Bearing in mind the conclusions from the market segmentation analysis, the question remains whether the size of dwellings available within the existing stock is sufficient to meet the needs of the population and the trends observed are likely to help or hinder the achievement of legitimate policy goals set out in the 'arrows analysis' above.
184. Firstly, the trend towards the largest type of homes is not consistent with our findings; based on the needs identified, the emphasis should be on dwellings of 1 to 3 habitable rooms and 5 habitable rooms if the policy goals, chiefly of the maintenance of a healthy balance within the population as a whole, together with planning for an older population, are to be achieved over the Plan period.
185. Furthermore, the interviews we have conducted with local agents reveal some clear trends as regards demand for market dwellings of different sizes. Table 23 below records responses to the question, '*what sizes of property are in demand from buyers? Please assign 1 to 5 for each size of dwelling to indicate the level of demand where 1 equals very high demand, and 5 very low demand*'. This suggests bungalows are in particular demand. According to local agents, this is explained by a shortage of retirement homes in Abbots Langley (Proffitt Holt) leading to demand for dwellings of a size and type midway between a family home and sheltered accommodation.
186. However, this must be tempered by other reports that bungalows tend to be on large plots, and the high demand is explained in part by interest from those looking to replace the existing structure with a larger home (Connells).
187. Nevertheless, agents' views support the conclusion the Neighbourhood Plan should plan for an increasingly elderly population.
188. Finally, the popularity of three bedroom homes supports the need for family dwellings typically bought by second-time buyers (dwellings of 4 and 5 habitable rooms).

Table 23: Size of homes

Agent Name:	Haart	Your Move	Connells	Proffitt Holt
1 bed flat/house	5	3	3	3
2 bed bungalow	1	1	1	2
2 bed house	4	2	4	3
3 bed house	2	1	2	2
4 bed house	3	2	5	3

Source: Local agent questionnaire

189. While the question put to local agents related to type ('What is the current demand (2017), in terms of housing types? Please assign 1 to 5 for each type of housing to indicate the level of demand where 1 equals very high demand, and 5 very low demand') revealed findings of less clarity with some inconsistency among responses from agents, we present the data below in Table 24; again, this suggests the most popular dwellings are bungalows, followed by semi-detached homes. Demand for flats appears to be relatively modest; one agent comments that the market 'is flooded with flats' and only larger new build flats sell quickly (Connells).

190. Overall, this provides additional evidence of the need to plan for a growing number of both older as well as family household types; in addition, while smaller homes are in demand, these should reflect a preference for houses rather than flats.

Table 24: Type of homes

Agent Name:	Haart	Your Move	Connells	Proffitt Holt
Bungalow	1	1	1	2
Flats	5	3	3	3
Semi-detached	3	2	2	2
Detached	2	2	4	3
Terrace	4	2	5	4

Source: Local agent questionnaire

191. Bringing together our findings on type and size, the majority of dwellings in Abbots Langley are houses of different types, but with a substantial number of flats. Of new homes built during the inter-censal period, large homes of 6 habitable rooms or more form the majority (51%). Based on the evidence uncovered, this suggests a mis-alignment between supply and demand given the preference for smaller homes (1-3 habitable rooms) suited to both first time buyers as well as those seeking to downsize, and dwellings suited to the needs of younger families (5 habitable rooms) .

7. RQ4: Specialist housing (e.g. what provision should be made for retirees and the elderly?)

7.1 Sheltered and extra-care housing

192. As we have seen, given the significant forecast increases in people aged 75+, it is appropriate for policy to provide support for a significant quantum of sheltered²⁵ and extra care²⁶ housing as part of the delivery of new housing. Table 25 below identifies the growth in the population of over 75s between 2011 and 2032.

Table 25: Change in the population of over 75s between 2011 and 2032

Age band	2011			2032		
	Population, Abbots Langley	Population, Three Rivers	Population of parish as a % of district/ over 75s as a % of parish population	Population, Three Rivers	Population, Abbots Langley/ population of those aged 75+ as a % of total district population	Projected 75+ population (district)
All ages	19,574	87,317	22.4%	105,405	23,611	
75+	1,321		6.7%	12,405	11.8%	2,786

Source: 2014-based Sub-national population projections, DCLG and Census 2011 (ONS) AECOM calculations

193. In arriving at an appropriate level of housing for older people of different types, we have applied the Housing Learning and Improvement Network's suggested numbers per 1,000 of the 75+ population²⁷. The table above shows an estimate of the increase in the numbers of older people aged 75+ of 1,465 (2,786-1,321).

This will result, over the Plan period, in a need for:

- additional conventional sheltered housing units = $60 \times 146.5\% = 88$ (rounded)
- additional leasehold sheltered housing units = $120 \times 146.5\% = 176$ (rounded)
- additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale = $20 \times 146.5\% = 30$ (rounded)
- additional extra care housing units for rent = $15 \times 146.5\% = 22$ (rounded)
- additional extra care housing units for sale = $30 \times 146.5\% = 44$ (rounded)
- additional specialist dementia care homes = $6 \times 146.5\% = 9$ (rounded)

194. Note that there is no obligation for these all to be provided within the parish itself. As such, these 339 specialist dwellings need not be thought of as all needing to be provided within the neighbourhood plan housing target-

²⁵ Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden. Source: <http://www.housingcare.org/jargon-sheltered-housing.aspx> (accessed 11/04/17)

²⁶ New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming frailer and less able to do everything for themselves. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet. <http://www.housingcare.org/jargon-extra-care-housing.aspx> (accessed 11/04/17)

²⁷ Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want, available online at: http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf

rather, there will be some overlap between these dwellings and the target, depending on the number that could be provided within the parish itself.

195. This specialist dwelling need is likely therefore to be split between the parish and the rest of the district, which will enable the elderly to live either within or as close to the parish as possible, taking account of the fact that Abbots Langley is unlikely to be able to provide many of the specialist housing types needed within its own boundaries- although there could be the potential for these to be provided at, for example, St. Albans or Watford, taking account of their higher levels of accessibility to services and facilities, which will help in the recruitment and retention of specialist care staff and enable economies of scale (e.g. a centralised dementia care unit or enhanced sheltered development serving a widely dispersed rural population from a single location).

7.1.1 Retirement villages

196. Projects that involve the delivery of multiple homes satisfy the desire on the part of many older people to live in an environment with people facing similar challenges; retirement villages are often a cost-effective means of delivering sheltered and extra care housing together with the facilities and services these settlements imply. Given the numbers of units that result from the LIN analysis, it would be appropriate to consider this approach to the delivery of housing for the elderly in Abbots Langley.
197. Such schemes should be explored through joint working with TRDC and other parishes to identify sites that could address collective need.

7.1.2 Senior Co-housing

198. Co-housing has been identified as being particularly suited to the needs of older residents. It offers a way for a group of people with similar interests and needs to come together to create an environment suited specifically to their requirements. Moreover, it can be designed to help address one of the most important issues for older people: isolation and loneliness. A number of successful case studies exist of both projects developed specifically with the needs of older people in mind, and others that encourage multi-generational housing, such as Featherstone Lodge in Forest Hill²⁸ and LILAC in Leeds²⁹. In the first example, the design facilitated the creation of public areas that encouraged social interaction between members of the community, moreover, a 'common house' was built in the grounds of the scheme that provided a shared space in which people could come together for meeting and shared activities.

7.1.3 Multi-generational homes

199. Multi-generational living has been identified as a possible solution not only for older people, but all generations where it makes financial sense to share accommodation, particularly younger people who are struggling to set up their own households. This gives rise not only to designs for new homes, but conversions to existing dwellings, introducing internal subdivisions and peripheral extensions to create internal layouts that balance the private needs of different generations with the benefits of over-lapping, shared communal spaces.³⁰
200. The phenomenon of the aging population has an up-side; with increases in the quality of health-care, older people are able to live active lives for longer, the so-called 'third age' after retirement when people still want to live fully active lives. Within a household or community where tasks and facilities are shared, they are in a good position to take on both voluntary and paid work, for example looking after grandchildren or taking care of the elderly.

7.1.4 Lifetime Homes

201. Many local authorities incorporate policy into their Local Plans that a proportion of new homes should be built according to 'lifetime homes' principles; these are ordinary homes incorporating a number of design criteria that can be universally applied to new homes at minimal cost, for example parking that makes getting in and out of the car as simple and convenient as possible and ensuring movement in hallways and

²⁸ <http://www.featherstonecohousing.co.uk/> (visited 12/04/17)

²⁹ <http://www.lilac.coop/> (visited 12/04/17)

³⁰ RIBA, *Silver Linings, The Active Third Age and the City*, Page 17-18

through doorways should be as convenient to the widest range of people, including those using mobility aids or wheelchairs, and those moving furniture or other objects.³¹

7.1.5 Right-sizing

202. As we have identified earlier, there is a need for a greater number of the type of dwellings that facilitate 'right-sizing' for older people. It is important to note, this does not necessarily imply moving to a smaller home. Many older people have the wealth (and the choice that comes with it) to create a home suited to having visitors and accommodating care staff, who may need to make over-night stays.
203. For this reason, it is important to recognise that different ages have different needs, thus in the provision of housing, choice is critical, catering for those with relatively modest requirements, to those who are more dependent on help. The provision of choice that responds to need is part of creating a smoothly operating local housing market in which older people are able move out of family homes when they wish, thus freeing up these properties for others.³²

7.1.6 Planning flexibility

204. Planning policy can be mobilized to help properties to become more adaptable in the context of an increasingly elderly population. This includes allowing the conversion of conventional dwellings or groups of dwellings (for example terraced housing) into multiple homes, particularly where additional features are included to address 'lifetime homes' criteria and to encourage interaction with the wider community. This can incorporate bigger community open space as a result of joining up different gardens.³³ This is not dissimilar to the practice of 'alley-gating' where alleyways between the backs of terraced housing have been gated off, and turned into shared community spaces.

7.1.7 Lifetime neighbourhoods

205. Creating an environment in which older people feel both welcome and comfortable does not end at the front door. Research exists that considers life-time neighbourhoods, in which the public realm is designed to address the needs of older people, and activates the benefits they can bring in supporting local businesses and encouraging improved public realm for everyone, for example providing more greenery and more walkable, better connected places.
206. Given the expanded role of neighbourhood planning around design outlined in the Housing White Paper of 2017³⁴, a compelling notion is that of 'the amplification of impact of micro-environmental features' to describe that particular way in which we become more sensitive to the ordinary, smallest features of urban space as we age. This places a particular emphasis on care and reflection in how we design, for example paths and public seating; this, in turn, calls for the participation of older people in the process of design.
207. Design approaches exist that provide a starting point for locally informed policy development in this area, these include Manchester's Design for Access 2 and the work of Inclusive Design for Getting Outdoors (IDGO); IDGO have identified material features that make everyday negotiation of urban space that much easier for older people; these include wide and flat tarmac footways, easy transition level changes, clear, simple and visible signage, frequent warm and supportive seating and well-maintained, safe and open toilets.³⁵
208. In addition, the notion of 'pensioner play-grounds,' 'green-gyms,' community gardens and various forms of guerrilla gardening (for example the Edible Todmorden project) encourage active use of public space and facilities on the part of an older demographic.

7.1.8 Age-friendliness

209. Since the millennium policy at the international level has been directed towards a more holistic appreciation of what an 'age-friendly' urban environment looks like. It has been remarked this should extend beyond physical installations, such as public seating and access to WCs, but embrace means mobilising civic

³¹ <http://www.lifetimehomes.org.uk/pages/about-us.html>

³² Housing LIN, New Approaches to Housing for Older People, June 2014, page 6

³³ Gobber, S, A Bright Grey Future, Urban Design Group Journal, Spring 2016, page 29

³⁴ HMG, Fixing our broken housing market, page 29

³⁵ RIBA/Age UK, An Alternative Age-Friendly Handbook, page 54/55

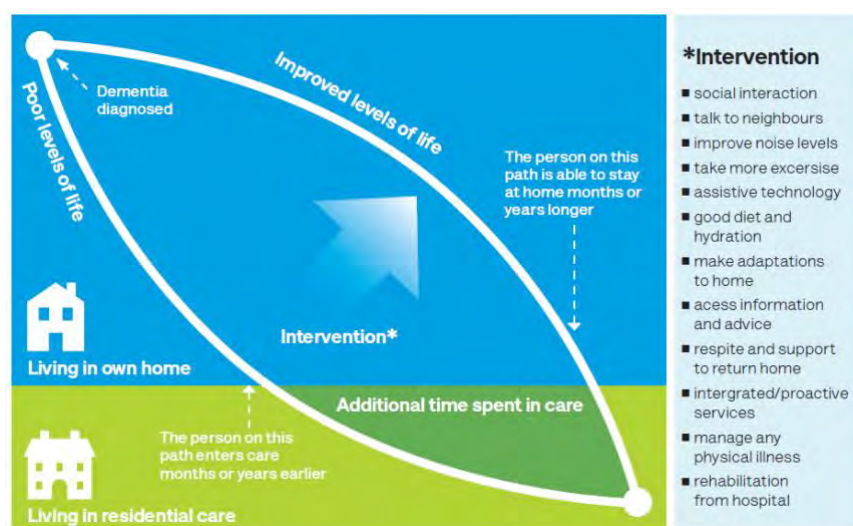
agency among older group to forestall incipient marginalisation, enabling them to continue to make a full and active contribution to community life.³⁶

210. In 2006 the World Health Organisation (WHO) began developing the 'Age-Friendly Cities' movement, now a worldwide network of over 200 member cities around the world. They have produced a guide that offers a way of analysing the city from the perspective of older people, using a framework of inter-related domains: transportation, housing, social participation, respect and social inclusion, communication and information, civic participation and employment, health and community services.
211. Considering the housing domain, the WHO study identifies a check list of attributes necessary to foster a sense of belonging and well-being among older people. In addition to affordability and designing accommodation with the needs of older people in mind, the adaptability of dwellings is important, for example their capacity to accommodate chair-lifts that enable older people to continue to live in two-storey homes³⁷.
212. The WHO also identified access to services, particularly those that become increasingly important as people get older, such as places of worship and community centres.³⁸ Moreover, optimising well-being has much to do with being able to maintain links with existing networks, which is best achieved by enabling people to remain in their existing communities for as long as possible. In the Australian city of Melbourne small clusters of senior's housing with small gardens are made available throughout the city, so that older people are not isolated from the community and particularly from children.³⁹

7.1.9 Housing for people with Dementia

213. Enabling people with dementia to live in their own homes for longer is critical to their quality of life as a result of the familiarity of surroundings and the help with retaining memories this facilitates⁴⁰. The challenge with this is two-fold; firstly the lack of appropriate adaptations in properties and, secondly, the support required to ensure a home is safe and suitable.
214. Selwood Housing in the South West has pioneered approaches that help overcome these, for example the installation of property exit sensors to inform a monitoring centre when tenants leave their home and then not return within a pre-determined time.
215. In Figure 9 we reproduce a chart showing the impact that early and appropriate intervention can have on the prospect of people with dementia remaining in their own home for longer.

Figure 8: Dementia care chart



Source: Dementia Services Development Centre, 2013

³⁶ RIBA/Age UK, An Alternative Age-Friendly Handbook, page 16

³⁷ World Health Organisation: Global age-friendly cities: a guide, page 32

³⁸ Ibid, page 33

³⁹ Ibid, page 35

⁴⁰ Alzheimer's Society, Dementia-friendly housing charter, page 13

7.1.10 The role of the Local Authority

216. As suggested previously, it is appropriate for the neighbourhood group to work closely with the LPA to develop policy and approaches to addressing the need for housing for elderly people in the area. The LPA is under an obligation through national policy to address the needs of older people,⁴¹ it is therefore appropriate they should play the strategic role in co-ordinating new efforts by housing providers, adult care services, primary care and health trusts, private and third sector organisations to meet the housing needs of older people across the district.

8. Market Signals

217. The PPG highlights the importance of taking market signals into account when assessing housing need, given they provide an indication of the balance between demand and supply. This is particularly important to consider given the significant and well-documented changes in the housing market over recent years, which were exacerbated by the economic downturn and subsequent issues in obtaining mortgage finance.

218. The PPG states:

The housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices rising faster than the national/local average may well indicate particular market undersupply relative to demand.⁴²

219. These market signals relate to trends discernable within the housing market, and broader economic trends that have an impact on the housing market.

220. The PPG goes on to assert that where there is evidence of an imbalance in supply and demand, an uplift in planned housing numbers – compared to those derived solely from household projections – is required in order to increase the supply of housing to meet demand and tackle affordability issues:

This includes comparison with longer term trends (both in absolute levels and rates of change) in the: housing market area; similar demographic and economic areas; and nationally. A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections.

In areas where an upward adjustment is required, plan makers should set this adjustment at a level that is reasonable. The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.⁴³

8.1 Commuting and Employment

221. Local employment trends can greatly influence housing needs as employment opportunities can stimulate demand in the plan area. It is therefore important to establish the employment sphere of influence experienced by the residents of Abbots Langley.

222. The table on the following page, comprising of census data, describes the extent to which the population of Abbots Langley commutes out of the area. While it is clear that growth in employment within Abbots Langley could lead to additional demand for housing, the table below indicates that employment growth in other locations, which may be suitable for commuting from Abbots Langley, may also impact housing demand. The table shows that broadly similar proportions of people work within each level of distance within Abbots Langley as in Three Rivers and indeed as in England, suggesting that the parish is relatively average in terms of its residents commuting patterns, with the most noticeable difference being that approximately 2.5% more commuters in Abbots Langley work within 10km than in Three Rivers as a whole.

⁴¹ NPPF, para 50

⁴² http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/#paragraph_019

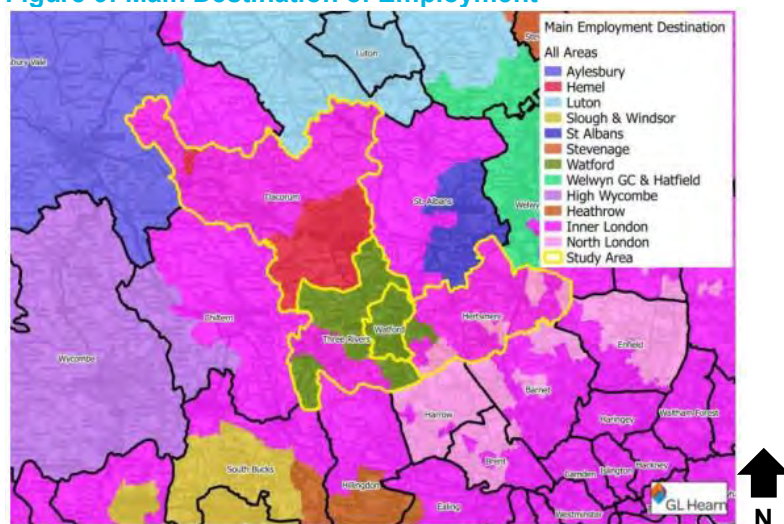
⁴³ http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/#paragraph_020

Table 26: Distance to work, 2011

Location of work	Abbots Langley	Three Rivers	England
Less than 10km	44.1%	41.4%	52.3%
10km to less than 30km	25.7%	28.2%	21.0%
30km and over	8.8%	8.2%	8.0%
Work mainly at or from home	11.7%	12.3%	10.3%
Other	9.8%	9.9%	8.5%
Average distance travelled to work	15.5km	15.3km	14.9km

Source: Census 2011, AECOM Calculations

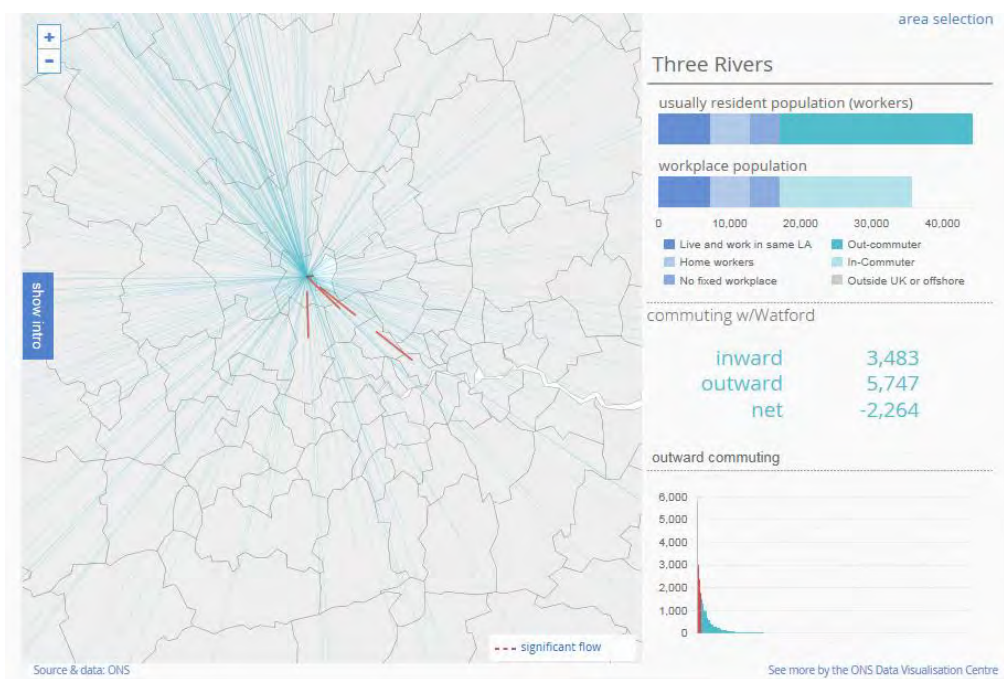
223. This is likely as a result of the close proximity of Watford to Abbots Langley, in comparison with the rest of the district, as Watford is a major commuting destination, as demonstrated by figure 9 below, which reproduces Figure 16 from the South West Herts Economy Study 2016.

Figure 9: Main Destination of Employment

Source: SHMA 2016/ONS Census

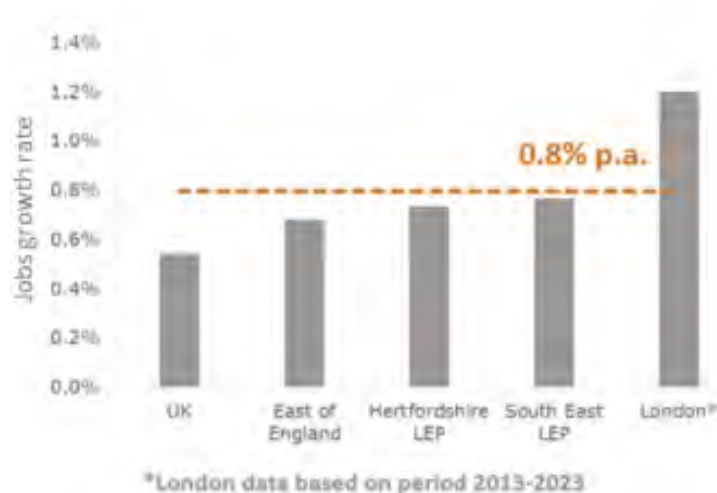
224. Indeed, of 18,636 total out-commuters in Three Rivers District, 3,483, or fully 19%, commute to Watford, with a further 16% commuting to Westminster and the City of London⁴⁴. As such, it is likely that growth in employment in Watford and London will have a positive impact on housing demand in Abbots Langley, and this is likely to have been the case since at least 2011, when the census data originates from.

⁴⁴http://webarchive.nationalarchives.gov.uk/20151013153922f_/http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dvc193/index.html

Figure 10: Commuting Patterns in Three Rivers District

Source: 2011 Census/Neighbourhood Statistics/National Archive

225. The South West Herts Economic Study 2016, which includes Watford, notes that the area benefits from “a highly skilled and entrepreneurial workforce, growing population and proximity to London.”⁴⁵ Indeed, it is for these reasons that South West Herts is projected to experience growth in jobs higher than in comparator areas including Hertfordshire and the South East, though it will not experience the same levels of growth as in London. These projections are illustrated in the figure below, which reproduces Figure 6.16 of the SWHES16. These projects demonstrate that there are likely to be high levels of growth both across South West Herts and in London up to 2036.

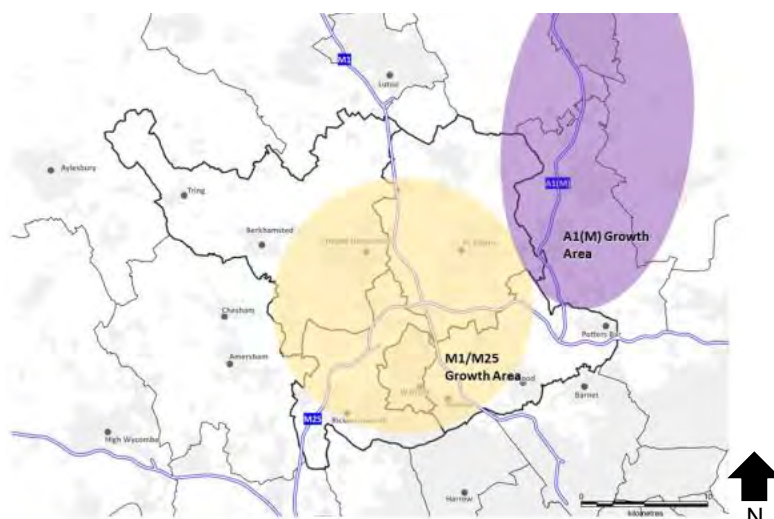
Figure 11: Forecast Growth Rates for Comparator Areas, 2013-2036

Source: SWHES16

226. Furthermore, the study identifies Watford in particular as a growth area, as shown in the figure on the following page, which reproduces Figure 2.4. It highlights in particular the impact of planned investments in transport as well as the temporary increases in demand due to HS2 Construction Compounds in the area.⁴⁶

⁴⁵ SWHES16, pp. 82

⁴⁶ SWHES16, pp. 105

Figure 12: Map of Hertfordshire Growth Areas

Source: SWHES16

The study further concludes “Watford is a popular location for the office-based functions of large businesses because of its connectivity and large labour market catchment area, and the more affordable rents available while still being only 20 minutes away from Central London.” (pp. 117), and that “feedback from commercial agents... notes that areas such as Watford are likely to see continued interest from investors looking for a more affordable location close to London or relocation of functions.” (pp. 119)

8.2 Housing Sales (Prices)

227. The PPG advises that house prices should be used as an indication of the strength of demand for housing, and adequacy of supply to meet demand. The PPG states houses prices can be used to provide a ‘market-base’ enabling: “the identification of areas which have clearly different price levels compared to surrounding areas. The findings provide information about differences across the area in terms of the price people pay for similar housing, market ‘hotspots’, low demand areas and volatility.”⁴⁷

228. The table below shows average house prices for the years 2007-2016 for each type of housing recorded by the Land Registry. Where no sales of a particular category occurred, N/A is used. The table indicates that there have been significant price rises in Abbots Langley over the period, 49% across all house types, in spite of the national recession, which saw sales prices drop in some years, for example, detached houses in 2009, and semi-detached properties in 2011.

Table 27: House Prices in Abbots Langley, 2007-2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	GROWTH
Detached	452,500	N/A	350,000	656,152	430,708	537,679	650,342	589,336	519,481	798,780	77%
Semi-Detached	304,833	350,000	349,500	389,357	299,425	348,723	326,044	390,202	422,605	506,643	66%
Terraced	244,500	N/A	N/A	235,625	297,237	266,965	290,071	361,123	381,550	428,167	75%
Flats	N/A	N/A	N/A	113,417	189,602	185,073	185,727	202,766	253,776	278,775	N/A
All Types	309,333	350,000	349,800	415,217	286,453	337,650	358,182	375,110	366,140	460,964	49%

Source: Land Registry PPD

229. It is helpful to further contextualise the price rises in Abbots Langley noted above with those of Three Rivers district as a whole. The table below compares these data on price rises with the UK House Price Index for Three Rivers, and shows that for most housing types, these price rises were broadly similar, although data on the prices of flats was not available due to low sales volumes in Abbots Langley.

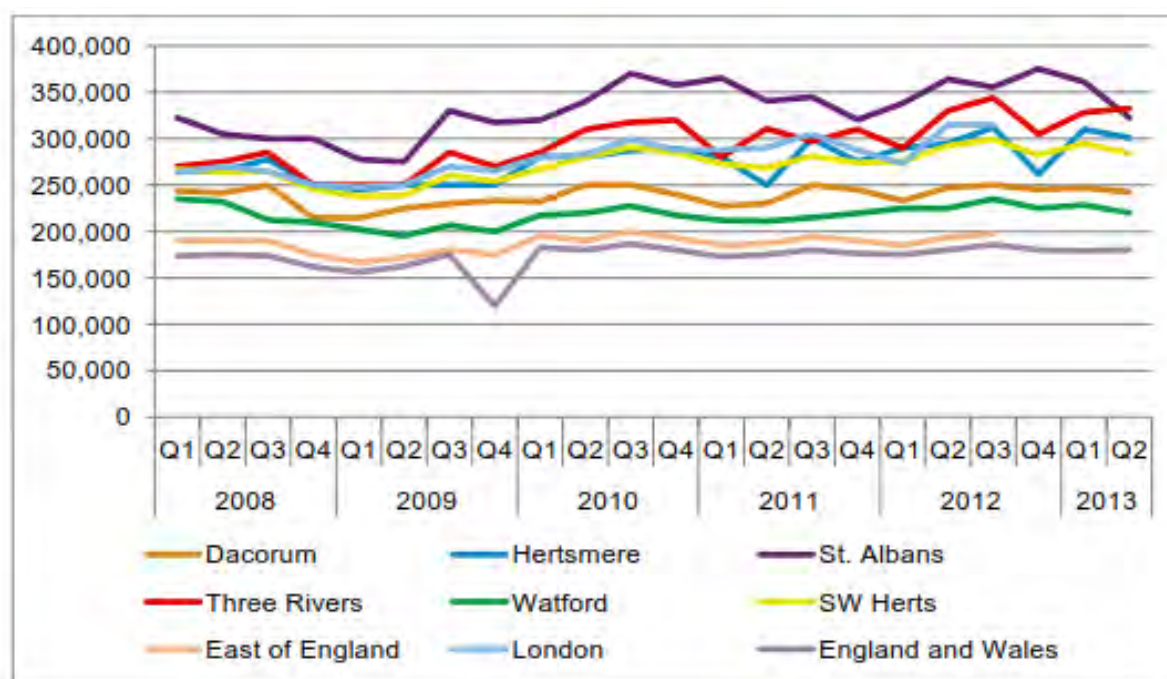
⁴⁷Housing and economic development needs assessment PPG, Paragraph: 011 Reference ID: 2a-011-20140306

Table 28: House Price Rises in Abbots Langley and Three Rivers District, 2007-2016

	Abbots Langley	Three Rivers
Detached	77%	75%
Semi-Detached	66%	73%
Terraced	75%	68%
Flats	N/A	53%

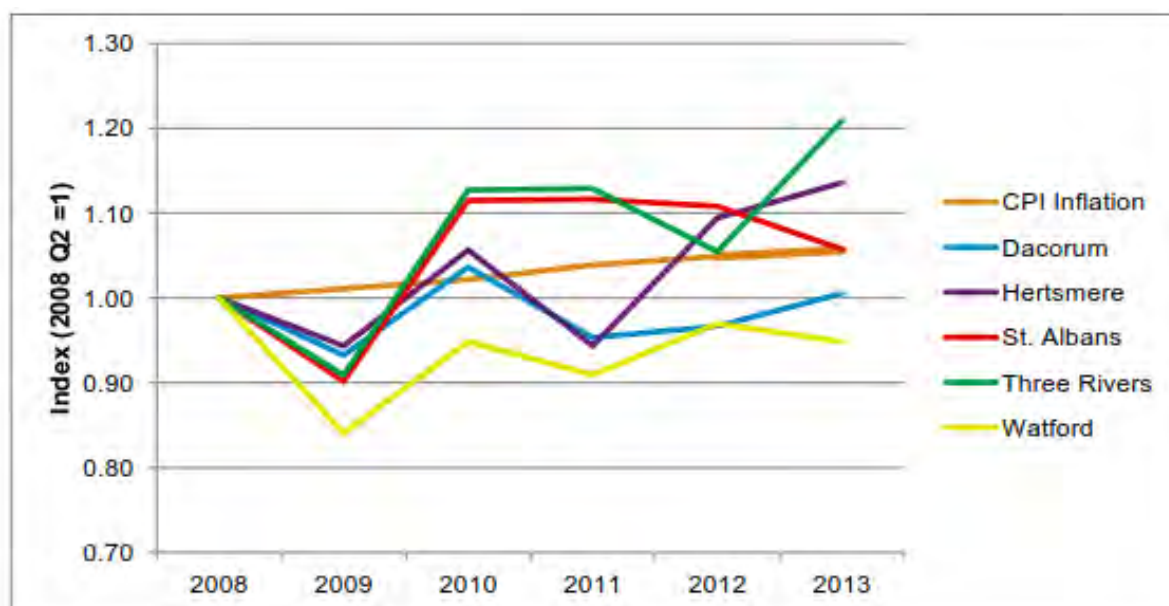
Source: Land Registry PPD/UKHPI

230. However, data from the South West Hertfordshire Strategic Housing Market Assessment 2016, shown in the figure below, also shows that within the wider housing market area, encompassing Watford, Dacorum, and Hertsmere as well as Three Rivers, house prices in Three Rivers are relatively higher than in the comparison areas, indicating relatively higher levels of demand.

Figure 13: Median House Price Trends, 2008-2013

Source: SHMA16

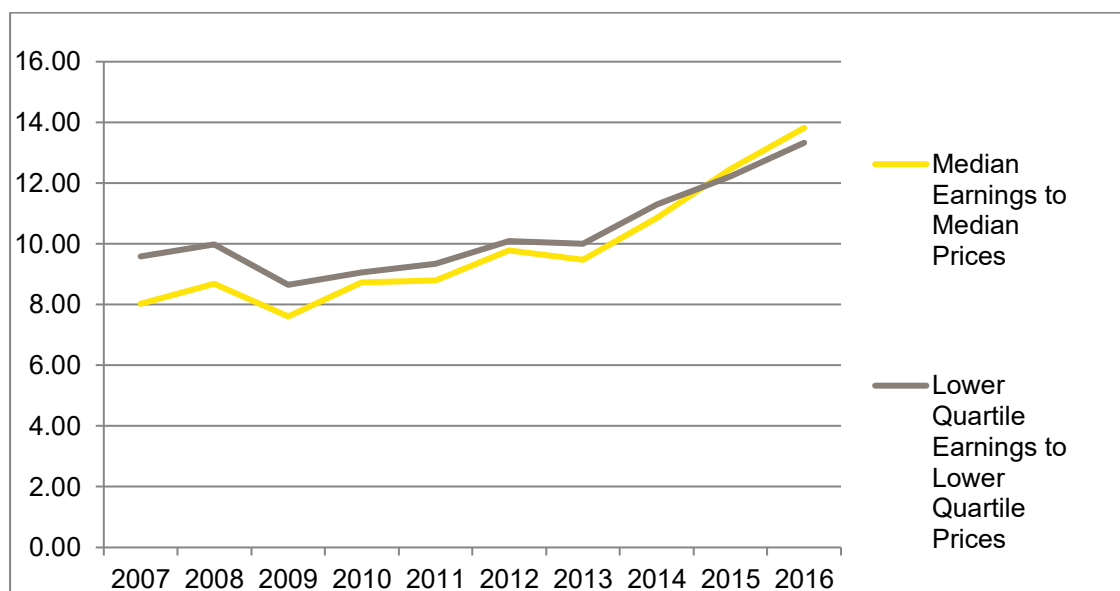
231. Indeed, even when such prices are adjusted for inflation, as in the figure below, reproducing figure 28 from the SHMA16, Three Rivers is still seen to have some of the most expensive housing in the area, and indeed when adjusted for inflation, prices in Three Rivers dramatically increased in 2012/13 in comparison to the other areas. This further indicates the relative demand for housing in Three Rivers, in spite of the national recession.

Figure 14: Inflation- Adjusted House Price Index

Source: SHMA16

8.3 Housing Affordability

232. The PPG states that housing affordability may be a market signal indicating an imbalance of demand and supply of dwellings. Whilst data at the individual parish level is not available, the figure below describes the affordability ratio, comprising the ratio between earnings and house prices for both the median and the lower quartile of both values. The figure below demonstrates a significant trend of worsening affordability for homebuyers, particularly since 2013, with affordability for median income earners actually worsening in comparison for lower quartile income earners.

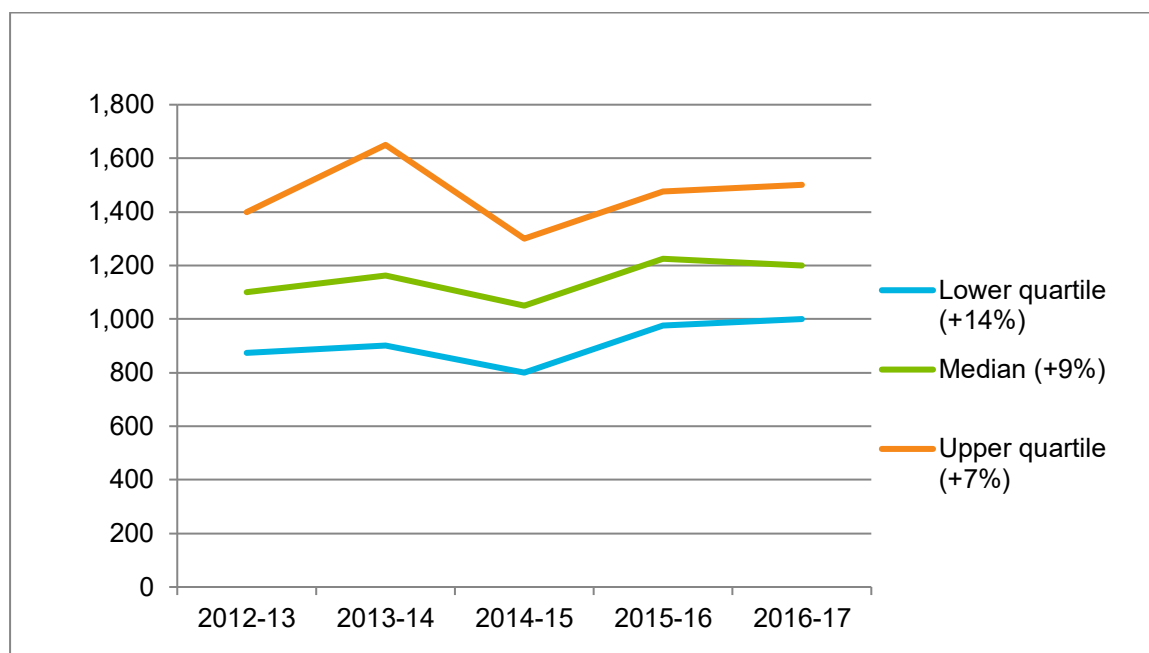
Figure 15: Ratio of house price to residence-based earnings in Three Rivers

Source: DCLG Live Tables

233. This view of worsening affordability is further supported by data on private rental costs in Three Rivers, which shows increasing rents across all quartiles. However, the effects on private rental values of inflation alone, based on the Consumer Prices Index, would have accounted for an 11.6% increase in prices over the period March 2012-April 2017 (Source: CPI/AECOM Calculations), for which data was collected. As such, only the lower quartile of rents, that is those falling into the ¼ lowest price bracket, actually increased in real terms above inflation, equal to 3.4% above inflation, whilst the median and upper quartile price brackets grew by less than the rate of inflation.

234. This is significant because it is reasonable to suggest that those renting in the lower price quartile are most likely to be affected by price rises. As such, the effects of price increases on this quartile are mostly likely to translate into a reduction in the affordability of rents for people in the area. For this reason, it is suggested that the affordability of renting in the period has decreased, signalling market undersupply relative to demand.

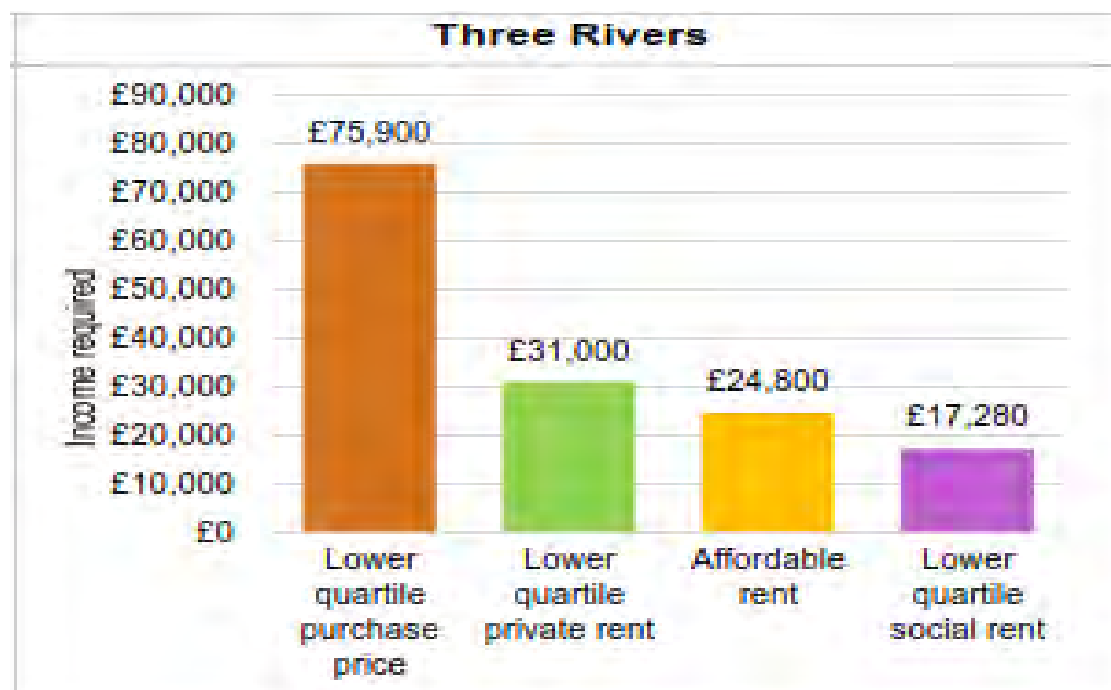
Figure 16: Private Rents in Three Rivers District, 2012-17



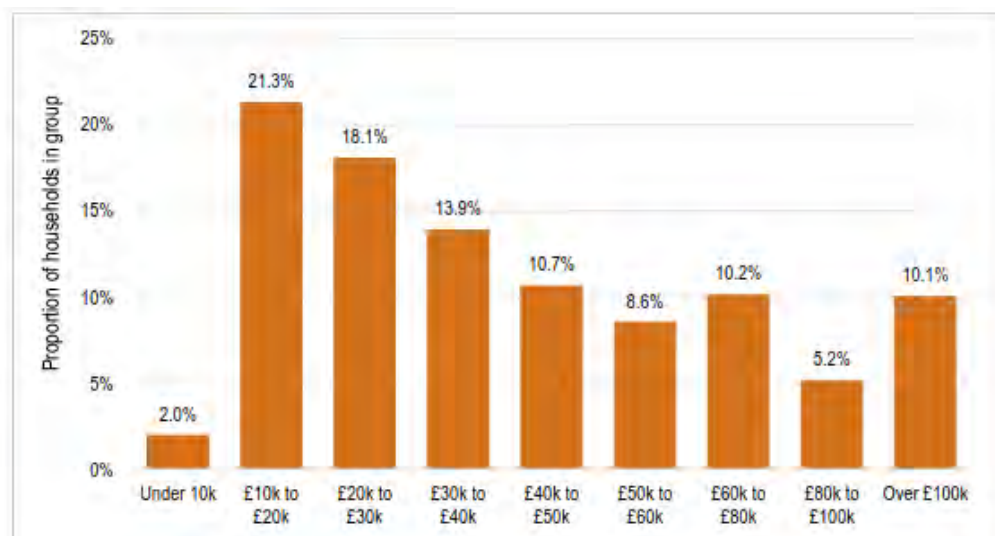
Source: Valuations Office Agency

235. Indeed, the figure below, which reproduces Figure 41 from the Strategic Housing Market Assessment for South West Herts prepared by GL Hearn, indicates that within the district as a whole, an annual income of £31,800 would be required to afford lower quartile private rents in Three Rivers. However, Figure 19 on the following page makes clear that would not be affordable for up to 40% of the population of South West Herts, further emphasising the lack of affordable housing options in Three Rivers as a whole.

Figure 17: Indicative Income Required to Purchase/Rent Without Additional Subsidy



Source: SHMA16

Figure 18: Distribution of Household Income in South West Herts

Source: SHMA16

8.4 Migration

236. Migration into a local area, whether from abroad, or from within the United Kingdom, would also normally contribute to an increased demand for housing. Indeed, the population of Abbots Langley grew significantly, by approximately 13%, between 2001 and 2011. This was greater than population growth in Three Rivers, which increased approximately 5% in the same period. Whilst the population growth in Three Rivers as a whole was more in line with the average growth across England in the same period, which was 7.1%, population growth in Abbots Langley was much more similar to the population growth experienced by London as a whole, which was 12%. Such growth is indicative of significantly increased demand for housing.
237. Such levels of growth likely reflect both migrations from other parts of the United Kingdom as well as migration from abroad. Whilst data on percentage of Abbots Langley residents born outside of the UK is not available for 2001, the 2011 census did collect this data, and it is presented in the table below. The table shows that less than 10% of the population in Abbots Langley was born outside of the UK, with the majority of these, fully two thirds, having lived in the UK for more than 10 years, i.e. since before the last census. This data makes clear that migration into Abbots Langley has primarily been from other parts of the UK rather than from abroad.

Table 29: Country of birth and length of residence, Abbots Langley 2011

Place of birth	Population breakdown		Abbots Langley	Three Rivers	England
Born in the UK	Total		90.3%	86.1%	86.2%
Born outside the UK	Total		9.7%	13.9%	13.8%
	EU		3.9%	4.5%	3.7%
	Other		5.8%	9.4%	9.4%
	Length of residence	Less than 2 years	0.5%	0.9%	1.8%
		2-5 years	0.8%	1.2%	2.2%
		5-10 years	1.7%	2.3%	2.9%
		10 years or more	6.7%	9.5%	7.0%

Source: Census 2011

8.5 Overcrowding

238. Another indicator of demand in the housing market is the prevalence of overcrowding in the NPA. This is because demand for housing in the area can manifest itself in the over-occupation of housing stock. Such over occupation can be defined as households living with more than 1 person per habitable room, including living spaces. This data is collected as part of the census, and is presented in the table below.

239. The table below shows a significant rise in the number of households experiencing crowded conditions between 2001 and 2011, from 84 households in Abbots Langley living with over 1 person per room in 2001, rising to 103 households in 2011, an increase of approximately 23%. When set against the 11% rise in the number of overcrowded households in Three Rivers as a whole, this is a significant indicator of increased housing demand in Abbots Langley.

Table 30: Number of persons per room in Abbots Langley and Three Rivers, 2001 and 2011

	2001	2001	2011	2011
	Abbots Langley	Three Rivers	Abbots Langley	Three Rivers
Up to 0.5 persons per room	5083	24001	5629	25175
Over 0.5 and up to 1.0 persons per room	1973	9019	2291	9469
Over 1.0 and up to 1.5 persons per room	64	332	84	389
Over 1.5 persons per room	20	87	19	75

Source: Census 2011

8.6 Concealment

240. A second indicator which can be used to assess the relative rate of overcrowding, and thus increased demand, experienced in Abbots Langley is the change in the number of concealed families between 2001 and 2011, data regularly collected as part of the census. The table below shows there are fully 87 'hidden families' living within multi-family households, in addition to the primary family, such as a young couple living with parents. Whilst this does indicate under-provision in Abbots Langley, the rate of concealment is broadly in line with the Three Rivers and England average in terms of the overall percentage. It does however indicate a latent demand for housing from families living locally in Abbots Langley.

Table 31: Concealed families in Abbots Langley, 2011

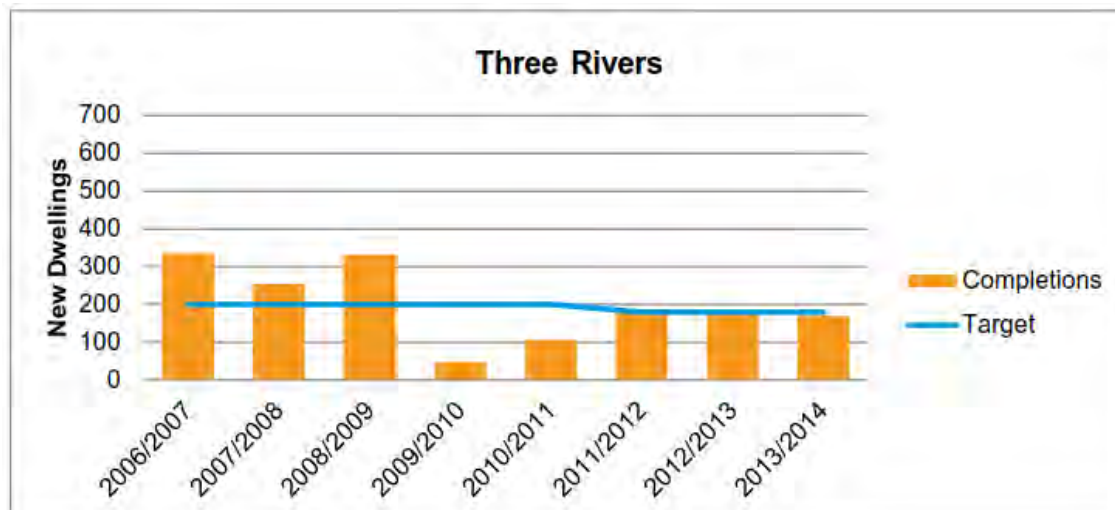
Concealed families	Abbots Langley	Three Rivers	England
All families: total	5,566	25,193	14885145
Concealed families: total	87	459	275954
Concealed families as % of total	1.6%	1.8%	1.9%

Source: Census 2011

8.7 Rate of Development

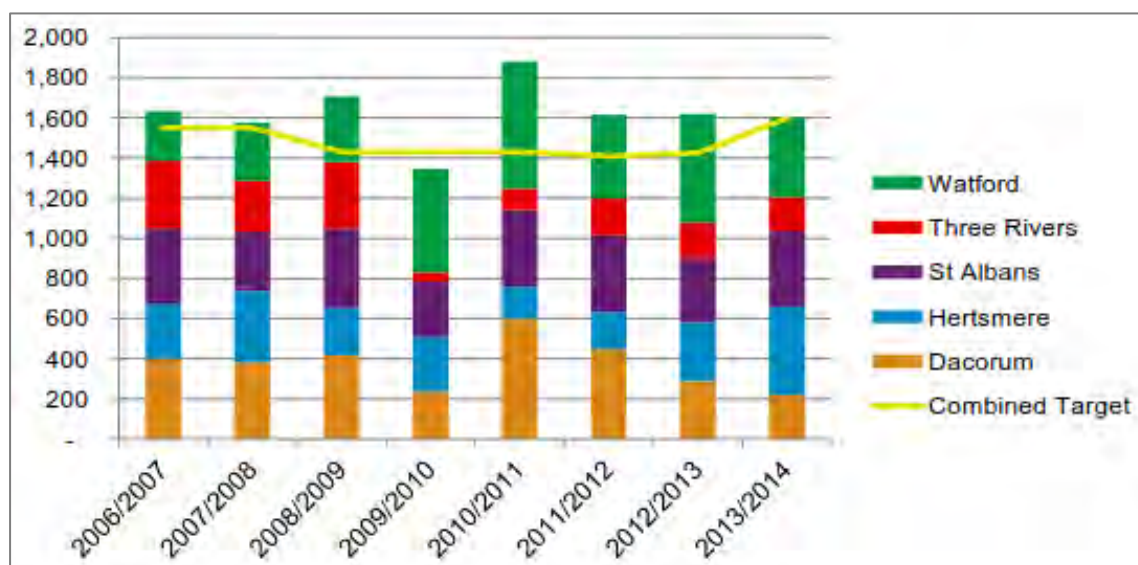
241. The PPG suggests that “If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan.”⁴⁸ From the data assembled below, Three Rivers has been effective in meeting its housing targets in recent years.

Figure 19: Housing completions versus planned targets in Three Rivers, 2006-2014



Source: SHMA16

Figure 20: Collated HMA Housing Completions against Targets, 2006-2014



Source: SHMA16

242. Furthermore, it is relevant to consider whether the overall growth in numbers of dwellings in Abbots Langley has kept pace with growth in the number of dwellings in Three Rivers as a whole, between the two censuses. Indeed, Table 32 shows that growth in Abbots Langley dwellings numbers has been significantly higher, in fact double, that of growth in Three Rivers as a whole. This indicates that in fact, Abbots Langley has relatively over-delivered dwellings growth in comparison with the rest of the district.

⁴⁸ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Table 32: Growth in dwellings numbers, 2001-2011

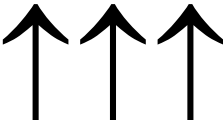

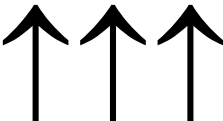

	2001	2011	Percentage Growth
Abbots Langley	7,282	8,183	6%
Three Rivers	34,171	36,155	12%

Source: Census 2001/2011, AECOM Calculations

9. Conclusions

9.1 Overview

Table 33: Summary of Key Factors

Factor	Source(s) (detailed in Chapter 5)	Possible impact on future housing need	Rationale for judgement
Commuting and Employment trends	SHMA 2016, Census 2001/11, Neighbourhood Statistics, SWHES16		<p>Abbots Langley has been shown to have high rates of commuting, particularly to Watford and to Central London. In addition, a highly skilled workforce will support positive job growth of up to 0.8% per annum, higher than in many nearby economic areas within Hertfordshire.</p> <p>Future employment growth driven by infrastructure investment in Watford in particular is likely to significantly increase demand for housing.</p> <p>Overall, three up arrows is deemed appropriate.</p>
Housing Sales (Prices)	Land Registry Price Paid Data for 2006-2016, SHMA16		<p>Abbots Langley has been shown to have experienced significant price growth over the last 10 years, totalling 49% across all housing types, with most housing types experiencing far greater growth. Whilst this growth has broadly been in line with that of price growth in the district as a whole, this growth has been more significant, in the context of inflation, than in any other parts of the Housing Market Area, with absolute prices the second highest of all comparator areas. For this reason two up arrows has been deemed appropriate.</p>
Housing Affordability	DCLG Live Tables on Affordability Ratios, VOA, SHMA16		<p>Abbots Langley has had a significant worsening of the affordability ratio for both Median and Lower Quartile earnings and house prices, with the median ratio recently surpassing the lower quartile ratio.</p> <p>Furthermore, lower quartile rents in Three Rivers as a whole have been shown to have risen faster than inflation, with this quartile of rent now requiring an income of £31,000 per annum, which would be unaffordable for more than 40% of the population. For this reason, three up arrows are deemed appropriate.</p>
Migration and demographics	HNHD15, SHMA 2009, Census data 2001, 2011		<p>Significant population growth in Abbots Langley has matched and even exceeded that experienced by London, and was more than double that of Three Rivers District as a whole, which experienced growth more in line with the average for England. Such growth is indicative of the attractiveness of Abbots Langley as a place to live, explained chiefly by access to employment opportunities and its qualities as a place both to bring up a family and retire. As a result, two up arrows is deemed appropriate.</p>



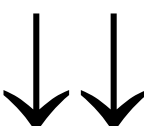
Overcrowding	Census Data 2001, 2011		Abbots Langley experienced double the rate of increase in households experiencing overcrowding than across Three Rivers over the 10 years to 2011. This is considered a significant indicator of increased demand, and as such two up arrows have been deemed appropriate.
Concealment	Census Data 2001, 2011		Census data suggests that 87 concealed families exist in Abbots Langley. This rate is lower than in Three Rivers and England as a whole, and there for one down arrow is deemed appropriate.
Rate of development			Three Rivers has been effective in meeting its housing targets in recent years, and furthermore Abbots Langley has overdelivered, proportional to its population, in comparison with the rest of the district. Therefore two down arrows is considered appropriate.

Table 34: Summary of local factors specific to Abbots Langley with a potential impact on neighbourhood plan housing characteristics

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
Affordable Housing (AH)	SHMA, CACI, Local Agent questionnaire	<p>Given the Lower Quartile Affordability Ratio (LQAR) of 11.2 and the Median Affordability Ratio (MAR) of 10.4 at the district level, affordable market homes (AMH) are out of reach to those on modest incomes.</p> <p>While median incomes may be as much as 30% higher and Lower Quartile incomes are 15% higher in Abbots Langley than the district average, and property is also substantially more expensive than elsewhere in the Three Rivers district.</p> <p>An entry-level dwelling in Abbots Langley is priced at approximately £270,000; a similar property will rent in the area for around £14,000 pa; around 60% of all households would be unable to afford to rent at this level and retain enough income to cover other needs and allow for some discretionary spending. As a result, this HNA concludes that roughly 60% of all households are unable to afford suitable market housing (for either rent or purchase) without some form of subsidy.</p>	<p>While AMH in Abbots Langley is unaffordable to households with incomes around the median, the introduction of Discounted Market Sale Housing (DMSH) does offer a realistic means for those on incomes at this level to access the property market. We would therefore recommend DMSH form part of the AH quota within the NPA, with policy seeking to fulfil the Government's policy expectation that 10% of all new build dwellings are starter homes.</p> <p>Shared ownership dwellings have grown substantially during the inter-censal period and should remain a component of intermediate AH products.</p> <p>For Affordable Rented Dwellings to expand the choice of housing available to residents in the NPA, rent levels should be set substantially below the maximum of 80% so as to avoid competition with intermediate AH products; this will encourage 'true affordability,' providing a route to housing for households on lower quartile incomes. We note, however, that policy of this kind can only be devised where it does not threaten viability.</p>
Demand/need for smaller dwellings	SHMA, Census, Local Agent questionnaires	<p>Households headed by a person under 35 will gravitate more strongly to the Three Rivers district than the Housing Market Area (HMA) generally.</p> <p>There is a wide range of dwelling types and sizes in Abbots Langley. Of new homes built during the inter-censal period, large homes of 6 habitable rooms or more form the majority (51%).</p>	Based on the evidence uncovered, the bias in favour of larger dwellings indicates a mis-alignment between supply and demand given the evidence we have uncovered of strong demand for smaller homes (1-3 habitable rooms) suited to both first time buyers as well as those seeking to downsize.
Demographic change	Census, SHMA	<p>Analysis of the evidence gathered in respect of the age structure reveals a broadly balanced population with a substantial number of adults of parental age (roughly 55% of the population).</p> <p>Young adults are the age group with the smallest representation, despite a</p>	The ageing population points to a need to increase the provision of dwellings suited to older groups within the community; notwithstanding this, the neighbourhood plan should not lose sight of the need to maintain a balanced population, supporting the

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
		<p>substantial uplift in their numbers during the inter-censual period.</p> <p>While the area did not exhibit a disproportionately large older-people's cohort at the 2011 Census, evidence presented in the SHMA describing change in age structure at the HMA and district levels points to substantial increases in their numbers in the period to 2036.</p> <p>This contrasts with younger age groups which show very modest increases in comparison, particularly the 30-44 age group whose numbers are estimated to grow by only 7.5% in the period between 2013 and 2036.</p>	ambition of younger age groups to establish households in the neighbourhood.
Dwelling type		<p>The types of dwelling for which there is the greatest demand are bungalows and semi-detached dwellings.</p> <p>Local estate agents suggest demand for flats is weaker than for that of houses, and there may be an over-supply of flats (Your Move, Connells).</p>	<p>These findings support the need, identified elsewhere, to plan to accommodate greater numbers of older residents, as well as sustain the neighbourhood's function as a place to bring up a family.</p> <p>Notwithstanding the reported preference for houses as a dwelling type, flats provide a route to affordable home ownership and should remain an important aspect of the housing mix.</p>
Family-sized housing	Census, SHMA	<p>Bringing together our findings relating to household composition, the NPA is popular for families, with 40.1% of all households including children, and this has strengthened during the inter-censual period. While district level data displays similar trends, they are more pronounced within the NPA.</p> <p>All households with families grew by 9.7% in Abbots Langley during the inter-censual period, as against 2.8% for the district. Those families with children grew by 19.3% in the NPA, compared with a district growth of 8.7%.</p>	Dwellings suited to the needs of younger families (5 habitable rooms) should be a priority for development over the Plan period.

Factor	Source(s) (see Chapters 5, 6 and 7)	Possible impact on housing needed	Conclusion
Housing for independent living for older people	SHMA	SHMA data forecasts growth in older residents (aged 75-85), and in particular, the elderly (85+) population. These groups are forecast to grow by 57.6% and 136.5% respectively between 2013 and 2036 at the district level.	<p>Using the Learning and Improvement Network's (LIN) recommendations for the number of specialist dwellings per 1000 population of those aged 75+, we have arrived at a need for:</p> <ul style="list-style-type: none"> • 88 additional conventional sheltered housing units; • 176 additional leasehold sheltered housing units; • 30 additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale; • 22 additional extra care housing units for rent; • 44 additional extra care housing units for sale; and • 9 additional specialist dementia care homes. <p>As noted previously, it is not necessarily the case that all of these dwellings would need to be or could be provided within the parish itself.</p>
Tenure of housing	Census	There has been an increase of 901 dwellings during the inter-censal period and this has resulted in a large increase in private rented and shared ownership homes. These two tenures saw an increase of 236 and 69 units respectively. In 2011, however, the dominant tenure remains owner-occupation at 72% of all dwellings.	PRS will continue to provide a growing role in satisfying housing need in the NPA, given the shortage of shared equity stock and overall affordability of for-sale homes. As a result, Abbots Langley should seek build to rent (BTR) development, which may include an element of affordable housing in the form of Affordable Private Rent Housing (APRH).

9.2 Recommendations for next steps

243. This neighbourhood plan housing needs advice has aimed to provide Abbots Langley Parish Council with evidence on housing trends from a range of sources. We recommend that the Parish Council should, as a next step, discuss the contents and conclusions with Three Rivers District Council with a view to agreeing and formulating draft housing policies, taking the following into account during the process:
244. the contents of this report, including but not limited to Tables 22 and 23;
245. Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
- the views of the Three Rivers District Council;
 - the views of local residents;
 - the views of other relevant local stakeholders, including housing developers; and
 - the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by the Council, including but not limited to the SHLAA.
246. As noted previously, recent changes to the planning system, as well as forthcoming changes to the National Planning Policy Framework and as the implementation of the Housing and Planning Act 2016, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
247. This advice note has been provided in good faith by AECOM consultants on the basis of housing data current at the time of writing (alongside other relevant and available information).
248. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the District Council or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
249. Most obviously, this includes monitoring the status of the emerging Part 2 Local Plan.
250. At the same time, monitoring ongoing demographic or other trends in the factors summarised in Tables 33 and 34 would be particularly valuable.

