

St Stephen Parish Housing Needs Assessment

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Quality information

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Glossary of terms used in text

| | |
|-------|---|
| AH | Affordable Housing (NPPF definition) |
| BTR | Build To Rent |
| APRH | Affordable private rent housing |
| DCLG | Department for Communities and Local Government |
| DMH | Discounted Market Housing |
| HNA | Housing Needs Assessment |
| LPA | Local Planning Authority |
| MH | Market Housing |
| NDP | Neighbourhood Development Plan |
| NPA | Neighbourhood Plan Area |
| NPPF | National Planning Policy Framework |
| OAN | Objectively Assessed Need |
| ONS | Office for National Statistics |
| PPG | Planning Practice Guidance |
| PRS | Private Rented Sector |
| SACDC | St. Albans City and District Council |
| SASLP | St. Albans Strategic Local Plan |
| SSPC | St. Stephen Parish Council |
| SALP | St. Albans Local Plan (1994) |
| SHLAA | Strategic Housing Land Availability Assessment |
| SHMA | Strategic Housing Market Assessment |
| SSNPS | St. Stephen Neighbourhood Plan Survey 2016 |

1. Executive Summary

1.1 Introduction

1. The 2011 Localism Act introduced neighbourhood planning, allowing parishes, town councils or Parish Councils 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 professional judgements, as well as drawing together evidence that is in proportion with its intended purpose. At a neighbourhood planning level, one important consideration is determining the extent to which the characteristics of the neighbourhood plan area (NPA), for example those provided by Census data, diverge from those of the local authority. These comparators are helpful to an HNA given 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 (HNA) 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 St. Stephen Parish Council (SSPC) understand, among other matters, the type, tenure and 'fair share' of housing quantity needed to inform neighbourhood plan policies and supply considerations

1.1.1 Summary of Methodology

6. 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 Parish 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.
7. St. Albans City and District Council (SACDC) is in the process of updating its Local Plan. The emerging document, the St. Albans Strategic Local Plan (SASLP), puts forward a housing requirement for 8,720 for the district over the Plan Period between 2011 and 2031.
8. To justify housing policies in the SASLP, SACDC has commissioned two studies, the Independent Assessment of Housing Needs and Strategic Housing Market Assessment: St Albans City and District Council, published in December 2013 (henceforward SHMA 2013) and the Independent Assessment of Housing Needs and Strategic Housing Market Assessment Update: St Albans City and District Council, published in October 2015 (henceforward SHMA Update 2015). Both these documents were prepared by Housing

Vision (HV), a private consultancy. These documents do not however provide a clear recommended housing target for the neighbourhood plan area. The core purpose of this study is therefore to **consider both quantity of housing needed, in light of SHMA 2013 and SHMA Update 2015**, as well as type, in accordance with the wishes of the Parish Council.

9. The rationale for this recommended approach is that neighbourhood plans need to pass a number of Basic Conditions at examination 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, in this case the SLP. The Government's Planning Practice Guidance indicates that the level of housing development is likely to count as a strategic policy.¹
10. 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 the Plan Area, we have gathered a wide range of local evidence and summarised it into policy recommendations designed to inform decisions on housing characteristics.
11. Data and materials gathered relevant to this HNA have been sourced and analysed in line with PPG². Besides statistical data, it includes a community survey provided by SSPC³ and interviews with local estate agents⁴. Together, they provide a balance of sources that capture a local perspective.
12. The housing projections set out in this HNA correspond with the Neighbourhood Plan period of 2017-2031; this in turn corresponds with the assuming plan period for the SASLP.

1.1.2 Focus On Demand Rather Than Supply

13. Our approach is to provide advice on the NPA's fair share of 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.*'
14. For this reason, we advise that the conclusions of this report should be then 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 study⁵. In other words the figures arrived at here do not guarantee that land is or has to be available for potential development.

¹ See Planning Practice Guidance Paragraph: 006 Reference ID: 2a-006-20140306

² See Planning Practice Guidance Paragraphs: 014 Reference ID: 2a-014-20140306 and 009 Reference ID: 2a-009-20140306

³ St. Stephen Neighbourhood Plan Survey 2016 Results

⁴ Carter Haywood, JW & Co Langley's and Collinson Hall

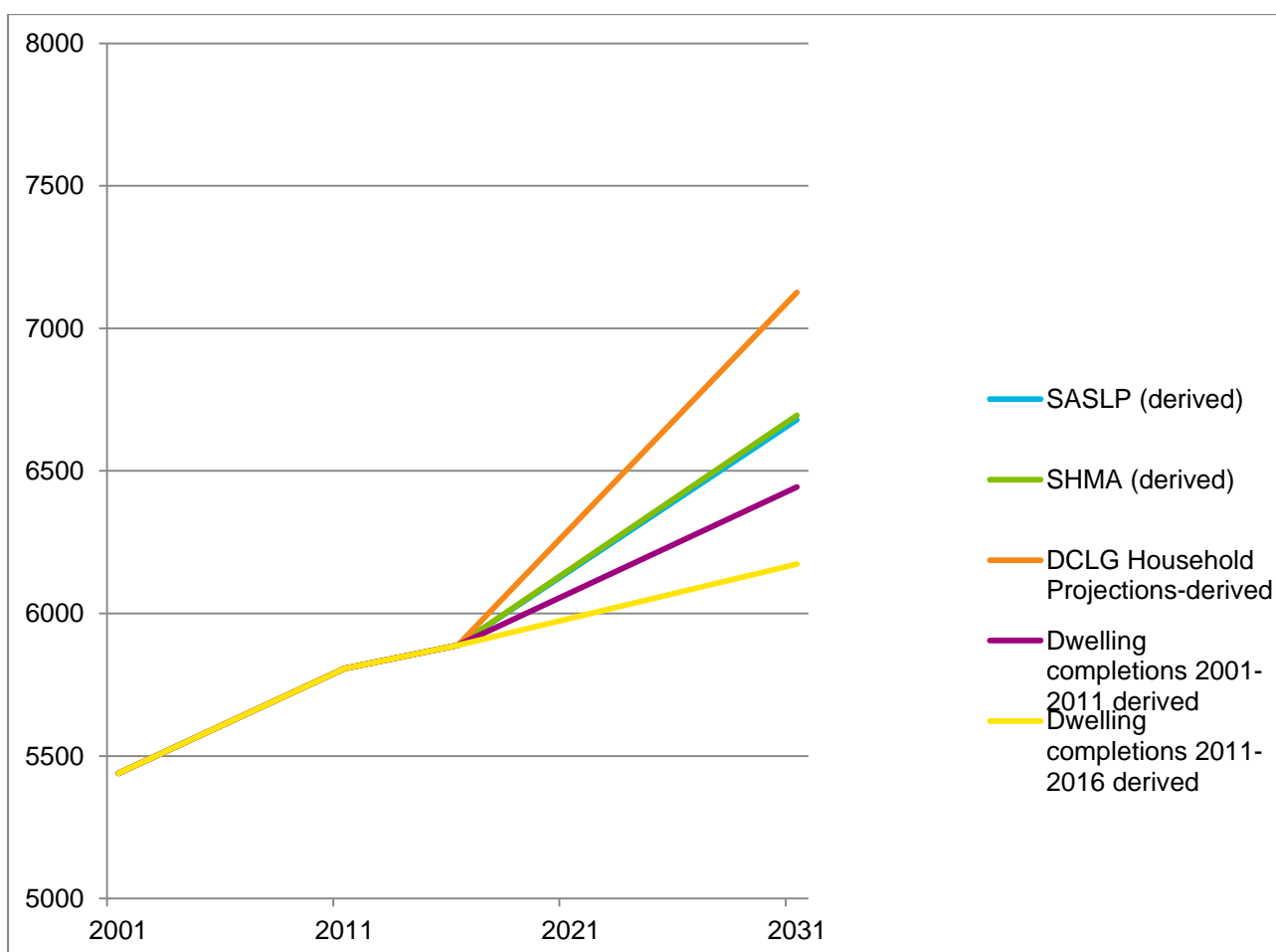
⁵ Such an approach, clearly separating housing need assessment from home capacity assessment, was endorsed by the Government for calculating housing need at local authority level in the ministerial statement and press release 'Councils must protect our precious green belt land' (DCLG, 4 October 2014, available at <https://www.gov.uk/government/news/councils-must-protect-our-precious-green-belt-land>)

1.1.3 Quantity of Housing Needed

15. Our assessment of a wide range of data sources identified five separate projections of dwelling numbers for St. Stephen between 2017 and 2031 based on:

1. St. Albans Strategic Local Plan 2011-31 (Publication Draft) **produces a target of 791 dwellings between 2017 and 2031 or 53 homes per year** (rounded).
2. SHMA - proportional share drawn from OAN produces a **target of 807 dwellings over the plan period, or 54 per year**.
3. DCLG Household projections generate a **target of dwellings of 1238, or 83 dwellings (rounded) per year over the plan period**.
4. Net home completion rates 2001-2011 produces a **projection of 555 homes over the plan period or 37 dwellings each year**.
5. Net home completion rates 2011-2015 a **projection of 285 homes (19x15) over the plan period of 2017-2031**.

Figure 1 A graph to show dwelling projections from a number of sources.



16. The graph above (the vertical axis indicates the number of homes) sets out the total number of homes factoring in each of the projections we have identified in paragraph 15. For example, factoring in SHMA derived data (red line) to the number of dwellings that have

already been built in the plan area between 2011 and 1st January 2016 (81) produces a total demand for 6695 homes over the plan period.

17. A further assessment applied to the five projections set out above indicates that the demography of the plan area and the performance of the housing market are likely to impact on these projections. 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 St. Stephen with a potential impact on neighbourhood plan housing quantity

| Factor | Source(s) (detailed in Chapter 4) | Possible impact on future housing need | Rationale for judgement |
|--------------------------|--|--|---|
| Employment trends | St Albans SHMA 2013 and 2015, Census 2011, Hertfordshire Strategic Economic Plan 2014, the St Albans Draft Local Plan 2016, Hertfordshire London Arc Jobs Growth and Employment Land report 2009, Future Housing Targets 2011, South West Hertfordshire SHMA 2016. | ↑ | <p>Although the NPA and St Albans more generally, possess their own employment bases, future employment growth is regarded as constrained by Greenbelt designations.</p> <p>Furthermore, the area possesses a large degree of out commuting and employment trends, and therefore demand for housing, is stimulated by economic growth in the wider region. The SHMA establishes that these commuting patterns extend into the wider London mega city region, with the commuting distances experienced in the NPA consistent with these trends.</p> <p>As a result, an assessment of one up arrow has been deemed appropriate because although the region is experiencing growth, this impact is distributed across a wide area and not directly attributable to the NPA. However, as the St Stephen Parish is close (especially in terms of commuting time via train) to London, the NPA is predicted to benefit from growth in London, especially in the context of rising house prices.</p> |

**Housing Market
(price)**

Land Registry Price Paid Data 2006-2016 for Post code Sectors 'AL2 2' and 'AL2 3', St Albans SHMA 2013 and 2015, South West Hertfordshire SHMA 2016.



The St Stephen NPA has been shown to have experienced a relatively consistent 63% increase in price paid data over a ten year period. This has resulted in the combined mean for all housing typologies to exceed half a million pounds. These values exceed the district average, with the exception of detached housing. However, these are seen as inflated by individual concentrations of houses over £1 million in the rest of the borough.

As a result, an assessment of two up arrows has been deemed appropriate due to large increases in house prices in the NPA and the higher prices experienced in the NPA when assessed against the HMA comparator areas.

**Housing Market
(volume)**

Land Registry Price Paid Data 2006-2016 for Post code Sectors 'AL2 2' and 'AL2 3', Census 2011, South West Hertfordshire SHMA 2016.



In terms of the proportional sales of housing typologies within the St Stephen NPA there is relative matching between overall housing stock and the proportions experienced in the Land Registry data. The majority of the dwellings sold in the NPA are detached, matching the provision in the NPA housing stock.

However, there is some indication of an under representation of flat and terraced housing as these have been purchased at levels beyond their provision in the NPA. As a result, an assessment of one up arrow has been deemed appropriate due to the perceived need for smaller homes within the NPA to aid affordability.

Migration




SHMA 2013 and 2015, Census 2011.



29% of the projected total change in population between 2012 and 2032 in the St Albans district has been attributed to migration. The relationship that St. Albans, and to a large extent the NPA, has with London is therefore likely to

stimulate demand for housing for an extended period of time.

An assessment of three up arrows has been deemed appropriate due to these levels of anticipated migration, exacerbated by the age profile of the migrants contributing to a 5% and 15% increase in under 15's and 16-24 year olds respectively in the St Stephen NPA.

| | | | |
|--|---|---|--|
| Overcrowding (persons per room) | Census 2011 |  | The St Stephen NPA is experiencing comparatively low, and reducing, levels of 'persons per room'; a traditional indicator of overcrowding. As a result, an assessment of one down arrow has been deemed appropriate |
| Overcrowding (concealed families) | Census 2011 |  | The relatively higher levels of concealed families experienced in the NPA may suggest that there are barriers to entering the housing market in the NPA compared to the district as a whole. This narrative is consistent with other evidence presented throughout this HNA and as a result an assessment of one up arrow has been deemed appropriate despite occupancy ratings being comparatively low. |
| Rate of development | LPA completion data, Strategic Local Plan 2016 Appendix 2 |  | Although the rate of development experienced in the NPA is deemed to possess a high granularity, this is deemed proportional in terms of the population of the parish compared to the district. |

18. In arriving at a final figure for homes that reflect demand in the Plan Area two issues need to be taken into consideration.

19. Firstly, the number derived from dwellings completed in paragraph 15 is supply constrained meaning it reflects the difficulty of finding suitable sites on the ground as a result of environmental factors and standing policy (for example Green Belt). Furthermore it's only a five year figure and may not reflect the capacity of the area to absorb new dwellings over a

longer period. Its reliability as a guide to demand in places like St Stephen where demand significantly outstrips what can be delivered on the ground is therefore limited.

20. Secondly, it is necessary to take into account the influence of the factors set out in Table 1.
21. In order to allow for these two factors, we have taken the mean of projections 1, 2, 3 and 4 only as the basis for our final estimate. This produces a figure of 848 homes (rounded). Taking the second factor into consideration, we look at the balance of 'up' to 'down' arrows
22. In our view, it is an indication that radical action needs to be taken if the price of entry level properties has increased to a point where they are well out of reach those on average incomes, as is the case in St. Stephen. The policy options available, beyond Affordable Housing (AH), are, firstly, to stimulate the delivery of more housing and, secondly, for those dwellings to be designed around the needs of people on moderate incomes.
23. In terms of affordable housing, in particular Discounted Market Housing (DMS) for sale, the emerging Local Plan opens up the possibility of new development brought forward through a neighbourhood plan through site allocations. This is a key policy step for St. Stephen, and should include rural exception sites (RES).
24. It is within the scope of policy to apply a local connection test to dwellings on RES on condition evidence of local need can be shown. A weakness is the scant evidence of such need. A local register, developed in conjunction with SACDC, recording such need within the NPA would help address this.
25. It is worth noting that the driving force for this house price growth is migration. This results broadly from the status of the villages in St. Stephens (and St. Albans generally) as quasi-dormitory settlements for the major centres of major economic activity that surround them. It also derives from the excellent quality of life and good school infrastructure available within the NPA.
26. Given that the economic attractiveness of these areas is unlikely to relent in coming years (subject to the uncertainties of 'Brexit'), the first and most appropriate policy response is the construction of more homes. The value of the site allocations study will be to identify how such development may take place in such a way that the high well-being enjoyed by current residents is not undermined.
27. Taking these factors into consideration, and the overall balance of arrows (8 'up' arrows to 1 'down' arrow), we feel an overall target of between 875 – 900 dwellings to be delivered over the Plan Period would be appropriate in the NPA.

Table 2: Summary of local factors specific to St. Stephen with a potential impact on neighbourhood plan housing type

| Factor | Source(s) (see Chapter 4) | Possible impact on housing needed | Conclusion |
|--|---|---|---|
| Affordable Housing | SHMA Update 2015, Housing Register, Land Registry, Census. | <p>Only those households in receipt of income significantly above the average can afford market housing for purchase.</p> <p>Those on lower quartile household income are restricted to social and intermediate housing.</p> <p>The area shows little evidence of deprivation and housing need.</p> <p>There is a relatively low proportion of social housing compared with the wider region.</p> <p>The share of all tenures accounted for by the Private Rented Sector is growing within the Plan Area.</p> | <p>Affordable Housing policy, in terms of both the proportion of new housing, and the proposed allocation to different tenure types should not depart from emerging Local Plan policy, SLP9; this puts forward apportioning approximately 60% to social rented/affordable rent and 40% to immediate housing.</p> <p>Affordable Private Rented Housing should be considered as a means of generating more AH in the Plan Area in future years.</p> <p>A local register of housing need should be established to record housing priorities of local people in future years.</p> |
| Demand/need for smaller dwellings | Census, SHMA update 2015, SSNPS, Local Estate Agents Survey | <p>Solo households and childless couples are among those household types forecast to grow in future years.</p> <p>In the SSNPS, 1-2 bedroom flats were found to be relatively unpopular; 2-3 bedroom houses, in contrast, were the most popular size of dwellings.</p> <p>Under-occupation is widespread.</p> <p>Demographic change suggests a large growth</p> | <p>The provision of family dwellings of 2-3 bedrooms should be a priority in the area so as to underpin its role as a place that is both attractive and affordable to family households.</p> <p>The provision of such dwellings, by providing smaller dwellings for older people to downsize into will help address the demand, described by local estate agents of larger homes of 4 bedrooms.</p> <p>Given the increase in the number of solo and two-person households, demand for flats may increase in future years.</p> |

in both single and couples with no children.

Of the five different types of dwellings explored in this study, flats were the least favoured type by a significant margin.

| | | | |
|--|---------------------------------|--|--|
| Family-sized housing | Census, Local Estate Agents | <p>Family households, at the time of the last Census constituted 70% of all households and demographic shifts suggest a dramatic growth (41%) of couple/lone parent with 1 child and a growth of couple/lone parent with 2 children households (27%).</p> <p>Of the five different types of dwellings explored in the study, there was greatest demand for bungalows, followed by semi-detached, detached and terraced houses.</p> | In considering appropriate housing for the Plan Area, the needs of families should be prioritised. |
| Housing for independent living for older people | Census, SHMA Update 2015, SSNPS | <p>Demographic profiling suggests a disproportionately large number of older people (aged 65+) compared with the district geography and a large increase in those in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%.</p> <p>Of the five different types of dwellings explored in this study, bungalows were the most favoured type by a significant margin.</p> | <p>Supply- based approaches to identifying housing need for older people identifies 18 care home places, 3 units of extra care housing and 19 units of sheltered housing should be provided over the plan period.</p> <p>Using the Housing Learning and Improvement Network demand-led approach, 17 additional conventional sheltered housing units; 33 additional leasehold sheltered housing units = 33 (rounded down); 6 additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale; 4 additional extra care housing units for rent; 8 additional extra care housing units for sale = 8 (rounded down); and 2 additional specialist dementia care homes.</p> <p>A percentage of general housing should be designed according to lifetime homes standards.</p> |

1.1.4 Recommendations for next steps

28. This neighbourhood plan housing needs assessment has aimed to provide SSPC with evidence on housing trends from a range of sources. We recommend that the Parish Council should, as a next step, undertake **a site allocations study that identifies where it is, and where it is not, possible to build**. This would provide an appropriate evidence base for policies seeking to manage the overall quantum of new housing.
29. In addition, the Forum should discuss the contents and conclusions with SACDC 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 E**, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic local policies;
 - the **views of SACDC** – in particular in relation to the housing need figure that should be adopted;
 - the views of **local residents** (gathered together in the form of a Consultation Statement);
 - 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 SACDC, including but not limited to the SHLAA; and
 - the recommendations and findings of this study.
30. Recent changes to the planning system, **forthcoming changes to the NPPF in the wake of the Housing White Paper**, 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.
31. 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).
32. 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.
33. 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

34. St. Stephen is a parish located within the St Albans City and District Council area in the south of Hertfordshire. The Parish is located about 27km north-west of London and is situated close to the M25 Motorway and the southern boundary of the city of St Albans. The Parish has a population of 13,865 (2011 Census).
35. The Neighbourhood Plan Area (Figure 1) corresponds with the St Stephen Parish boundaries for which Census data (the latest being from 2011) is available. Use has also been made of the 2001 Census data in order to determine trends in the population of St Stephen over time.

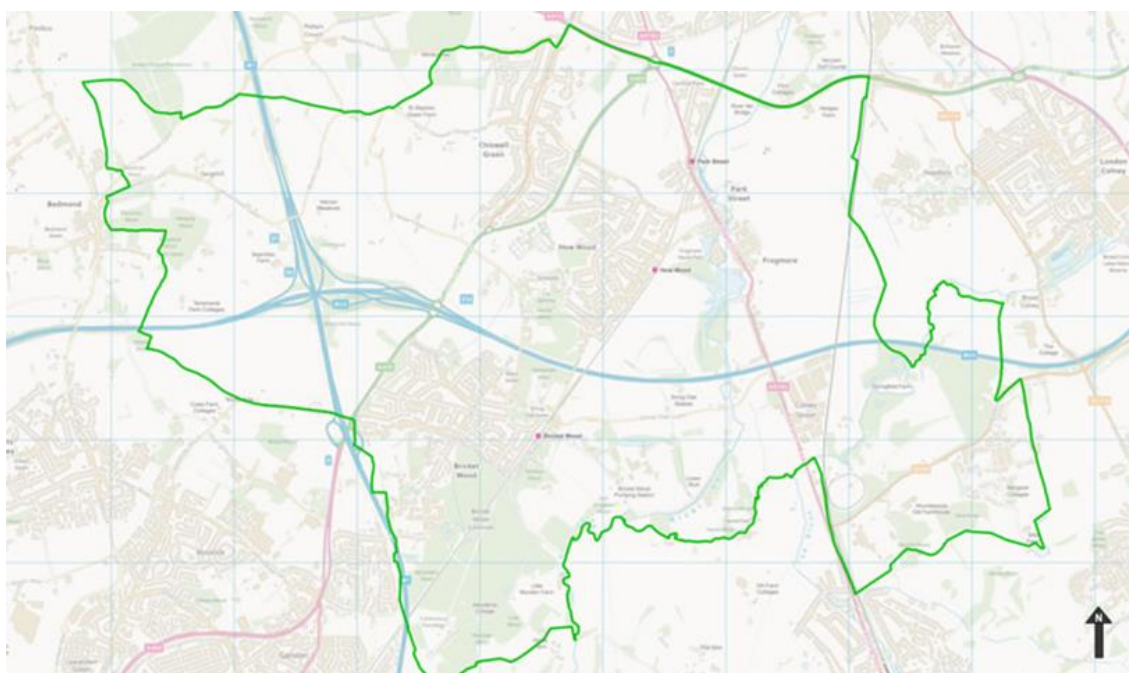


Figure 2 The St Stephen Neighbourhood Plan Area boundary

2.2 Local Planning Context

36. 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.
37. For the majority of HNAs, reviewing the currently adopted Local Plan would be sufficient. However, in the case of St Albans City and District Council (the relevant Local Authority for St Stephen), there is a requirement to review both the adopted Local Plan, and the emerging Local Plan. This is because the currently adopted Local Plan is made up of saved policies from the 1994 District Local Plan review⁶; and while these saved policies will be given the greatest weight when determining planning applications, clearly they are very dated.

⁶ St Albans City and District Council (1994) District Local Plan Review [online] available at: <http://www.stalbans.gov.uk/planning/Planningpolicy/library/localplan.aspx> accessed April 2017

38. Although there is a need to refer to the 2016 Publications Draft of the emerging Local Plan⁷ at examination, these draft policies are given less weight in the planning terms, but the extent to which they illustrate a direction of travel needs to be anticipated if the neighbourhood plan is not to be overtaken by the new local plan in future. However, there is some protection offered by the Housing White Paper for neighbourhood plans where a certain proportion of the housing supply is clearly met by LPAs.
39. It should also be noted that this version of the Plan failed at examination as it did not sufficiently demonstrate the plan's duty to cooperate⁸; as such, there may be further alterations to the Plan. However, our professional judgement is that policies pertaining to housing type, tenure, and quantity would be unlikely to change significantly due to this ruling.

2.2.1 1994 District Local Plan Review

40. The 1994 District Local Plan Review set out a range of policies governing housing, and housing development in the St Albans City and District Area. Of these policies, a number were saved and are relevant to housing provision in St Stephen Parish. These include:
41. **Policy 2 'Settlement Strategy'**, which highlights a number of villages that are located within the St Stephen Parish area, including: Bircket Wood, Park Street/ Frogmore, How Wood, and Chiswell Green. These villages are defined as specified settlements and are therefore excluded from the Green Belt and considered appropriate for development.
42. **Policy 5 'New Housing Development In Specified Settlements'** highlights that there will be a presumption in favour of housing development on a number of sites outlined within the policy. However, this HNA considers that due to the age of the document, these sites are unlikely to form a sound basis for assessment. Consequently these will not be discussed further.
43. Policy 5 goes on to state that the council *"would normally seek to negotiate an element of affordable housing on sites of over 0.4 Ha and on sites of under this size where 15 or more dwellings are proposed"*. This is detailed further under policy 7a 'Affordable housing in towns and specified settlements'.
44. **Policy 7a** states that the Council's target will be for at least 200 affordable dwellings per annum through new builds and conversions. Policy 7a outlines criteria against which planning applications will be assessed, however it does not stipulate a number (or percentage) of affordable homes which should be delivered as part of development.
45. The Policy states: *"on each suitable site the council will seek to negotiate a proportion of affordable housing based on site and marketing conditions and local housing need"* and it requires that *"housing is reserved permanently for people with strong local connections"*
46. **Policy 10 'Loss of residential accommodation'**, states that proposals which would result in a net loss of dwellings through demolition, or the loss of part or all of a dwelling by a change of use will normally be resisted. It states that exceptions to this will only be made under special circumstances.

⁷ St Albans City and District Council (2016) Strategic Local Plan 2011-2031 Publication Draft [online] available at: <http://www.stalbans.gov.uk/planning/Planningpolicy/library/localplan.aspx> accessed April 2017

⁸ Further information can be found at: <http://www.planningresource.co.uk/article/1417141/st-albans-local-plan-fails-duty-cooperate-test>

2.2.2 2016 Publication Draft of the Emerging Local Plan

47. As previously discussed, the Publication Draft of the Emerging Local Plan was failed at examination – therefore consideration should be given to the fact that the future adopted Plan may include different policies to those assessed in the course of this HNA. Nonetheless, due to the age of the currently adopted Plan, a review of this publication draft is of considerable value.
48. **Policy SLP1** 'Spatial strategy and development strategy' sets out that the scale and density of development within a number of villages within St Stephen Parish including; Bircket Wood, Park Street/ Frogmore, How Wood, and Chiswell Green villages, will generally be lower than in the main urban settlements, in order to retain their particular character.
49. **Policy SLP8** 'Local housing requirement / target and provision' sets out that over the Plan period (2011 to 2031) there is expected to be 8,720 additional homes provided. This is an average of 436 per annum.
50. With regard to affordable housing provision; **Policy SLP9 'Affordable housing'** sets out a target of 40% affordable homes per overall site, *"unless it is clearly demonstrated that this is not economically viable"*. It states that in these circumstances, affordable housing provision at a level which allows the scheme to be viable may be negotiated by the Council. This policy goes on to outline that, in order to meet needs of residents in the district and the most vulnerable, of the affordable housing percentage target, about 60% should be social rented / affordable rent, and 40% intermediate housing. It states that *"both types must be secured by planning obligation as affordable housing in perpetuity"*.
51. Policy SLP9 sets a minimum threshold of one dwelling as the point at which the council will seek affordable housing. It also states that for schemes of 4 homes or fewer (where there are sound planning or other reasons, and the developer and Council agree), a financial contribution (or off-site provision) in lieu of on-site provision may be acceptable. However, for all other sites, developers are expected to provide affordable housing on site.
52. **Policy SLP10 'Housing size, type and mix'** sets out Council policy for these issues. It sets out that development will be required to provide the specific locally needed mix of housing set out in the latest SHMA; and that: *"Sheltered housing and extra care housing for older people and those with special needs will be encouraged on suitable sites in areas close to a range of services"*.
53. **Policy SLP11 'density of housing development'** requires that a minimum average net density of 40 dwellings per hectare should be achieved, and that: *"all new housing will be developed at a density that is consistent with achieving high quality, sustainable design that does not compromise the distinctive character of the area in which it is situated."*

3. Approach

3.1 Research Questions for St. Stephen's Housing Need Assessment (HNA)

3.1.1 Quantity

54. While the number of dwellings has not been specified in the current Local Plan, this position may change as a new plan is being assembled by the LPA. It would therefore be helpful to the group to establish a better idea of quantity of homes be supported over the plan period so as to be able to engage proactively with the Local Plan process. The group also accept that additional housing is necessary to secure the additional infrastructure the community needs.

RQ1. What quantity of housing is appropriate for the plan area?

3.1.2 Tenure

55. People are unhappy with the notion of 'affordable rent' suggesting that 80% of market rent remains beyond the reach of many people in the plan area. The Parish Council is therefore interested in the types of affordable housing will meet local need, and what proportions these should achieve.

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

RQ3. What is the role of 'Starter Homes' and other forms of discounted market housing in the plan area?

RQ4. What type of market housing (private rented, co-operative, shared equity and open market housing) should be included in the housing mix?

3.1.3 Type and size

56. The inception call indicated that local young people are struggling to get onto the housing ladder. Likewise, there appears to be a need amongst older people to downsize.

RQ5. Given the different housing requirements of people at different stages of life what provision should be made for smaller dwellings (suited to older people who wish to downsize)?

RQ6. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?

3.1.4 Housing for older people

57. During the inception call a specific interest was raised to determine how to cater to the needs of those looking to retire.

RQ7. What provision should be made for retirees and the elderly?

3.1.5 SHMA data

58. The PPG states that neighbourhood planners can refer to existing needs assessments prepared by the local planning authority as a starting point. As SSP is located within St. Albans district, we turned to the Independent Assessment of Housing Needs and Strategic Housing Market Assessment: St Albans City and District Council, published in December 2013 (henceforward SHMA 2013) and the Independent Assessment of Housing Needs and Strategic Housing Market Assessment Update: St Albans City and District Council, published in October 2015 (henceforward SHMA Update 2015). Both these documents were prepared by Housing Vision (HV), a private consultancy.
59. SHMA 2013 identifies three housing market areas, a 'Core Housing Market Area' (CHMA) which approximates to the district's boundaries, a 'Wider Housing Market Area' (WHMA) connected to the CHMA through home move and commuting patterns and a 'Peripheral Housing Market Area' (PHMA) of London Boroughs.⁹
60. PPG states that HMAs can be identified in three ways, through house prices and rates of change in house prices, household migration, search patterns and contextual data (for example travel to work area boundaries, retail and school catchment areas)¹⁰. The CHMA will demonstrate comparable prices for different types of dwelling, and how these prices have changed over time, a degree of 'self-containment' in household migration with roughly 50% of house transactions involving people moving within the CHMA.
61. As shown in the map below, St. Stephen Parish occupies the southern part of the CHMA.

⁹ SHMA 2013, paragraph ES27, page 5

¹⁰ PPG Paragraph: 011 Reference ID: 2a-011-20140306

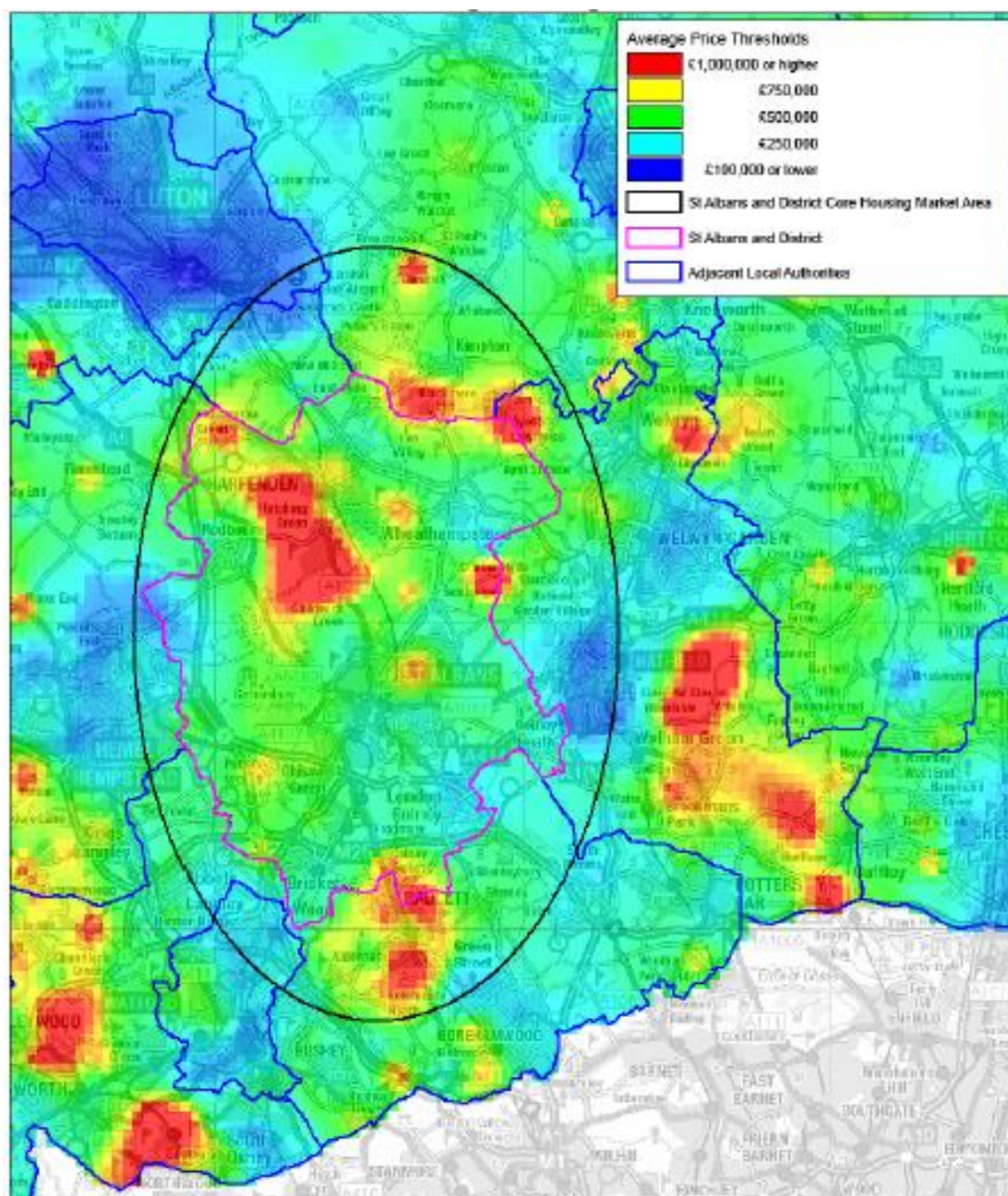


Figure 3 St. Albans and District Core Housing Market Area showing Average House Prices for Sales Registered with the Land Registry during period 01/01/2012 to 31/05/2013 in St. Albans and Neighbouring Local Authorities.

62. For the purposes of this study, the data presented in both SHMA documents is treated as directly applicable to St. Stephen on the basis that it occupies a large part of the CHMA and presents similar demographic characteristics, for example, age structure and household composition. Moreover, given the similarities in economic activity (see table 3 below), it is reasonable to assume household incomes, and therefore the wherewithal of people to afford market housing in the HMA, are broadly comparable to those within the district as a whole.
63. Despite these similarities, where in the course of this study we have identified differences with the CHMA that carry implications for housing policy, these are drawn out.

Table 3 Economic activity in St Stephen, 2011

| Economic category | | St Stephen | St Albans | England |
|-----------------------|------------------------------|------------|-----------|---------|
| Economically active | Total | 72.9% | 74.7% | 69.9% |
| | Employee: Full-time | 39.3% | 43.1% | 13.7% |
| | Employee: Part-time | 14.2% | 13.5% | 38.6% |
| | Self-employed | 13.8% | 12.6% | 9.8% |
| | Unemployed | 2.5% | 2.7% | 4.4% |
| | Full-time student | 3.1% | 2.8% | 3.4% |
| Economically inactive | Total | 27.1% | 25.3% | 30.1% |
| | Retired | 15.9% | 12.3% | 13.7% |
| | Student | 3.9% | 4.6% | 5.8% |
| | Looking after home or family | 3.6% | 4.8% | 4.4% |
| | Long-term sick or disabled | 2.5% | 2.1% | 4.1% |
| | Other | 1.2% | 1.5% | 2.2% |

Source: ONS, Census 2011 AECOM calculations

64. The CHMA is part of London's mega-city region. The high level of connectedness that this implies drives the local economy but also increases the competition with local residents for available homes. While the SHMA identifies the large numbers of people moving in and out of the area, the clear balance is in favour of people moving in.¹¹

65. The SHMA draws upon a range of data including population projections, housing market transactions and employment scenarios to derive the objectively-assessed housing need. The OAN set out in SHMA Update 2015 has been used as one of the metrics to derive the 'fair share' figure for housing in St. Stephen.

3.2 RQ1. What quantity of housing is appropriate for the plan area?

66. We have estimated the quantity of housing needed in NPA according to five different sources; these are:

1. St. Albans Strategic Local Plan 2011-31 (Publication Draft), produces a target of **791 dwellings between 2017 and 2031 or 53 homes per year** (rounded).
2. SHMA - proportional share drawn from OAN produces a target of **807 dwellings over the plan period, or 54 per year**.
3. DCLG Household projections generate a **target of dwellings of 1238, or 83 dwellings (rounded) over the plan period**.
4. Net home completion rates 2001-2011 produces a **projection of 555 homes over the plan period or 37 dwellings each year**.
5. Net home completion rates 2011-2015 a projection of **285 homes over the plan period of 2017-2031**.

¹¹ SHMA 2013, paragraph ES 28, page 5

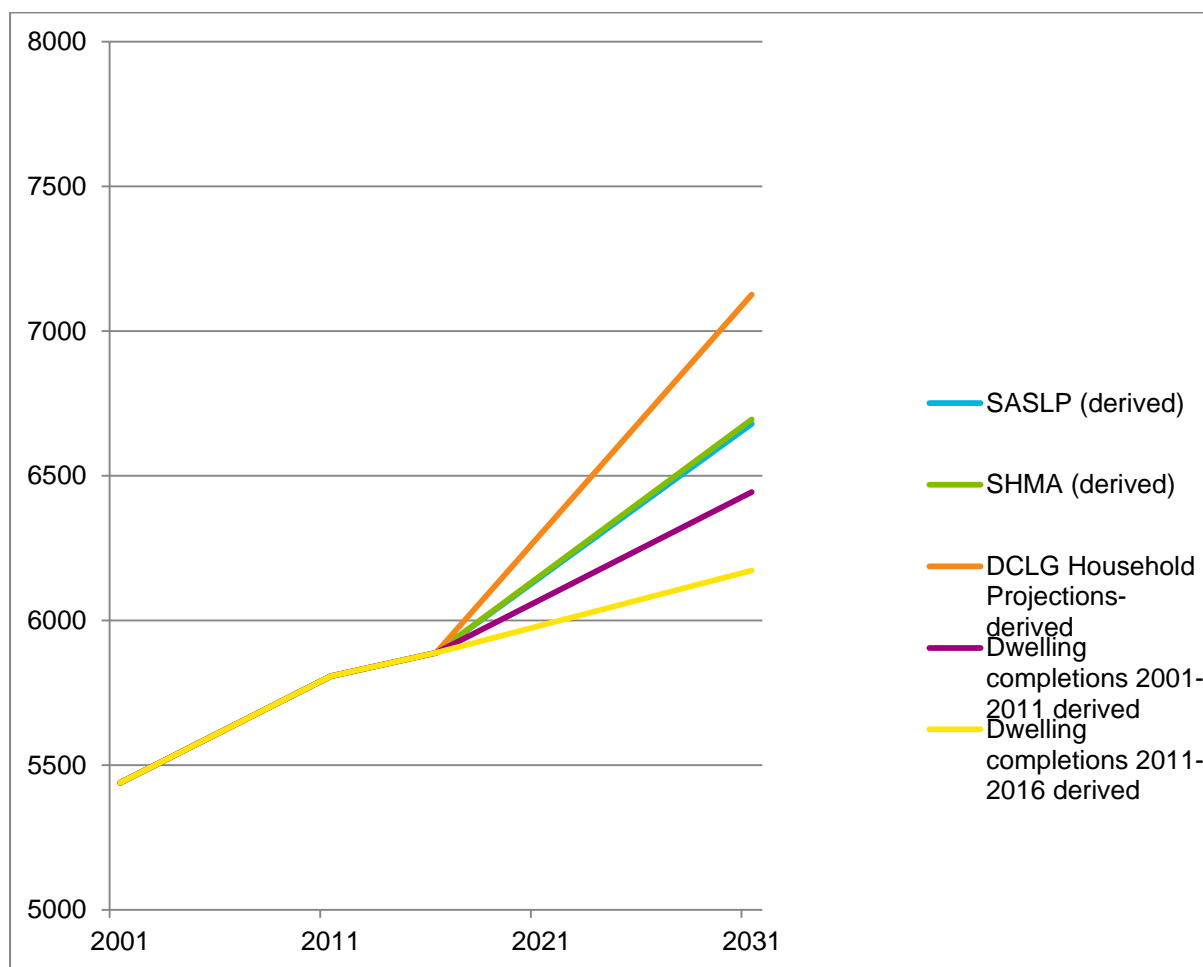


Figure 4 A graph to show dwelling projections from a number of sources.

67. The graph above (the vertical axis indicates the number of homes) sets out the total number of homes factoring in each of the projections we have identified in paragraph 66. So, for example, factoring in SHMA derived data (light green line) to the number of dwellings that have already been built in the plan area between 2011 and 1st January 2016 (81) produces a total demand for 6695 homes over the plan period.

68. These calculations are set out below.

3.2.1 St. Albans Strategic Local Plan

69. The SASLP puts forward a housing requirement for 8,720 for the district over the Plan Period between 2011 and 2031¹². The proportional share may be calculated for the NPA based on the proportion of the total number of dwellings it contains of all dwellings in the district. At the time of the last Census there were 581 dwellings in the NPA and 57,891 in the wider district, or 10% of all homes in the district (rounded). Therefore, 872 homes (10% of 8720) homes should be allocated as the 'fair share' of the borough target.

70. In arriving at a final total for the Plan Area, it is important to take into consideration that 81 dwellings were built within it between 2011 and 2016. Allowing for these completed dwellings, a housing target that shoulders the area's 'fair share,' and is therefore in

¹² SASLP, page 51

conformity emerging district policy, equates to **791 dwellings (872 - 81) between 2017 and 2031 or 53 homes per year (rounded).**

71. SASLP is not yet adopted policy; nevertheless, it should be taken into consideration when calculating the volume of housing that the NDP should seek to deliver given that, subject to statutory consultation, it is likely become adopted policy in the short to medium term, and reflects the LPA's assessment of the district's housing needs.

3.2.2 SHMA

72. It is important to remember that the SHMA presents a demand-side only, or 'unconstrained' assessment of need (often also identified as Objectively Assessed Need, or OAN¹³), 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.
73. Nonetheless, the SHMA presents an appropriate starting point for deriving need at the NP level, because it contains 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.
74. As we have seen, the SHMA, initially published in 2013 was updated in 2015. The 2013 version identifies an OAN for St. Albans over the period 2011 - 31 of 11,329 homes.¹⁴ This was based on a preferred methodology which qualifies the 2012-based official projections with a migration-led demographic projection based on recent and revised trend data over 5 year period. The 2015 update replaces this with a 10 year scenario which, given the longer time period, allows for fluctuations in the data, a factor that, to the minds of the authors, had the potential to generate inaccurate or unrealistic projections.
75. This methodology applies a 10-year internal migration trend projection using data from the period 2002-2012. Using this approach, a net need for 8,882 additional homes in the St Albans and District area is identified for the period 2011 and 2031, an annual average of 444 homes.¹⁵
76. For the purposes of this study, we propose to use the SHMA 2015 figure; to calculate the NPA's 'fair share' of this target, it is again possible to use St. Stephen's proportion of all housing in the borough (10%). This produces a figure of 888 dwellings (rounded). Furthermore, it is necessary to take into consideration homes built in the NPA in recent years; since 2011, as set out above, 81 dwellings have been built; producing a final target of **807 dwellings over the plan period, or 54 per year (rounded).**

¹³ 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.

¹⁴ SHMA, 2013, page 259

¹⁵ SHMA update 2015, page 85

3.2.3 DCLG Household Projections

77. 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.
78. The most recent (2014-based) household projections were published in July 2016¹⁶, and extend to 2039. Although population projections are only available at a local authority level, a calculation of the share for the NPA is nevertheless possible for the household projections based on the NPA's household numbers in the 2011 Census.
79. At the 2011 Census, St. Albans had 56,140 households and the NPA 5593 households, or 10% of the total (rounded).
80. In the 2014-based household projections, the projection for 2031 is for 68,738 households in St. Albans. Assuming it continues to form 10% of the district total, the NPA's new total number of households would be 6874 (rounded); therefore 1,281 new households form in the NPA between 2011 and 2031 (or a rate of growth of 64 households per year).
81. 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 5,593 households but 5,807 homes. This gives a ratio of 0.96 households per home. In the case of NPA, then, a projection of (1,281/.96) new households translates into a need for 1334 homes (rounded to the nearest whole number).
82. 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 to be taken into account in future projections.
83. The 2014-based household projections were based on the 2014-based Sub-National Population Projections, which estimated that by 2015 there would be 146,152 people in St. Albans. The mid-2015 Estimates show that based on the latest information there were estimated to be 145,797 people, which is lower than the projections by 355 people. Assuming average household sizes remain constant (in 2011 there were an average of 2.5 people per household, obtained by dividing population by number of households) this equates to 142 fewer households across St. Albans.
84. Taking 68,596 (68,738 -142) as our revised household number at 2031, this equates to 6,860 households in the NPA (rounded), producing a revised growth in the number of households between 2011 and 2031 of 1267. Taking into account the disparity between household numbers and dwelling numbers (1267/.96), this produces figure of 1319 homes. Netting off the 81 dwellings completed since 2011, we arrive at **a re-based**

¹⁶ See 2014-based DCLG Household Projections live tables at <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>

household projections-derived dwellings of 1238, or 83 dwellings (rounded) per year over the plan period.

85. 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. In other words the figures arrived at here do not guarantee that land is or has to be available for potential development.

3.2.4 Home growth 2001 – 2011

86. 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 368 homes in the NPA between these two dates, or an average annual rate of increase of 37 homes (rounded). Multiplying this annual figure by the number of years remaining of the plan period from 2016 **produces a projection of 555 homes over the plan period or 37 dwellings each year.**

3.2.5 Home growth since 2011

87. 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, 81 new dwellings were completed¹⁷. This equates to an annual rate of delivery of 19 homes (478 divided by 5, the number of years elapsed). If this rate of delivery was continued to 2031, this would equate to **a projection of 285 homes (19x15) over the plan period of 2017-2031.**

3.3 RQ2. What type of affordable housing should be included in the housing mix?

88. The NPPG 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 and local need/demand, policies should support a change to the profile of tenure within the NPA's housing stock.

3.3.1 Current tenure

Table 4 Tenure (households) in St Stephen

| Tenure | St Stephen | St Albans | England |
|-----------------------|------------|-----------|---------|
| Owned; total | 82.0% | 72.7% | 63.3% |
| Shared ownership | 0.5% | 0.5% | 0.8% |
| Social rented; total | 6.9% | 12.2% | 17.7% |
| Private rented; total | 9.4% | 13.6% | 16.8% |

Source: ONS, Census 2011 AECOM calculations

¹⁷ Email from St. Albans Borough Council, 14/02/17

89. It is apparent from this table that the great majority of homes are owned by their occupants, and the figures for St. Stephen Parish exceed those for St. Albans and England by a significant margin. This is matched by, comparably speaking, low levels of both social and privately rented accommodation.

90. Table 5 below describes the changes in tenure that have taken place between the two most recent Censuses, held in 2001 and 2011. This shows the marked increase in privately rented accommodation, a phenomenon that is apparent both at district and national scales.

Table 5 Rates of tenure change in St Stephen, 2001-2011

| Tenure | St Stephen | St Albans | England |
|-----------------------|------------|-----------|---------|
| Owned; total | 2.5% | 0.9% | -0.6% |
| Shared ownership | 3.8% | 117.5% | 30.0% |
| Social rented; total | 0.0% | 3.2% | -0.9% |
| Private rented; total | 76.5% | 87.1% | 82.4% |

Source: ONS, Census 2001 and 2011 AECOM calculations

91. In terms of the current tenure, therefore, two key trends emerge, the strong presence of owner occupation, which has altered very little between the Censuses, and the growing importance of private rented accommodation in satisfying housing need. There is also a low proportion, compared with the St. Albans, of social housing.

92. The degree to which the current distribution of tenures, and the trends we have identified, are likely to satisfy future need can be determined by exploring a number of key indicators, and how these are likely to change over time. These are affordability, age structure and, to a degree, household composition. These, combined with feedback from local estate agents and the results from the St. Stephen Neighbourhood Plan Survey 2016 (SSNPS), allow us to build a picture of those groups that are well served, and where there are gaps in provision that suggests community needs as a whole may not be adequately addressed in future years.

3.3.2 Affordability

93. To explore affordability, we turn in the first instance to data provided in the SHMA documents. The preferred method the SHMA cites for establishing affordability involves setting an affordability threshold or benchmark which identifies the maximum proportion of a household's gross or net income which should be spent on housing costs. This is a straightforward approach which is considered especially appropriate for lower to middle income groups and which can take account of both deposit levels and interest rates.¹⁸

94. The SHMA sets its affordability threshold at 25% of gross household incomes, equivalent to 34% of net household income, and before any housing support is taken into account. In figures 4 and 5 below, we reproduce SHMA figures 3.1 and 3.2. These show the types of housing, in terms of tenure and size that are affordable to those on an income of £50,279 and £21,886, average and lower quartile household incomes respectively.

¹⁸ SHMA 2013, page 105

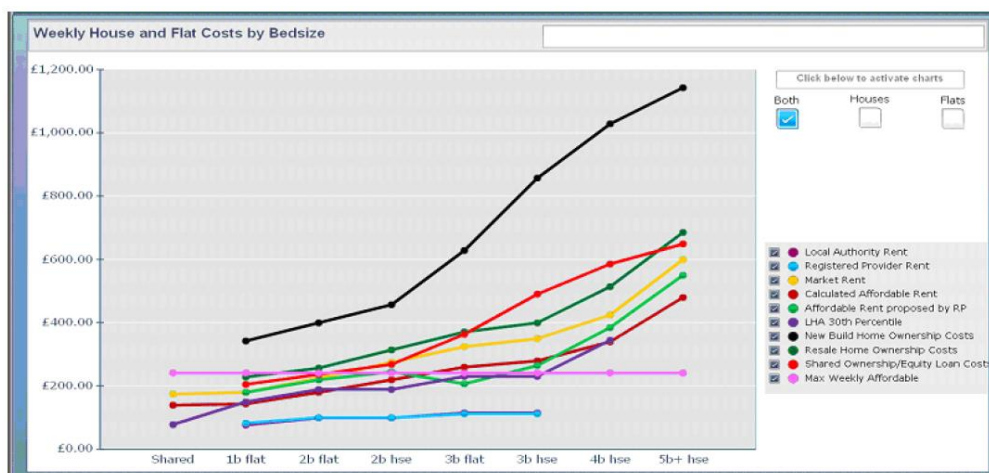


Figure 5 The affordability of housing in St. Albans City and District for households in receipt of average gross household income of £50,279, March 2015.

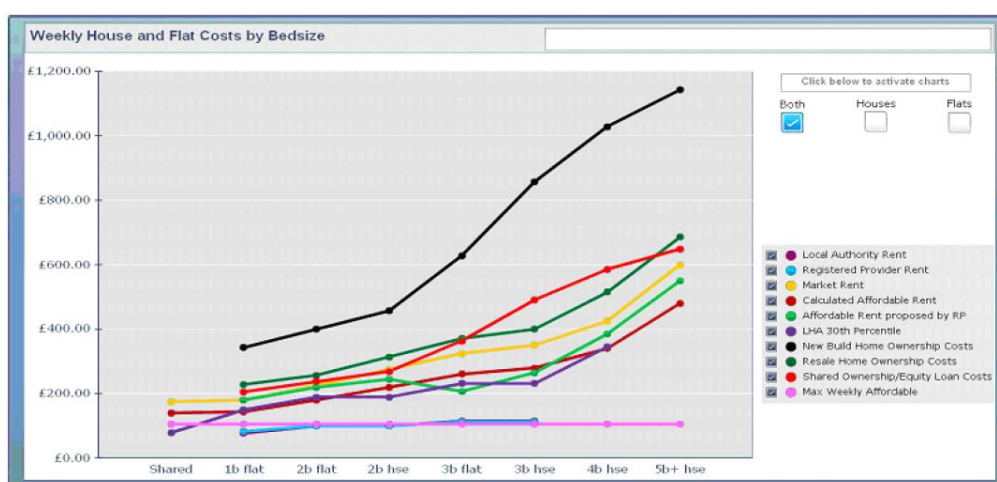


Figure 6 The affordability of housing in St. Albans City and District for households in receipt of lower quartile gross household income of £21,886, March 2015.

95. The SHMA concludes that, for those households in receipt of average gross incomes without housing support, only the following properties are affordable:

- social rent: all 1 to 3 bed flats and houses;
- affordable rent: 1 to 3 bed flats and houses;
- market rent: 1 and bed flats; and,
- shared ownership: 1 to 2 bed flats and houses;

96. For those in receipt of lower quartile incomes the following dwellings are affordable without housing support:

- 1 to 3 bed social, registered provider and affordable rent flats
- 2 and 3 bed houses for social rent

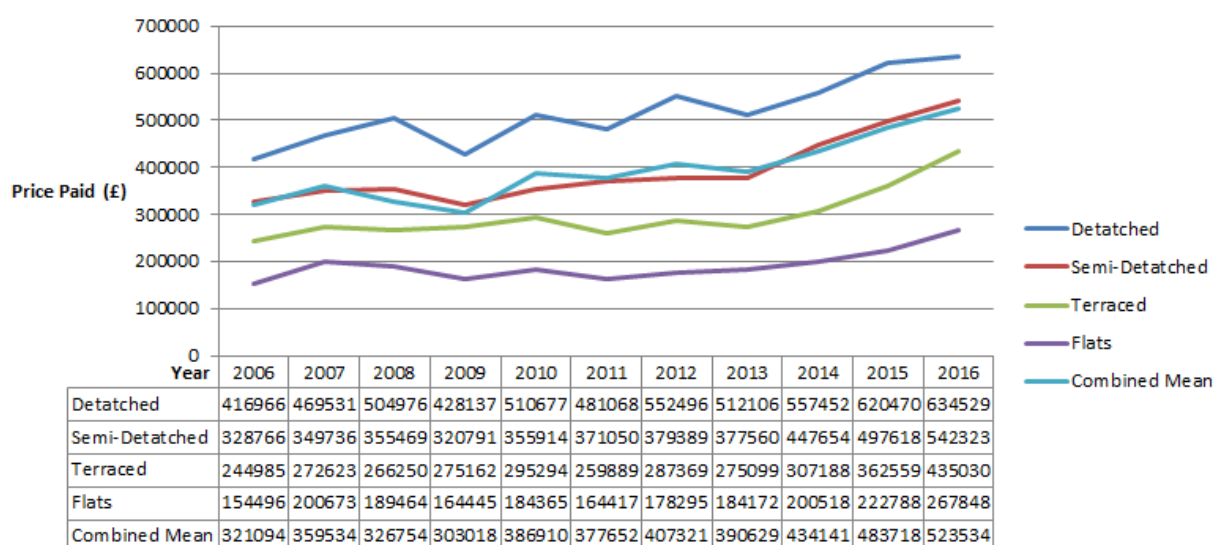
97. It is apparent from these figures that the housing options for those on lower quartile incomes is restricted to social rented accommodation and intermediate products.

98. Using price paid data from the Land Registry (figure 6 below) and the multiple of 3.5 of household income (to reflect the likely minimum income required to be granted a

mortgage on the property), it is possible to ascertain the capacity of those on average and lower quartile incomes to afford different types and tenures of housing within the NPA specifically.

99. Assuming a budget of £176,000 (£52,279 x 3.5), in 2015, the prospective buyer would not have been able to afford any market housing shown on in figure 6 below. It is worth noting that while the SHMA suggests a one bed flat would be affordable to a household on an average income, the generally accepted definition of an entry-level property is a two bedroom home so as to allow for co-habitation and family occupation.

Figure 7 Price Paid data for NPA Housing typologies per year



Source: HM Land Registry

100. The evidence from Land Registry data supports the conclusion set out in the SHMA that 'problems of affordability is...severe in St Albans City and District, especially for those in receipt of lower quartile earnings. There is a great deal of evidence of a polarisation of incomes in St Albans City and District, and in the context of limited supply in the social and private rented sectors, problems of access to affordable housing are especially likely to impact on families with children.'¹⁹

3.3.3 Age Structure

101. Figure 8 below sets out age structure of the NPA from Census data. From this, it is possible to discern both the characteristics shared between St. Stephen and the wider CHMA as well as some contrasts. The ratio of young people to those in middle-age suggests a strong family profile; this is characteristic common to both areas. The difference lies in the proportion of the population accounted for by older people, with St. Stephens reporting significantly higher numbers.

¹⁹ SHMA Update 2015, page 263

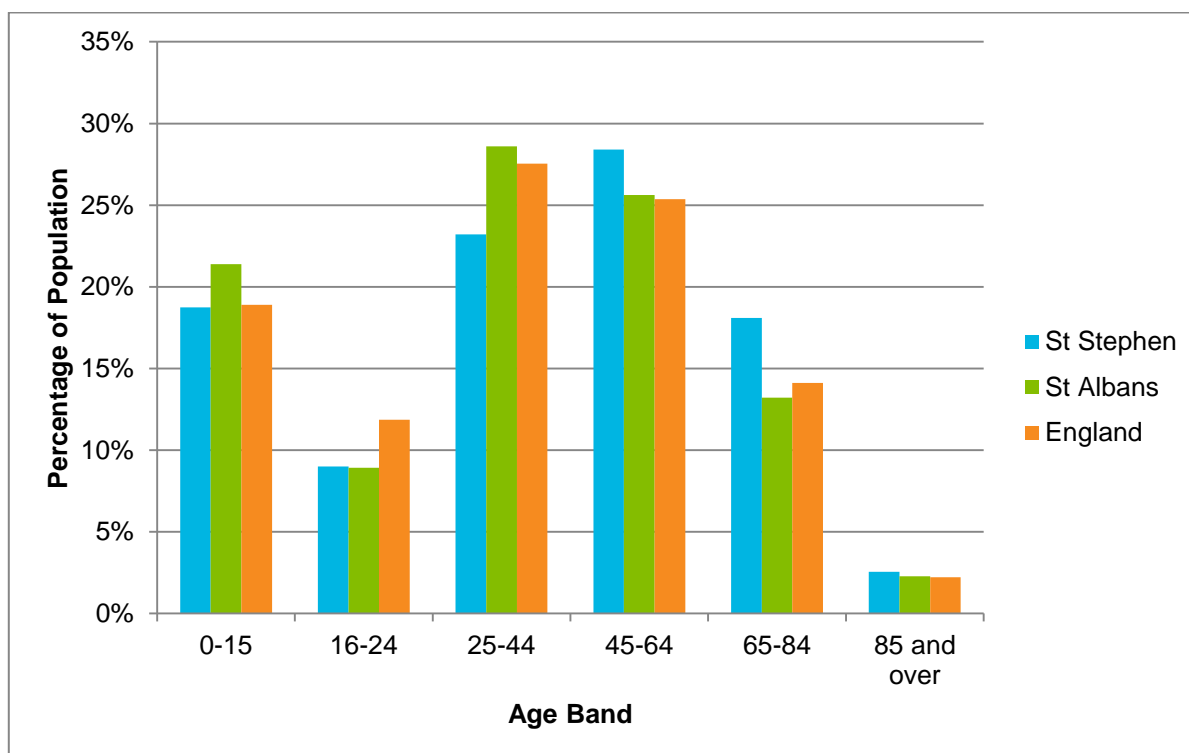


Figure 8 Age Structure

Source: ONS, Census 2001 and 2011 AECOM calculations

102. In table 6 below we can see from Census data how the age structure of these geographies has changed with time. This reveals significant shifts, with a marked increase in the numbers of older people between 2001 and 2011.

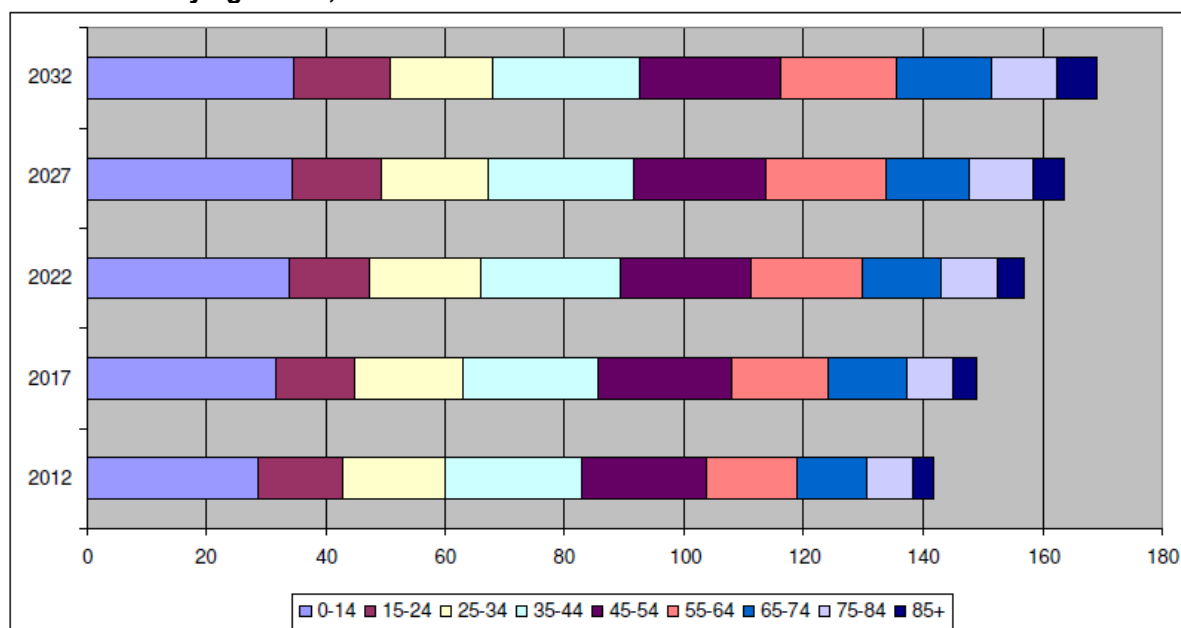
Table 6 Rate of change in the age structure of the population of St Stephen, 2001-2011.

| Age group | St Stephen | St Albans | England |
|-------------|------------|-----------|---------|
| 0-15 | 5.1% | 13.4% | 1.2% |
| 16-24 | 15.0% | 9.0% | 17.2% |
| 25-44 | -9.1% | -0.6% | 1.4% |
| 45-64 | 7.6% | 15.3% | 15.2% |
| 65-84 | 14.5% | 9.7% | 9.1% |
| 85 and over | 38.8% | 39.1% | 23.7% |

Source: ONS, Census 2001 and 2011 AECOM calculations

103. Data from the SHMA allows us to get an idea of how this may pan out in future years. In Figure 9, we reproduce Figure 2.1 from the SHMA.

Figure 9 the effect of change in the population of the St. Albans and District City and District Council Area by age band, 2012-2032.



Source: Sub-National Population Projections ONS 2010, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>

104. This shows not only an increasing population size, with growth taking place in all age groups, but also a particularly marked increase at the upper end of the age scale. The actual numbers are set out in the table below.

Table 7 Projected change in the population of the St. Albans City and District Council Area by age band, 2012 – 2032, 000s

| Age Band | 2012 | 2017 | 2022 | 2027 | 2032 | 2037 | Population Change 2012 to 2032 | % Change 2012 to 2032 |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------------------|-----------------------|
| 0-14 | 28.8 | 31.6 | 33.8 | 34.5 | 34.6 | 34.5 | 5.8 | 20.1 |
| 15-24 | 14.1 | 13.1 | 13.6 | 15.0 | 16.0 | 16.3 | 1.9 | 13.5 |
| 25-34 | 17.2 | 18.2 | 18.6 | 17.7 | 17.5 | 18.8 | 0.3 | 1.7 |
| 35-44 | 22.6 | 22.7 | 23.3 | 24.3 | 24.6 | 23.8 | 2.0 | 8.8 |
| 45-54 | 20.9 | 22.2 | 22.0 | 22.4 | 23.3 | 24.3 | 2.4 | 11.5 |
| 55-64 | 15.4 | 16.3 | 18.6 | 19.8 | 19.6 | 20.0 | 4.2 | 27.3 |
| 65-74 | 11.6 | 13.1 | 13.1 | 14.0 | 16.0 | 17.1 | 4.4 | 37.9 |
| 75-84 | 7.8 | 7.9 | 9.3 | 10.6 | 10.8 | 11.8 | 3.0 | 38.5 |
| 85+ | 3.4 | 3.9 | 4.7 | 5.4 | 6.8 | 8.0 | 3.4 | 100.0 |
| All ages | 141.9 | 149.1 | 156.9 | 163.6 | 169.3 | 174.4 | 27.4 | 19.3 |

Source: Sub-National Population Projections ONS 2012, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>.

105. Table 7 identifies that the population of the district is projected to increase by over 27,000 between 2012 and 2032 during the course of which the age profile of is expected to change. Family populations will continue to grow including 20% in those aged 15 or younger; 14% in those aged 15-24 and 2% for those aged 25-34. The greatest increases are projected in the oldest age groups when the need for housing with care increases;

over one third in those aged 65-74, almost 40% in those aged 75-84 and a doubling of the number aged 85 and over.²⁰

106. Given the similarities in age structure in the NPA and wider district, it is not unreasonable to assume similar trends will affect St. Stephen, with a proviso that the increase in the proportion of the elderly could be even greater, given the starting point is higher. In calculating need for specialist housing for the elderly we have, therefore, sought to allow for this difference.

3.3.4 Household composition

107. In Census data below, we present data relating to household composition in 2011. An important observation from this table is the marked similarities between St. Stephen and St. Albans. As we have observed from the age structure data, the dominant household type is families. In addition, there are a substantial number of one person households. Again, the data reveals a larger proportion of older residents both living alone and within a family group compared with larger geographies. As previously observed, this is one of the most striking differences between the NPA and the wider district.

Table 8 Household composition (by household) in St Stephen, 2011

| Household type | | St Stephen | St Albans | England |
|-----------------------|----------------------------|------------|-----------|---------|
| One person household | Total | 25.4% | 26.7% | 30.2% |
| | Aged 65 and over | 12.8% | 11.4% | 12.4% |
| | Other | 12.6% | 15.3% | 17.9% |
| One family only[1] | Total | 69.4% | 67.4% | 61.8% |
| | All aged 65 and over | 12.4% | 8.6% | 8.1% |
| | With no children | 17.5% | 18.3% | 17.6% |
| | With dependent children | 29.0% | 31.4% | 26.5% |
| | All children Non-Dependent | 10.5% | 9.0% | 9.6% |
| Other household types | Total | 5.2% | 5.9% | 8.0% |

Source: ONS, Census 2011 AECOM calculations

108. In terms of the way the structure of household composition has changed over time, table 9 below indicates that, where most types have remain broadly stable between 2001 and 2011, the proportion of the population represented by families with dependent children has increased, suggesting the area's enduring appeal as a good place to bring up a family.

²⁰ SHMA Update 2015, paragraph 2.34, page 63

Table 9 Rates of change in household composition in St Stephen, 2001-2011

| Household type | | Percentage change, 2001-2011 | | |
|-----------------------|----------------------------|------------------------------|-----------|---------|
| | | St Stephen | St Albans | England |
| One person household | Total | 14.0% | 3.9% | 8.4% |
| | Aged 65 and over | 6.2% | -4.8% | -7.3% |
| | Other | 23.1% | 11.5% | 22.7% |
| One family only | Total | 2.9% | 7.6% | 5.4% |
| | All aged 65 and over | -2.5% | -3.0% | -2.0% |
| | With no children | -7.5% | -1.1% | 7.1% |
| | With dependent children | 13.8% | 16.3% | 5.0% |
| | All children non-dependent | 1.7% | 10.0% | 10.6% |
| Other household types | Total | 11.4% | 7.7% | 28.9% |

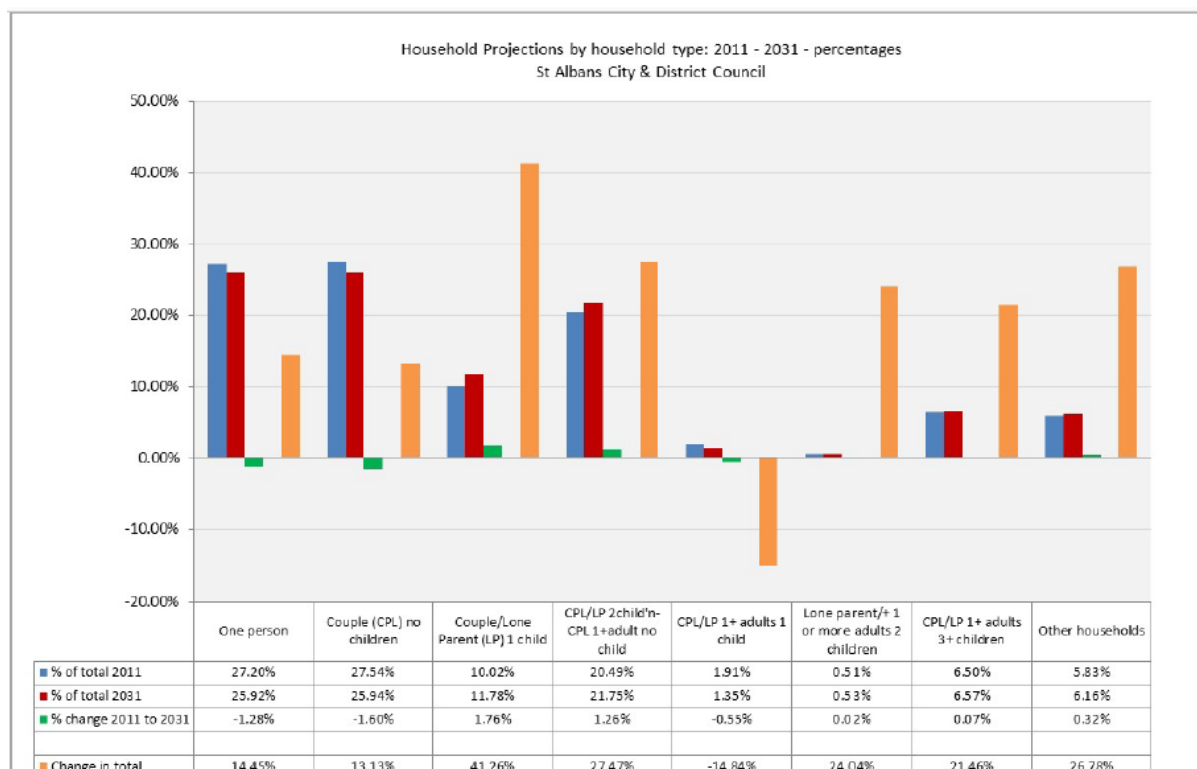
Source: ONS, Census 2001 and 2011 AECOM calculations

109. Below we reproduce SHMA Figure 4.4; this provides an estimate of how household composition will change in future years. The table suggest the following households:

- a large growth in both single and couple with no children;
- a dramatic growth (41%) of couple/one parent with 1 child;
- a growth of couple/one parent with 2 children households (27%); and,
- the most significant increases are in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%. ²¹

²¹ SHMA 2013, para 5.85, page 243

Figure 10 Household Projections by household type: 2011-2031 – percentages



Source: 2008-based household projections, adjusted to the household total recorded in the 2011 Census

110. In this section we have seen that among the tenure of dwellings, there is a heavy concentration of dwellings in owner occupation. This is consistent with the high proportion, compared with larger geographies, of older people as well as families.

111. It is worth noting that persons per room data indicates that only 1% of households were overcrowded in the last Census. This suggests that, given the demand for family homes, under-occupation is widespread, with older residents remaining in larger homes, possibly for want of smaller homes to move downsize into.

Table 10 Concealed families in St Stephen, 2011

| Concealed families | St Stephen | St Albans | England |
|----------------------------------|------------|-----------|----------|
| All families: total | 4,157 | 40,249 | 14885145 |
| Concealed families: total | 68 | 544 | 275954 |
| Concealed families as % of total | 1.6% | 1.4% | 1.9% |

Source: ONS, Census 2011 AECOM calculations

3.3.5 Affordable housing

112. In terms of requests for social housing, the Local Authority has provided a schedule of applications that appear on the Housing Register from people living in the NPA. On account of the register not being searchable by Parish, they have put forward Bricket Wood, Chiswell Green, Park Street and How Wood addresses as a proxy for St. Stephen Parish. These are set out in table 11 below.

Table 11 Housing Register Applications from people living in St. Stephen Parish

| Area | No. Applications |
|----------------|------------------|
| Bricket Wood | 6 |
| Chiswell Green | 3 |
| Park Street | 14 |
| How Wood | 0 |
| Total | 23 |

Source: St. Albans District Council

113. Affordable Housing (AH), in particular the approval of rural exception sites, is driven by evidence of local need. As is common in areas of relative affluence some distance from urban centres, there is little hard evidence to show that AH should be located in the NPA, indeed the overriding picture that emerges from the SHMA is one of relative affluence.

114. Nevertheless, as we have seen, the emerging local plan excludes the villages within St Stephen Parish from the green belt. Moreover, development may be brought forward on other 'green field Green Belt locations for small scale housing development, where supported by local communities, including through neighbourhood plans, may be identified and excluded from the Green Belt through the Detailed Local Plan (DLP).²²

115. As we have seen, this document suggests apportioning approximately 60% to social rented / affordable rent and 40% to intermediate housing²³. While there is evidence to suggest a need for AH at the district level, the case is more difficult within the NPA; for this reason we see no reason to depart from the AH allocations put forward in the SASLP Policy SLP9 – Affordable Housing.

116. In the sections to follow, we consider the argument for treating Discounted Market Housing (DMH) for sale and affordable private rent housing as AH within the Plan Area. Our conclusion is the former should not, on account of house prices being at a level where a 20% discount makes little practical difference to affordability, whereas the latter should, and may form part of a given development's contribution to intermediate housing.

²² SASLP, page 27

²³ SASPL, page 54

3.4 RQ3. What is the role of 'Starter Homes' and other forms of discounted market housing in the plan area?

117. The recent housing white paper seeks to encourage a number of different forms of AH. This will include new homes sold at a discount of at least 20 per cent below local market value, and eligibility is to be determined with regard to local incomes and local house prices.²⁴

118. As we have seen, the Plan Area is particularly popular with families; it therefore makes sense to define an entry level new build home as one suited to their needs. As noted above, this must be at a minimum a two bedroom home. Taking a base of 2015 so as to be able to make use of data on income in the SHMA update 2015, Land Registry data suggests the average price of a terraced house in the plan area was £362,559 in this year.

119. It is worth comparing this with data from Estate Agents; this is set out in table 11 below, and suggests substantial increases in the value of dwellings of this size since 2015.

Table 12: Please can you supply approximate prices for the following different types of dwelling (by way of example properties sold in the second half of 2016)

| Agent Name: | Carter Haywood | JW & Co Langley | Collinson Hall | Mean/type |
|----------------|----------------|-----------------|----------------|-----------|
| Property Type: | | | | |
| 1 bed flat | 230,000 | 260,000 | 225,000 | 238,333 |
| 2 bed bungalow | 500,000 | 425,000 | 575,000 | 500,000 |
| 2 bed home | 380,000 | 500,000 | 360,000 | 413,333 |
| 3 bed home | 450,000 | 550,000 | 625,000 | 541,667 |
| 4 bed home | 650,000 | 650,000 | 750,000 | 683,333 |

Source: Estate Agent survey (May 2017)

120. Based on a value of £360,000, the price of a Starter Home, assuming a discount of 20%, would be £288,000. As noted in the affordability section above, this would remain unaffordable for people on average incomes of around £52,000 pa in the plan area; therefore, DMH in should not be included within the provision of affordable housing.

121. This is not to say the introduction of DMH will not ease affordability for many households (and will be popular based on feedback from the SSNPS displayed in figure 10), but only those on higher incomes in the region of £80,000pa. It is however worth noting that flats valued at £222,788 in 2015, if now subject to a discount of 20% (reducing the price to around £178,000), would become affordable to those on average incomes.

²⁴ DCLG, Fixing our broken housing market, page 100

3.5 RQ4. What type of market housing should be included in the housing mix?

122. Given the low levels of AH, the needs of the great majority of the people of the parish will be served by the market. As we have seen, people on higher incomes are 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 as well as personal taste.
123. In many ways, the operation of the market is the best means of addressing the demand for different types of housing for sale. Planning policy can however seek to bring about a change in the profile of housing stock where there is evidence of a misalignment between demand and supply. In the section above, we noted a range of groups affected by an under-supply or who, as a result of major demographic shifts, may be affected in the future to the extent it justifies specific attention in policy.
124. For those households unable to access market housing to buy, and who do not qualify for AH, private rented housing is the only remaining option. Given the trends identified in this HNA, St. Stephen should seek Build To Rent (BTR) development brought forward by specialist developers funded by institutional investors. This will provide accommodation of consistently higher quality than is available through the traditional small private landlord.
125. Moreover, proposed government reforms to the definition of AH suggest that a new category, that of affordable private rent housing (APRH), will be brought into being with revisions to the NPPF later this year; APRH is housing made available for rent at a level which is at least 20 per cent below local market rent, and is particularly suited to the provision of AH as part of Build to Rent Schemes.²⁵
126. The NDP is also well placed to bring forward alternative forms of housing, for example self- and custom-build plots and affordable housing schemes delivered through Community Land Trusts (CLTs).

3.6 RQ5. Given the different housing requirements of people at different stages of life what provision should be made for smaller dwellings (suited to older people who wish to downsize)?

127. As we have seen, one response to addressing affordability issues is to increase the number of dwellings as this will have a depressing effect on local house prices; in addition, supporting the delivery of smaller homes may form part of a multi-strand policy solution, with a proviso that dwellings must be of an adequate size to support the well-being of occupants and avoid over-crowding.
128. Dwellings of one-two bedroom homes would be suitable for solo households and childless couples; they may also be acceptable to households of three individuals. Below we reproduce findings from SSNPd which indicate that 2-3 bedroom houses and bungalows are those sizes of dwelling for which people, when considering the needs of others, feel there is the greatest demand in the plan area.

²⁵ DCLG, [Fixing our broken housing market](#), page 101

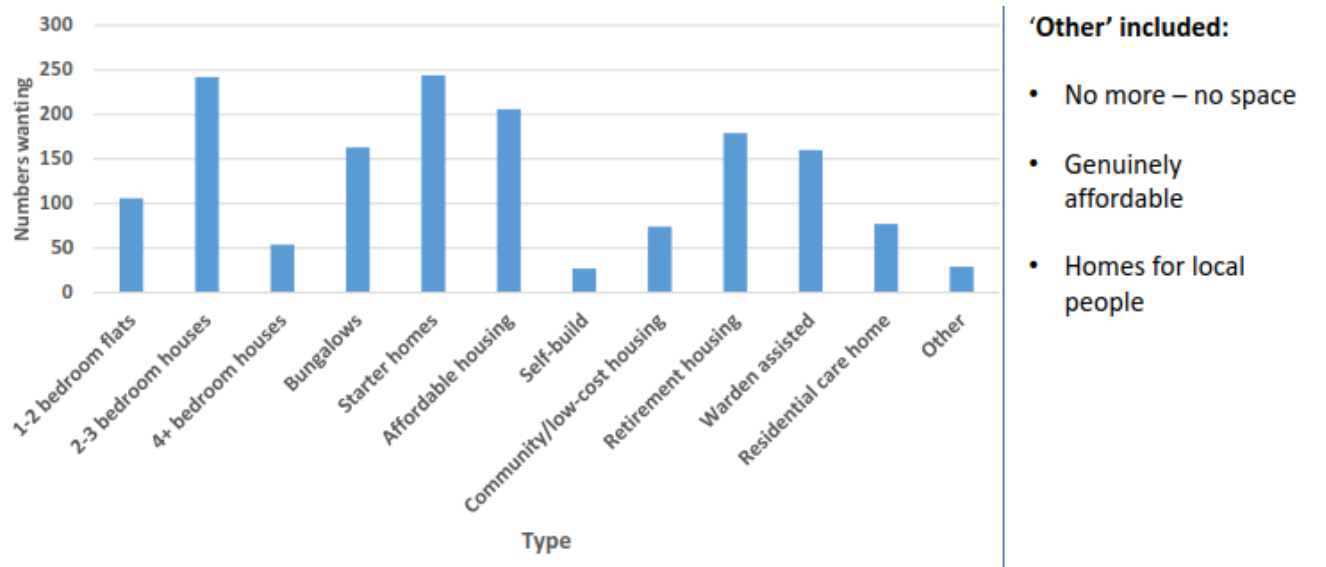


Figure 11: Thinking about the needs of other people (perhaps family members or older residents) what type of properties do you consider the area needs in the future?

Source: SSNPS

129. It is worth noting that these findings are qualified by local estate agents who agree that three bedroom homes are in high demand, but suggest the greatest demand is for dwellings of four bedrooms.

Table 13: What number of bedrooms are in demand from buyers? Please rank from 1 to 5, where 1 indicates very high demand and 5 very low demand.

| Agent: | Carter Haywood | JW & Co Langley | Collinson Hall |
|----------------|----------------|-----------------|----------------|
| Property size: | | | |
| 1 bed | 5 | 5 | 4 |
| 2 bed | 4 | 3 | 4 |
| 3 bed | 1 | 2 | 2 |
| 4 bed | 1 | 1 | 1 |
| 5+ beds | 4 | 4 | 3 |

Source: Estate Agent survey (May 2017)

130. In addition, the increase in the proportion of older people points to a need to provide dwellings suited to older residents, and for a proportion of general housing to be designed in accordance with Lifetime Homes standards. The provision of smaller homes is likely to lead to a proportion of larger dwellings, currently occupied by older people, being freed up as people are able to down-size.

3.7 RQ6. What type and size of housing is appropriate?

131. Below, we reproduce results from SSNPS relating to demand for housing; this shows that strongest demand is for smaller to medium sized family dwellings, and very strong demand for bungalows, a typology typically associated with older groups. It is worth

noting however, that bungalows are attractive to other household types as a result of the development/conversion opportunities they represent.

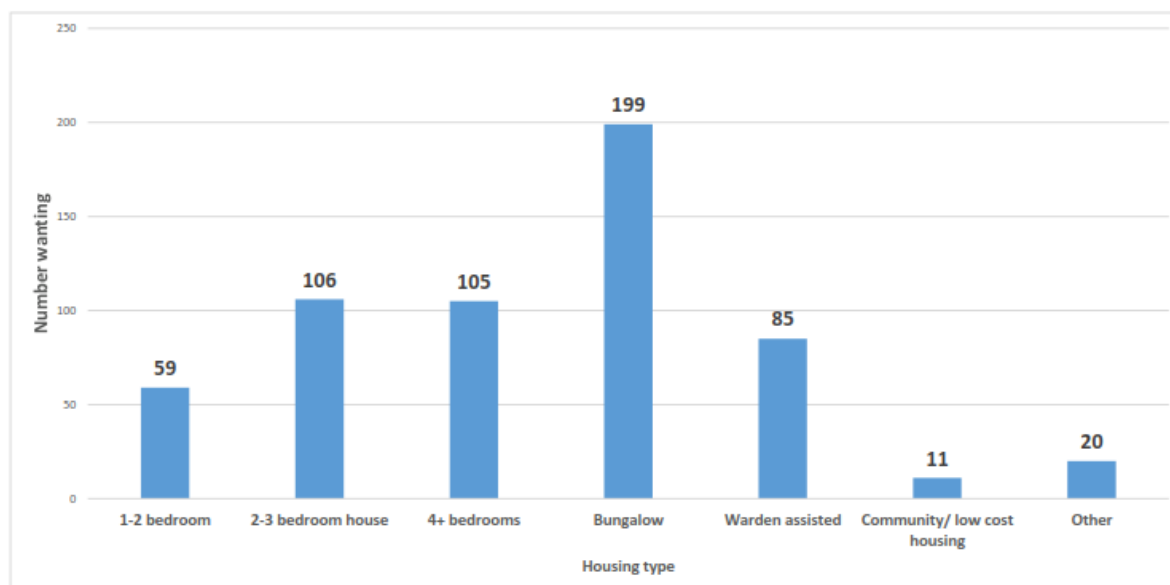


Figure 12: If, in the future, you decide to move house and remain within the area what type of housing would you seek?

Source: SSNPS

132. This corresponds with interviews conducted with estate agents in the area. In table 14 below the findings suggest strong demand from all age groups over the age of 35.

Table 14: What age groups are looking for property? Please rank the age bands from 1 to 5, where 1 indicates very high demand and 5 very low demand.

| Age group | Carter Haywood | JW & Co Langley | Collinson Hall |
|-----------|----------------|-----------------|----------------|
| 18-25 | 5 | 4 | 3 |
| 26-34 | 3 | 3 | 2 |
| 35-50 | 2 | 1 | 1 |
| 51-65 | 1 | 2 | 1 |
| 65+ | 1 | 5 | 1 |

Source: Estate Agent survey (May 2017)

133. There is a further correlation with feedback from agents relating to typologies of dwellings in greatest demand; bungalows are in greatest demand followed by semi-detached, detached and terraced dwellings. The results are set out in table 15 below.

Table 15: What is the current demand (2016), in terms of housing types? Please rank from 1 to 5, where 1 indicates the highest demand.

| Agent | Bungalow | Flats | Semi-detached | Detached | Terrace |
|----------------|----------|-------|---------------|----------|---------|
| Carter Haywood | 1 | 5 | 3 | 4 | 2 |
| JW&Co Langley | 3 | 5 | 1 | 2 | 4 |
| Collinson Hall | 1 | 3 | 2 | 2 | 3 |

Source: Estate Agent survey (May 2017)

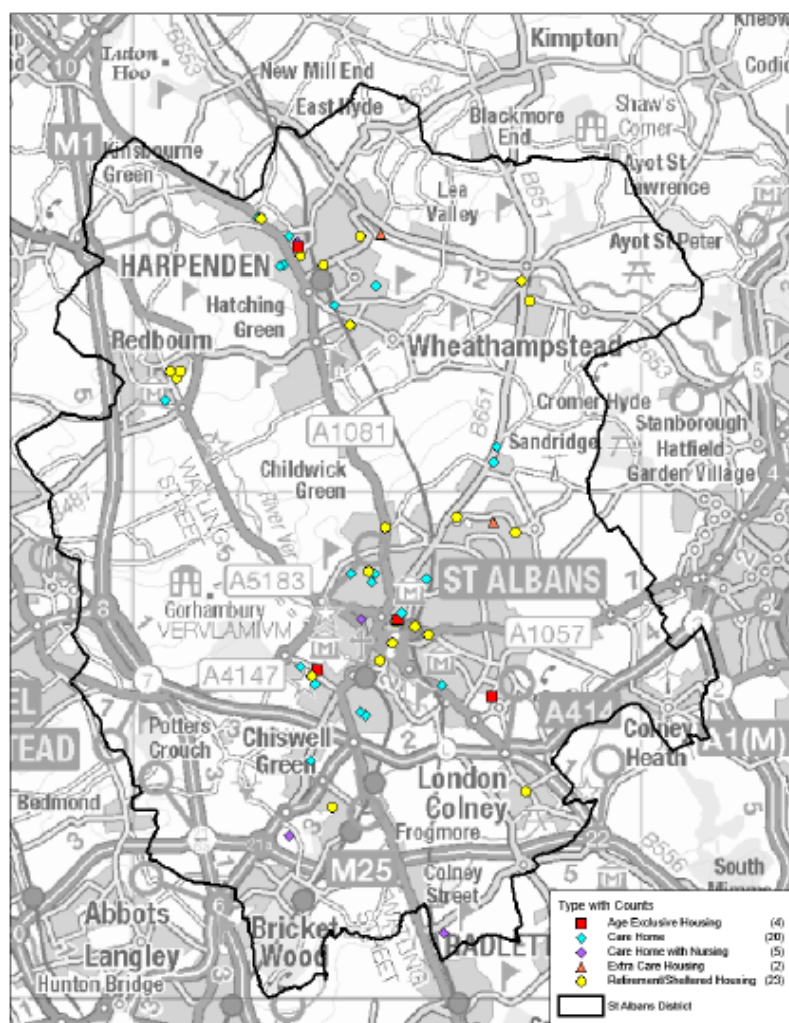
134. In addition, local estate agents, when asked about specific gaps in the market identified '3 bed semis' and 'more family homes.'

135. In conclusion, the evidence gathered suggests family sized dwellings of 2-3 bedrooms should be prioritised. Small homes of 1 bedroom should also form part of the mix to ease affordability, facilitate down-sizing and provide dwellings for part of the population that is scheduled to grow: solo households and childless couples.

3.8 RQ7. What provision should be made for retirees and the elderly?

136. The SHMA identifies the growth of the elderly population as one of the most important demographic shifts that will take place over the Plan Period.²⁶ This is particularly important for St. Stephen as it already has a disproportionately large number of older residents. Indeed, within the CHMA, Chiswell Green and London Colney in the Parish are areas that already possess specialist housing for older people. Below as Figure 13 we reproduce Map 6.8 taken from the SHMA Update 2015; this shows the distribution of specialist accommodation within the district.

Figure 13: Accommodation for Older Persons in St. Albans



²⁶ SHMA Update 2015, para 2.33, page 63

3.8.1 Quantity

3.8.1.1 Care Homes

137. The SHMA expresses a preference for supply-based approaches to set realistic levels of need for specialist housing for older people. To arrive at an estimate of the numbers of care home places required over the plan period, the SHMA uses the proportion of people aged 75+ in 'communal establishments' who are residents of care homes. Using Census data, the authors calculate that of those aged 75+ in communal establishments, 96.5% are living in care homes. Taking the number of people living in community establishments (660) from care homes (derived from the total population line for St. Albans $185 + 452 = 637$). In Table 16 below we reproduce SHMA table 6.5 that presents these figures.

Table 16: Types of care homes for residents aged 65+ by age band in St Albans, the East of England and England, 2011

| Location | Type of care home | Age 65 to 74 | Age 75 to 84 | Age 85 and over | All aged 65+ |
|-----------|--------------------------------|--------------|--------------|-----------------|--------------|
| St Albans | Care home with nursing | 17 | 43 | 72 | 132 |
| | Care home without nursing | 46 | 142 | 380 | 568 |
| | Total no. | 63 | 185 | 452 | 700 |
| | Total population | 11,108 | 7,584 | 3,239 | 21,931 |
| | % of population/residence rate | 0.57 | 2.44 | 13.96 | 3.19 |
| East | Care home with nursing | 998 | 3,087 | 5,320 | 9,405 |
| | Care home without nursing | 1,666 | 5,173 | 12,053 | 18,892 |
| | Total no. | 2,664 | 8,260 | 17,373 | 28,297 |
| | Total population | 531,393 | 350,137 | 142,652 | 1,024,182 |
| | % of population/residence rate | 0.50 | 2.36 | 12.18 | 2.76 |
| England | Care home with nursing | 12,899 | 37,175 | 64,243 | 114,317 |
| | Care home without nursing | 14,892 | 42,386 | 91,114 | 148,392 |
| | Total no. | 27,791 | 79,561 | 155,357 | 262,709 |
| | Total population | 4,552,283 | 2,929,118 | 1,180,128 | 8,660,529 |
| | % of population/residence rate | 0.61 | 2.72 | 13.16 | 3.03 |

Source: Edge Analytics and DC4210EW 2011 Census data, ONS website, <http://www.ons.gov.uk> and NOMIS website <http://www.nomisweb.co.uk>

138. The preferred Migration-led 10 years scenario indicates a growth of 506 people living in care homes over the plan period; the SHMA therefore puts forward a requirement for 488 care home places ($506 \times 96.5\%$), aiming to create a total of 1,125 units at the local authority level by 2031.

139. The SHMA notes that 3.19% of people aged 65+ in St. Albans live in care homes; this is shown in Table 16 (6.5) above (derived from there being 21,931 people aged 65+, and 700 living in care homes). Assuming the same proportion applies in the NPA, using Census data it is possible to derive a recommended number of care home places for the NPA. Below we set out table 15 which shows a growth in the population of people aged 65+ in the NPA from 2,862 to 3437, an increase of 575. Assuming 3.19% of these people live in care homes, there will have been 91 (rounded) care home places in the NPA at the time of the last census; in order to allow for the increase, **a further 18 places (rounded) should be provided over the plan period.**

Table 17: Projected increase in the numbers of people over the age of 65

| | 2011 | | 2031 | |
|------------|------------|-------------|--------------|-------------|
| | St. Albans | St. Stephen | St. Albans | St. Stephen |
| Total pop | 140,664 | 13,865 | 168,936 | 16651 |
| Aged 65-74 | 11,049 | 1,476 | 15,339 | 1773 |
| Aged 75-84 | 7,533 | 1,032 | 10,945 | 1239 |
| Aged 85+ | 3,194 | 354 | 6,120 | 425 |
| Total | 21,776 | 2,862 | 32,404 | 3437 |
| % pop | 15% | 21% | Increase 65+ | 575 |

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

3.8.1.2 Extra care homes

140. As regards extra-care homes the SHMA makes use of data compiled in 2014 by the Elderly Accommodation Council (EAC); this study recorded 49,000 units of extra care housing in the UK, equating to 4.5 units per 1000 people ages 65+. ²⁷ Termed the 'national residency rate,' the authors use this to arrive at an estimate of extra care dwellings required at the district level. Below we reproduce SHMA update 2015 table 6.8 that shows the estimated number of additional extra care dwellings over the plan period.

Table 18: Estimate of the projected need for extra care housing for residents aged 65+, 2011-2031

| Indicator | 2011 | 2016 | Growth | 2021 | Growth | 2026 | Growth | 2031 | Growth | 2011-2031 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|
| 65+ Population | 21,931 | 24,811 | 2,880 | 26,964 | 2,153 | 29,564 | 2,600 | 32,926 | 3,362 | 10,995 |
| Extra care housing | 73 * | 112 | 40 | 122 | 9 | 133 | 11 | 149 | 16 | 76 |

Source: EAC database and Edge Analytics

141. As we have seen in table 16 above, we can estimate an increase in the population of those aged 65+ at 2031 in the NPA to be 575 people. Applying the ratio of 4.5 units of extra care housing per 1000 people, **3 units (rounded) would be required.**

3.8.1.3 Sheltered Housing

142. The SHMA uses a similar approach to arrive at an estimate of additional sheltered housing in the future. In 2014 EAC recorded 731 units of sheltered dwellings in St. Albans City and District²⁸. Expressed as a proportion of the 65+ population in 2011 (21,931) this equates to a supply rate of roughly 33 units per 1000 people aged 65+. ²⁹ Below we reproduce table 6.9 as table 17; this shows an estimate of the numbers of additional sheltered dwellings at the district level based on this approach.

²⁷ SHMA update 2015, page 186

²⁸ SHMA update 2015, page 188

²⁹ SHMA update 2015, paragraph 6.58, page 187

Table 19: Estimate of the projected need for retirement/sheltered housing for residents aged 65+, 2011 – 2031

| Indicator | 2011 | 2016 | Growth | 2021 | Growth | 2026 | Growth | 2031 | Growth | 2011-2031 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|
| 65+ Population | 21,931 | 24,811 | 2,880 | 26,964 | 2,153 | 29,564 | 2,600 | 32,926 | 3,362 | 10,995 |
| Retirement/sheltered housing | 731 * | 827 | 96 | 899 | 72 | 986 | 87 | 1,098 | 112 | 367 |

Source: EAC database and Edge Analytics

143. Again, using the estimated increase in the population of older people drawn from Census data, it is possible to derive a recommended number of sheltered housing units with the Plan Area. Based on their being an additional 575 people aged 65+, **19 units (rounded) should be provided over the plan period.**

3.8.1.4 Housing Learning and Improvement Network (HLIN)

144. To act as a point of comparison with the above, it is also worth considering the level of specialist housing for older people using the Housing Learning and Improvement Network's suggested numbers per 1,000 of the 75+ population.

145. From above we can see the increase in the numbers of older people aged over the age of 75 Table 19 stands at 278, (1239+425) - (1032+354). Using Housing LIN's recommendations,³⁰ this will result, over the plan period, in a need for:

- additional conventional sheltered housing units = 17 (rounded up);
- additional leasehold sheltered housing units = 33 (rounded down);
- additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale = 6 (rounded up);
- additional extra care housing units for rent = 4 (rounded down);
- additional extra care housing units for sale = 8 (rounded down); and
- additional specialist dementia care homes = 2 (rounded up).

146. It is immediately apparent from these figures substantial difference between the recommend unit numbers drawn from the 'supply-based' approaches and the HLIN; the SHMA update 2015 makes the point that the LIN figures should be treated as 'ideal current and future levels of supply, which may not be possible to achieve given it is detached from current economic/housing market and policy conditions.'³¹

147. As is clear from the preceding paragraphs, the SHMA update 2015 goes into some detail in arriving at a recommending level of provision for housing of different kinds for elderly people. We recommend that, given the existing establishments in the plan area and the substantial numbers of older people now and in the future, SSPC plans for specialist housing for elderly people based on a proportional share within the plan area following discussions with the LPA.

³⁰ Housing LIN, *Strategic Housing for Older People*, page 24

³¹ SHMA update 2015, para 6.68, page 193

3.8.2 Type

3.8.2.1 Retirement villages

148. Projects that involve the delivery of multiple homes satisfy the desire on the part of many older people to live 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. The numbers of units that result from the LIN analysis suggest it may be appropriate to consider this approach to the delivery of housing for the elderly; this would need to be discussed through discussions with the LPA and specialist providers.

3.8.2.2 Senior Co-housing

149. 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 needs. 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 Hill³² and LILAC in Leeds³³. 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.

3.8.2.3 Multi-generational homes

150. 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 to not only 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.³⁴ 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 of 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.

³² <http://www.featherstonecohousing.co.uk/> (visited 12/04/17)

³³ <http://www.lilac.coop/> (visited 12/04/17)

³⁴ RIBA, *Silver Linings, The Active Third Age and the City*, Page 17-18

3.8.2.4 Lifetime Homes

151. Many local authorities incorporate policy into their Local Plans that a proportion of new homes should be build according to lifetime homes principle; these are ordinary homes incorporating 16 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 as convenient as possible and ensuring movement in hallways and 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.³⁵

3.8.2.5 Planning flexibility

152. 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.³⁶ This is not dissimilar to the phenomenon of 'alley-gating' where alleyways between the backs of terraced housing have been gated off, and turned into shared community spaces.

3.8.2.6 Lifetime neighbourhoods

153. 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 activate the benefits they can bring in supporting local businesses and encouraging improved public realm for everyone, for example more greenery and more walkable, better connected places.

154. As we have identified earlier, there is a need for a greater number of smaller dwellings that facilitate 'down-sizing;' this is part and parcel 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 younger people looking for more space.³⁷

3.8.2.7 The role of the Local Authority

155. As suggested above, 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,³⁸ 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.

³⁵ <http://www.lifetimehomes.org.uk/pages/about-us.html>

³⁶ Gobber, S, *A Bright Grey Future*, Urban Design Group Journal, Spring 2016, page 29

³⁷ Housing LIN, *New Approaches to Housing for Older People*, June 2014, page 6

³⁸ NPPF, para 50

4. Market Signals

156. 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.
157. 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”.
158. These market signals relate to trends discernible within the housing market, and broader economic trends that have an impact on the housing market.
159. 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.
160. 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.
161. 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.
162. To establish the condition of the current housing market in the NPA, a number of quantitative factors were therefore analysed. These include extrapolating data prepared as part of the evidence base for wider areas, as well as applying wider trends to the established population of the St Stephen Parish.
163. These were supplemented by judiciously used qualitative data obtained from local agents to create an overall depiction of St Stephen Parish’s Housing market at a more nuanced level than available through higher level deliberation, such as through SHMA data.
164. These market signals are therefore used to adjust the HNA to anticipate discernible trends and respond to projections likely to influence future demand. As a result, information discerned in the previous chapter is also included in the final conclusions of this section, notably demographic trends, to generate a more holistic overview.
165. The following market signals are reviewed:
- Employment;

- Housing Market (prices);
- Housing Market (volume);
- Migration;
- Overcrowding; and
- Rate of development (change in housing stock).

4.1 Employment

166. Local employment trends can greatly influence housing needs as employment opportunities can stimulate demand in the plan area. On the other hand, a relative lack of growth can negatively affect house prices as dwellings located far from employment opportunities may be less attractive to those in full time work. It is therefore important to establish the employment sphere of influence experienced by the residents of the St Stephen NPA.

Table 20: Distance travelled to work for residents of the NPA, 2011 Census.

| Location of work | St Stephen | St Albans | England |
|------------------------------------|------------|-----------|---------|
| Less than 10km | 39.7% | 38.3% | 52.3% |
| 10km to less than 30km | 29.3% | 23.3% | 21.0% |
| 30km and over | 7.0% | 17.8% | 8.0% |
| Work mainly at or from home | 14.2% | 12.9% | 10.3% |
| Other | 9.9% | 7.6% | 8.5% |
| Average distance travelled to work | 16.2km | 17.8km | 14.9km |
| | | | |

Source: ONS, Census 2011 AECOM calculations

167. As shown in Table 20 the average distance travelled to work for residents of the St Stephen NPA is above the national average at 16.2km. Although this is shown to be lower than the district average, the NPA is more proximate to the key employment centres, notably north and central London, compared to the rest of the district. The SHMA³⁹ notes that there is a net out migration of 9,581 people from the St Albans district for work, with the ten most popular destinations shown in Table 21⁴⁰. As a result, employment in the NPA, and therefore demand for housing, is influenced by economic trends at a regional scale extending beyond St Albans to the wider London megacity region.

³⁹ SHMA 2015 page 56 Table 2.16

⁴⁰ SHMA 2015 Page 60 Table 2.18

Table 21: Travel to work from St Albans City and District to local authorities where 100 or more travelled out, 2011. Please note that those with 1000 or more are highlighted.

| Local Authorities | Commuters Out | |
|-----------------------------|---------------|------|
| | Number | % |
| Westminster, City of London | 6,710 | 18.4 |
| Welwyn Hatfield | 4,793 | 13.2 |
| Dacorum | 2,241 | 6.1 |
| Hertsmere | 2,122 | 5.8 |
| Camden | 1,918 | 5.3 |
| Luton | 1,819 | 5.0 |
| Watford | 1,732 | 4.8 |
| Barnet | 1,204 | 3.3 |
| Islington | 1,116 | 3.1 |
| Tower Hamlets | 1,052 | 2.9 |

168. Furthermore, the Hertfordshire Strategic Economic Plan 2014⁴¹ notes that the St Stephen Parish is within the M1 / West Coast Mainline which extends from London through Watford and Hemel Hempstead (and then onto Luton, Milton Keynes and beyond). This M1/M25 Growth Area spans five of local authority districts in south and west Hertfordshire (Dacorum, Hertsmere, St Albans, Three Rivers and Watford). The SEP notes that “this area is a hub for film and creative media with Warner Brothers at Leavesden, the BBC studios at Elstree and the separate Elstree Studios; and as evidence of the ever-strengthening cluster, we can point to the emergence of dedicated University Technical Colleges. It also has substantial assets for open innovation linked to Rothamsted Research, BRE and the wider possibilities for environmental technologies in the Green Triangle”. As a result, there has been clear investment and predicted growth in the wider St Stephens context, with the South West Hertfordshire SHMA⁴² estimating St Albans to grow by 16,200 jobs between 2013 and 2036, a growth rate of approximately 0.9%, above most of the SHMA comparator areas and on par with Hertsmere.

169. At a more local level, the St Stephen NPA has an unemployment rate of only 2.5%, lower than St Albans (2.7%) and England (4.4%)⁴³ averages. Furthermore, there is evidence of local industrial development in the form of intended renovations to the Building Research Establishment (BRE) facilities and the Innovation Park to the south of the NPA⁴⁴. Despite this, the Hertfordshire London Arc Jobs Growth and Employment Land report⁴⁵ notes that there is a “low availability of large floorplates” in St Albans, with the Local Plan reiterating that, “primarily because of very high alternative land values and Green Belt constraints, the District has had for some time little new employment development land.”⁴⁶

170. Ultimately the influence of the wider region on the employment base in the St Stephen NPA is widely documented. The St Alban’s district has also noted in their Future Housing targets document (since rescinded following the publication of the NPPF however) that

⁴¹ Hertfordshire’s Strategic Economic Plan 2014 available at: <https://skillmakers.co.uk/library/downloads/EWC-DOC44-Herts-SEP-FINAL-31-Mar-2014-v2.pdf>

⁴² South West Hertfordshire SHMA 2016 page 58 table 12

⁴³ Census 2011. AECOM Calculations.

⁴⁴ Draft Local Plan 2016 Draft Policy SLP16- Business research establishment (BRE) Page 72

⁴⁵ Hertfordshire London Arc Jobs Growth and Employment Land report 2009 page 47

<https://www.hertsmere.gov.uk/Documents/09-Planning--Building-Control/Planning-Policy/Local-Development-Framework/Hertfordshire-London-Arc-Final-Report-March-2009.pdf>

⁴⁶ St Albans Local plan 2016 page 70

“in a situation such as that of St Albans, it may be more sustainable to get on a train to London than to build offices for new jobs within St Albans district which involves net additional car travel.”⁴⁷

4.2 Housing Market (Price)

171. The PPG advises that house prices should be used as an indication of the strength of demand for housing, and the adequacy of supply to meet that demand. To assess the housing market in the St Stephen NPA data from the Land Registry was analysed. This data provides price paid, housing type and date of transaction information which allows housing market trends to be identified. To replicate the NPA, post code data for two post code sub-sectors ('AL2 2' and 'AL2 3') were used. Whilst it is acknowledged that this does not directly correspond with the NPA, this was deemed to be the most robust data set reasonably available beyond a street by street refinement. Data was then downloaded for the period of January 2006 to December 2016 and is presented annually in Figure 14.

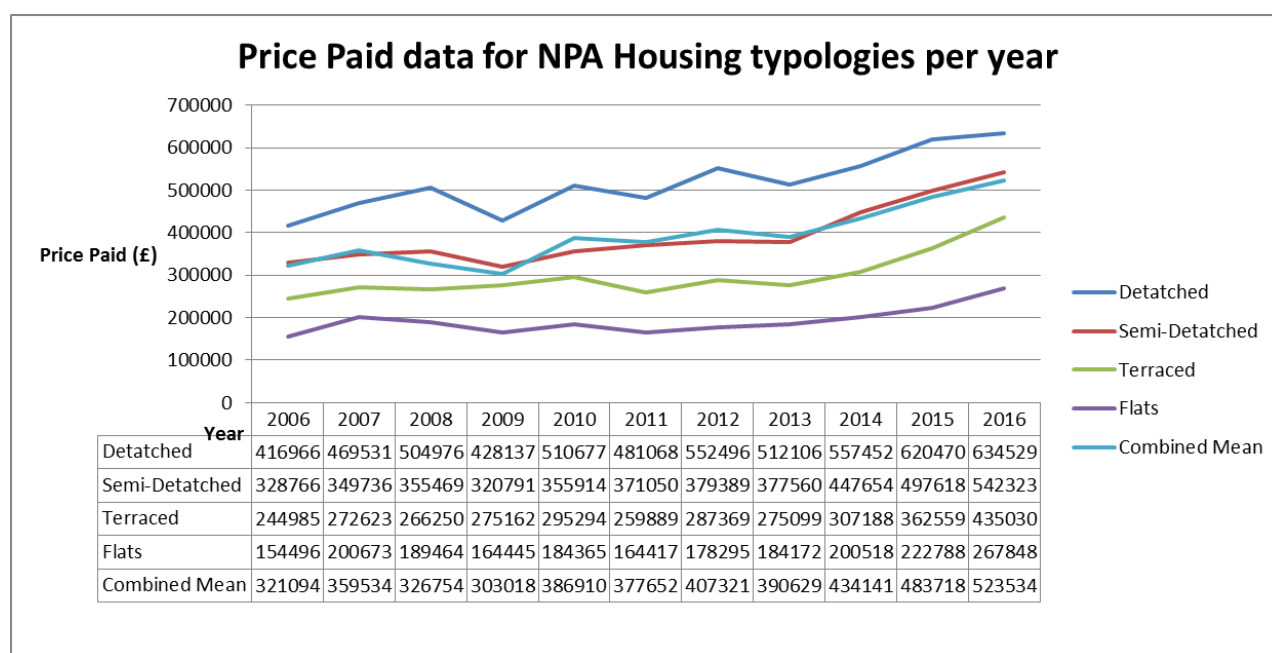


Figure 14: Land Registry data showing 'price paid' data for the St Stephen NPA.

172. Figure 14 shows that the combined mean house prices of the NPA increased from £321,000 (rounded) to £524,000 (rounded) in 2016. This represents an increase of approximately 63% over a ten year period. This trend is relatively consistent, with small fluctuations in 2009, presumably associated with the national recession. This growth is more pronounced in terraced housing, which experienced a growth of 78%, and less pronounced in detached dwellings although they also experienced a 52% growth rate and this lower growth may be reflective of their larger initial price.

⁴⁷ http://www.stalbans.gov.uk/Images/SP_Future_Housing_Targets_Tenures_Sizes_May2011_tcm15-36846.pdf

173. The average price of properties for the St Albans district for the same period is shown in figure 14, gathered from the HPI⁴⁸. This shows a combined growth from a combined average of £276,331 for January 2006 to a value of £502,555 for December 2016.⁴⁹

Average price: St Albans from January 2006 to December 2016

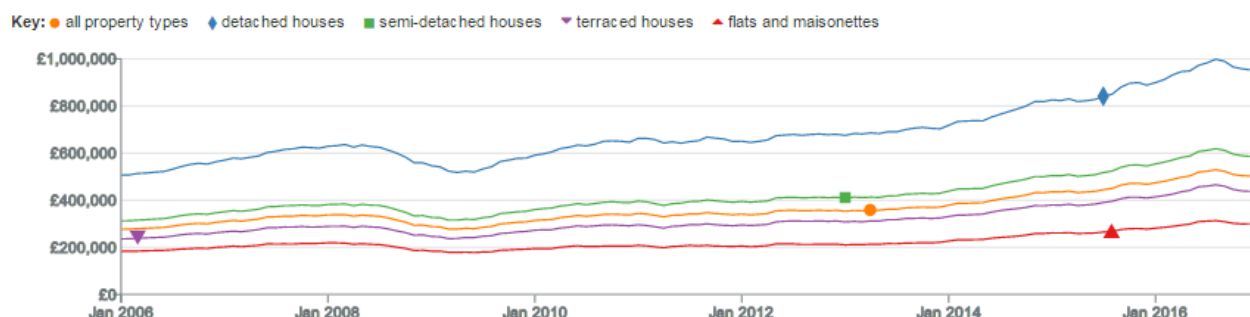


Figure 15: Average house price for the St Albans District.

174. Both of these values are lower than their comparator points for the St Stephen NPA but St Albans has experienced a higher growth rate of 82%. However, the combined mean of detached dwellings across the borough is higher than those experienced in the NPA. This point is reiterated by the SHMA which identifies particular ‘hotspots’ to the north of St Albans City which exceed average prices of over £1 million in a heat map of average house prices across the district, shown in figure 15.⁵⁰

⁴⁸ The UK House Price Index (HPI) uses house sales data from HM Land Registry, Registers of Scotland, and Land and Property Services Northern Ireland and is calculated by the Office of National Statistics. The index applies a statistical method, called a hedonic regression model, to the various sources of data on property price and attributes to produce estimates of the change in house prices each period.

⁴⁹ <http://landregistry.data.gov.uk/app/ukhpi/explore>

⁵⁰ Map 2.3 from SHMA 2013 page 79.

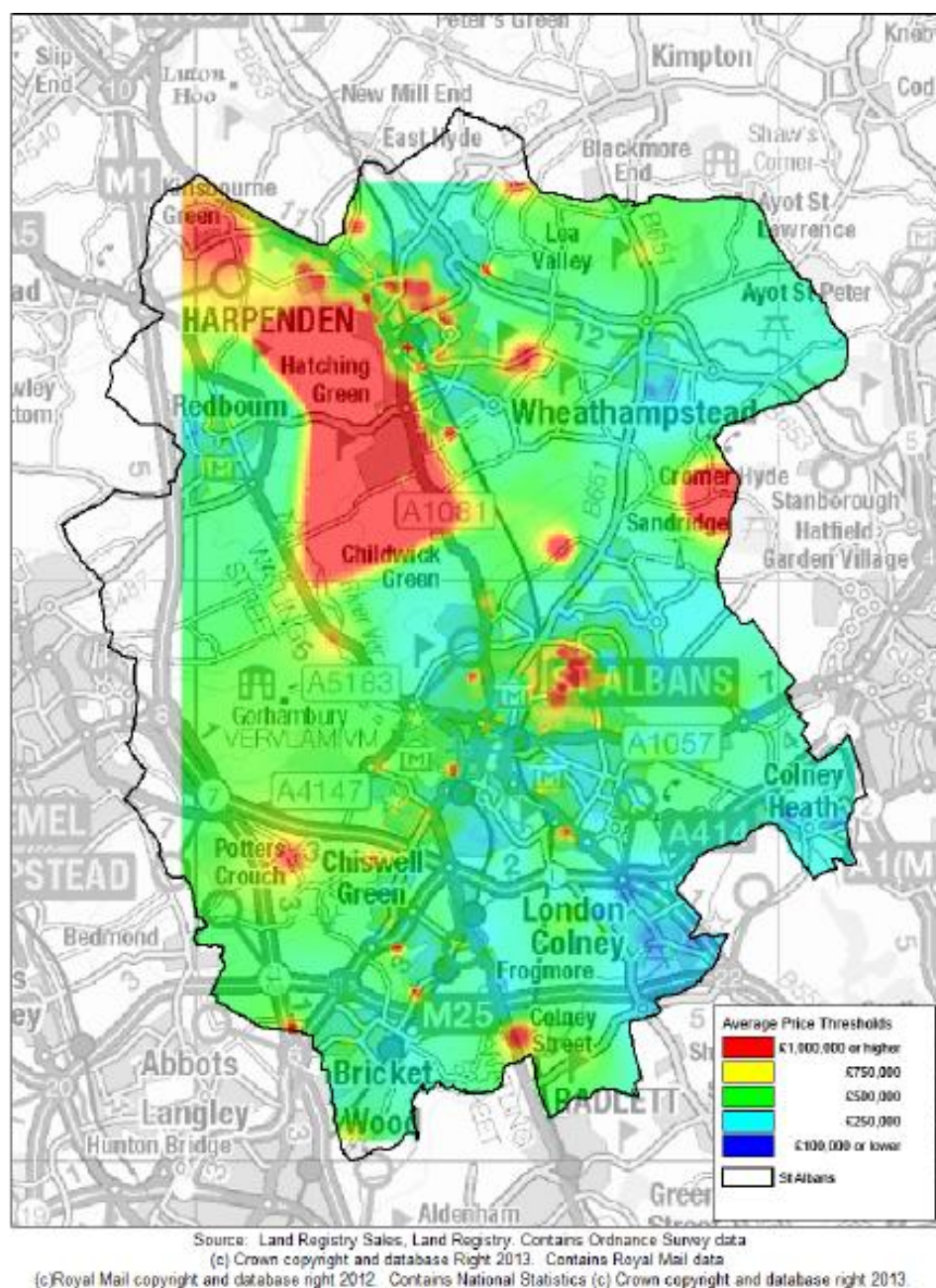
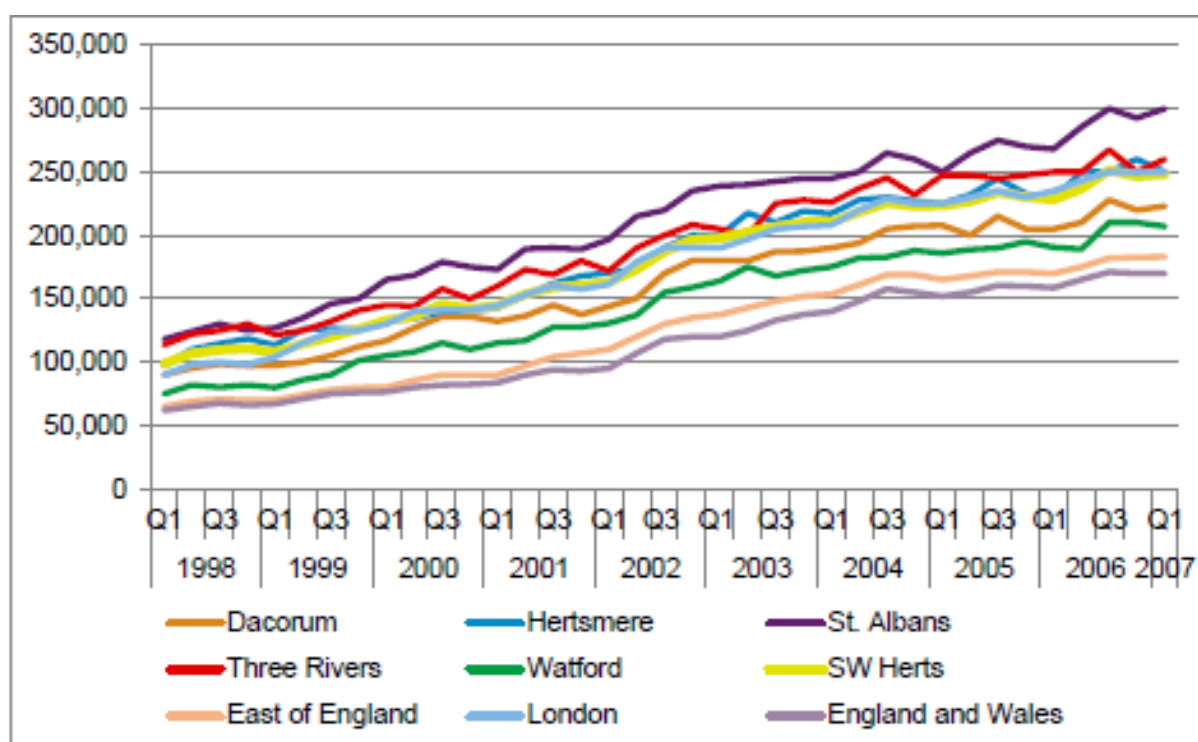


Figure 16: Average house prices in St Albans from 1/1/2012 to 28/05/13

175. Furthermore, Figure 16⁵¹ from the South West Hertfordshire SHMA outlines the relative prices of the sub-housing market areas regarded as comparator areas for St Albans. Although the data is for a different period of study the relationship between the different areas is still useful. Figure 17 shows that St Albans has historically possessed higher average house prices compared to the rest of the Housing Market Area. As a result, it is reasonable to assume that the St Stephen NPA possesses a higher average house prices compared to the district and region as a whole, although prices are increasing at a lower rate than the district.

⁵¹ South West Hertfordshire 2016 SHMA 2016 page 69.



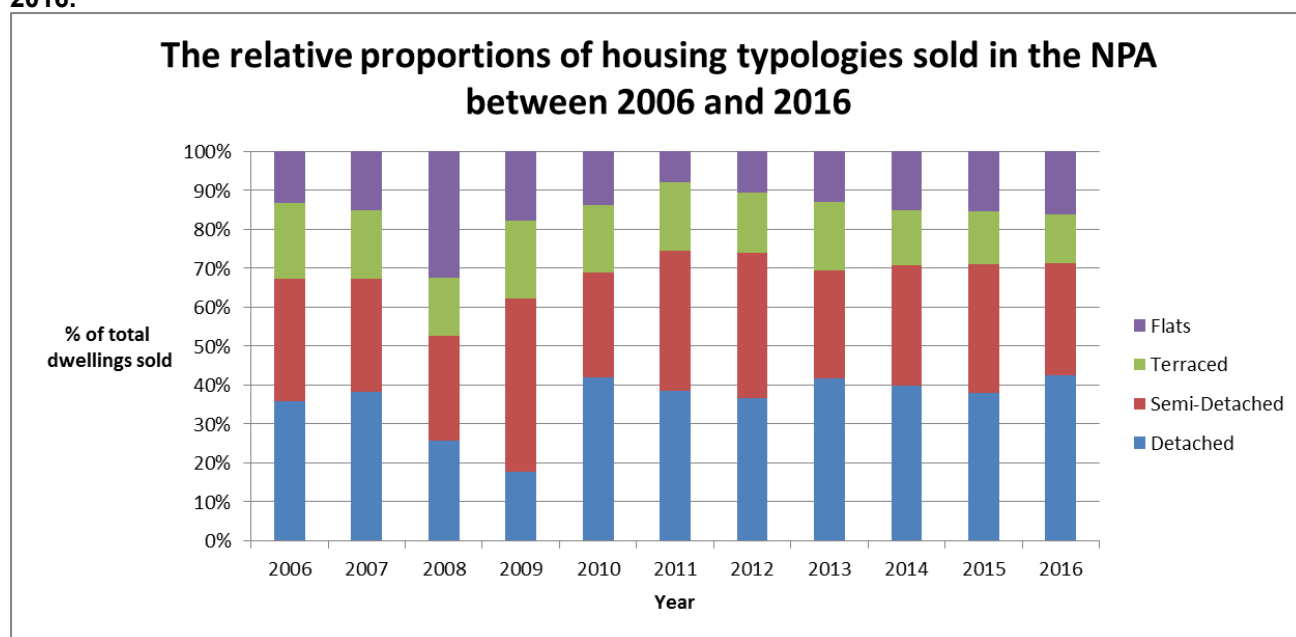
Source: DCLG Live Tables: Land Registry Data

Figure 17: SWSHMA 2016 median house price trends 1998-2007.

4.3 Housing Market (Volume)

176. Figure 18 below depicts the relative proportions of different housing typologies sold in the St Stephen NPA between 2006 and 2016. This graph represents the same Land Registry data as discussed in the previous section separated out by housing type which can therefore be compared to the overall proportions of housing stock with the NPA, as shown in Table 22, to indicate the relative matching between supply and demand in the area. This data is comprised of 2384 transactions for approximately 5,800 dwellings (as this has changed on an annual basis).

Figure 18: The relative proportions of housing typologies sold in the NPA between 2006 and 2016.



Source: Land Registry data

Table 22: Housing market transactions and housing stock proportions for the NPA.

| Housing type | Percentage of total sold (rounded) | Proportion of housing stock (rounded) |
|---------------|------------------------------------|---------------------------------------|
| Detached | 37 | 40 |
| Semi-detached | 32 | 32 |
| Terraced | 16 | 13 |
| Flats | 15 | 11 |

Source: Census 2011/ AECOM calculations and Land Registry data. .

177. As shown in Figure 18 the majority of houses sold in the NPA are detached, followed closely by semi-detached dwellings. This has remained consistent through the period of study, although there was an increase in the proportion of smaller typologies sold in the 2008-2009 period, potentially reflective of the national recession. In addition, Table 22 shows that there is relative matching between supply (the overall housing stock in the NPA) and the proportions of houses purchased in the NPA, with all figures within 4% of their corresponding value. However, flat and terraced typologies are above their expected value, indicating their relative demand and under provision in the NPA.

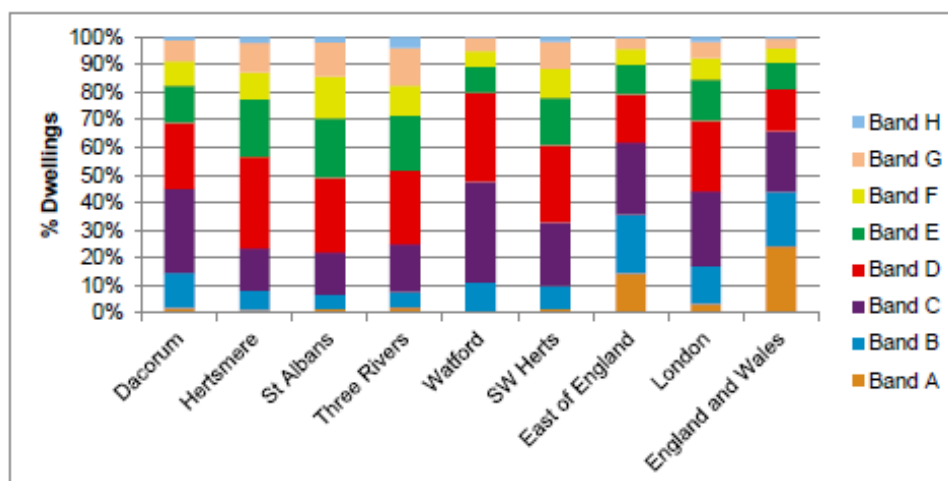


Figure 19: Dwellings percentage by Council Tax Band, 2011.

178. Figure 19⁵² reproduces figure 12 of the South West Hertfordshire SHMA 2016, showing the relative percentages of council tax bands across the South West Hertfordshire Housing Market Area. This shows a relatively lower proportion of lower Council Tax bands across the St Albans district, with only approximately 20% Band C or below. This reinforces the conclusion posed in the SHMA⁵³ that “housing options for those on lower incomes are very limited, not just by affordability but by the profile of the stock available”.

4.4 Migration

179. The SHMA⁵⁴ argues that the impact of ‘Internal Migration’ is the major driver of the need for housing to be provided in the St Albans City and District Council area. This is shown in figure 18 to be 39% of the projected total change in population between 2012 and 2032.

Table 23: Projected changes to the St Albans District population.

| | 2012-17 | 2017-22 | 2022-27 | 2027-32 | Total change 2012-2032 | % of total change 2012-2032 |
|------------------------------------|---------|---------|---------|---------|------------------------|-----------------------------|
| Natural Change | 4,781 | 5,032 | 4,994 | 4,551 | 19,358 | 71.1% |
| Births | 9,993 | 10,249 | 10,371 | 10,220 | 40,833 | - |
| Deaths | 5,213 | 5,217 | 5,377 | 5,670 | 21,477 | - |
| All Migration Net | 2,332 | 2,771 | 1,639 | 1,125 | 7,867 | 28.9% |
| Internal Migration In | 39,608 | 40,841 | 41,375 | 42,494 | 164,318 | - |
| Internal Migration Out | 36,652 | 37,409 | 39,060 | 40,693 | 153,814 | - |
| Net Internal migration | 2,956 | 3,432 | 2,315 | 1,801 | 10,504 | 38.6% |
| International Migration In | 3,425 | 3,394 | 3,379 | 3,379 | 13,577 | - |
| International Migration Out | 3,975 | 3,978 | 3,978 | 3,978 | 15,909 | - |
| Net International Migration | -550 | -584 | -599 | -599 | -2,332 | -8.7% |
| Cross Border Migration In | 1,115 | 1,112 | 1,112 | 1,112 | 4,451 | - |
| Cross Border Migration Out | 1,189 | 1,189 | 1,189 | 1,189 | 4,756 | - |
| Net Cross Border Migration | -74 | -77 | -77 | -77 | -305 | 0% |
| Total change | 7,113 | 7,803 | 6,633 | 5,676 | 27,225 | 100% |

Source: SHMA 2015 Table 2.2, page 19. Census data 2011

⁵² The South West Hertfordshire Strategic Housing Market Assessment January 2016- figure 12 page 32

⁵³ SHMA 2015 page 5

⁵⁴ SHMA 2015 page 19 for table 2.2

180. Although not entirely attributable to migration, the SHMA⁵⁵ argues that “the largest gain (across the district) of 7,200 people was in the 25 to 44 year old age group during the 10 year period from 2004 to 2013. The next largest gain of 2,260 people was in the 0 to 14 year age band. This is indicative of families with younger children moving into the area.” This is also reflected at the NPA level, with an increase of 126 ‘under 15s’ (a 5% increase) and an increase of 163 ‘16-24 year olds’ (a 15% gain).

181. The SHMA⁵⁶ also highlights the migration relationship with London, the origin of 3,590 of net migrants to the district between 2009 and 2011, shown in **Error! Reference source not found.**

Table 24: Net migration into and out of St Albans City and District from/to regions for three years endings June 2011.

| Regions | In Migration | | | Out Migration | | | Net Migration |
|--------------------------|--------------|-------|-------|---------------|-------|-------|---------------|
| | 2009 | 2010 | 2011 | 2009 | 2010 | 2011 | 3 Years |
| London | 2,090 | 2,400 | 2,330 | 1,090 | 1,050 | 1,090 | 3,590 |
| North East | 120 | 120 | 110 | 90 | 110 | 90 | 60 |
| West Midlands | 280 | 230 | 280 | 260 | 250 | 260 | 20 |
| Wales | 100 | 100 | 110 | 100 | 100 | 100 | 10 |
| North West | 240 | 260 | 270 | 290 | 260 | 220 | 0 |
| Yorkshire and The Humber | 260 | 280 | 300 | 300 | 290 | 330 | -80 |
| East Midlands | 350 | 330 | 370 | 420 | 370 | 370 | -110 |
| South East | 850 | 780 | 830 | 930 | 1,070 | 970 | -510 |
| South West | 270 | 320 | 330 | 520 | 510 | 500 | -610 |
| East | 2,500 | 2,690 | 2,720 | 2,580 | 3,040 | 3,050 | -760 |

(Source: Estimates from NHS Patient Registration with GPs data, Office for National Statistics website, <http://www.ons.gov.uk/ons/index.html>. Contains public sector information licensed under the Open Government Licence v1.0 <http://www.nationalarchives.gov.uk/doc/open-government-licence/>.)

182. This level of migration has also been shown to have increased since 2011. The SHMA⁵⁷ notes that “over the 10 years to June 2011, there was an average annual net gain through internal migration of 290 people which, by applying the average household size from the 2011 Census of 2.5, implies in the region of 115 households. For the most recent 3 years for which data is available (2009 to 2011), the trend has increased to in excess of 200 households per annum. Such net gains place an equivalent increase in the need for housing.”

4.5 Overcrowding

183. Another indicator of demand in the housing market is shown by 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 as increased demand does not always result in an increase in supply as this is relatively inelastic.

184. One of the most reliable indicators of overcrowding is the ‘persons per room’ data collected at the household level during the Census. The relative proportion of households

⁵⁵ SHMA 2015 page 33

⁵⁶ SHMA 2013 page 192 (Table 4.29)

⁵⁷ SHMA 2013 page 219

occupying different amounts of space is shown in Table 23 for both the NPA and the district. This table shows that in the NPA the amount of people in the least dense category has increased by 7%, with an 8% reduction in the 'over 1.0 and up to 1.5 persons per room category' and a 75% reduction in the most overcrowded category (although this is reflective of the smaller sample size). Overall this shows a reduction of persons per room across the NPA. Furthermore there were increases in the 'over 1.0 and up to 1.5 persons per room' metrics in both the district (16%) and the nation (27%). This therefore shows that not only is the NPA showing reduced overcrowding, it is also reducing faster than the district and the national average.

Table 23: Persons per room for the NPA, 2011 Census.

| Year | 2001 | 2001 | 2011 | 2011 |
|---|------------|-----------|------------|-----------|
| Geography | St Stephen | St Albans | St Stephen | St Albans |
| Up to 0.5 persons per room | 3979 | 38917 | 4244 | 40871 |
| Over 0.5 and up to 1.0 persons per room | 1237 | 13013 | 1311 | 14538 |
| Over 1.0 and up to 1.5 persons per room | 36 | 489 | 33 | 565 |
| Over 1.5 persons per room | 20 | 240 | 5 | 166 |

Source: ONS, Census 2001 and 2011 AECOM calculations

185. A second indicator of overcrowding is the prevalence of Concealed families within the NPA. Table 24 shows that there is evidence of 68 concealed families within the St Stephen NPA, a potential indicator of a lack of affordability. This means that there are 68 'hidden families' living within multi-family households in addition to the primary family, such as a young couple living with parents or HMOs. As a result, there is more than one Family Reference Person in the household (usually the oldest full-time worker in the household). The rate of 1.6% shown in Table 22 shows that the St Stephen NPA exceeds the district average of 1.4% concealed families. Whilst this difference may seem small, it indicates that the NPA may have more instances of multi-family households than expected. If this indicator is combined with the influx of younger families experienced in the NPA then it is reasonable to assume that there are some barriers to home ownership in the NPA.

Table 24: Concealed families in St Stephen, 2011

| Concealed families | St Stephen | St Albans | England |
|----------------------------------|------------|-----------|----------|
| All families: total | 4,157 | 40,249 | 14885145 |
| Concealed families: total | 68 | 544 | 275954 |
| Concealed families as % of total | 1.6% | 1.4% | 1.9% |

Source: ONS, Census 2011 AECOM calculations

4.6 Rate of development:

186. Data provided by the LPA shows that there were 81 dwelling completions in the St Stephen Parish between 2011 and 2016. Appendix 2 of the Local Plan identifies completions with the district as a whole as totalling 1630 over the same period⁵⁸. As a

⁵⁸ SLP local plan 2016 page 116. The 2016 is based on a predicted rate.

result, the NPA demonstrated approximately 5% of all housing growth, despite comprising 10% of the districts population. This follows the LPA planning policy to focus development in larger urban centres. Furthermore, survey results collected by the forum show that less than a third (30%) of residents said yes in response to the question “Would you support the release of small parcels of Green Belt land for housing if this benefited the community?”

187. Despite this proportionally lower rate of development compared to the district a recent application at Hanstead Park (original application: 5/2014/3250) has been approved by the Secretary of State for 138 new homes on a brownfield site formerly occupied by the HSBC Management and Training Centre. This represents 150% of the development which has occurred in the parish in the last five years in a single site, reflecting the constrained nature of widespread Green Belt allocations. As a result, if the entirety of the permission is built out then the rate of development will return to a proportional level (219 out of a projected 2180 district completions).

5. Conclusions

188. In this concluding section we present a summary of the key findings we have identified from the data assembled. These are divided into those that have an implication for quantity of housing (**Table 25**) and those that relate to housing type (**Table 26**).

Table 25: Summary of factors specific to St. Stephen with a potential impact on neighbourhood plan housing quantity

| Factor | Source(s) (detailed in Chapter 4) | Possible impact on future housing need | Rationale for judgement |
|--------------------------|---|---|--|
| Employment trends | St Albans SHMA 2013 and 2015, Census 2011, Hertfordshire Strategic Economic Plan 2014, the St Albans Draft Local Plan 2016, Hertfordshire London Arc Jobs Growth and Employment Land report 2009, Future Housing Targets 2011, South West Hertfordshire SHMA 2016 |  | <p>Although the NPA and St Albans more generally, possess their own employment bases, future employment growth is regarded as constrained by Greenbelt designations.</p> <p>Furthermore, the area possesses a large degree of out commuting and employment trends, and therefore demand for housing, is stimulated by economic growth in the wider region. The SHMA establishes that these commuting patterns extend into the wider London mega city region, with the commuting distances experienced in the NPA consistent with these trends.</p> <p>As a result, an assessment of one up arrow has been deemed appropriate because although the region is experiencing growth, this impact is distributed across a wide area and not directly attributable to the NPA. However, as the St Stephen Parish is close (especially in terms commuting time via train) to London, the NPA is predicted to benefit from growth in London, especially in the context of rising house prices.</p> |

Housing Market (price)

Land Registry Price Paid Data 2006-2016 for Post code Sectors 'AL2 2' and 'AL2 3', St Albans SHMA 2013 and 2015, South West Hertfordshire SHMA 2016



The St Stephen NPA has been shown to have experienced a relatively consistent 63% increase in price paid data over a ten year period. This has resulted in the combined mean for all housing typologies to exceed half a million pounds. These values exceed the district average, with the exception of detached housing. However these are seen as inflated by individual concentrations of houses over £1 million in the rest of the borough.

As a result, an assessment of two up arrows has been deemed appropriate due to large increases in house prices in the NPA and the higher prices experienced in the NPA when assessed against the HMA comparator areas.

Housing Market (volume)




Land Registry Price Paid Data 2006-2016 for Post code Sectors 'AL2 2' and 'AL2 3', Census 2011, South West Hertfordshire SHMA 2016



In terms of the proportional sales of housing typologies within the St Stephen NPA there is relative matching between overall housing stock and the proportions experienced in the Land Registry data. The majority of the dwellings sold in the NPA are detached, matching the provision in the NPA housing stock.

However, there is some indication of an under representation of flat and terraced housing as these have been purchased at levels beyond their provision in the NPA.

As a result, an assessment of one up arrow has been deemed appropriate due to the perceived need for smaller homes within the NPA to aid affordability.

| | | | |
|--|------------------------------------|---|--|
| Migration | SHMA 2013 and 2015, Census 2011 |  | <p>29% of the projected total change in population between 2012 and 2032 in the St Albans district has been attributed to migration. The relationship that St. Albans, and to a large extent the NPA, possesses with London is therefore likely to stimulate demand for housing for an extended period of time.</p> <p>An assessment of three up arrows has been deemed appropriate due to these levels of anticipated migration, exacerbated by the age profile of the migrants contributing to a 5% and 15% increase in under 15's and 16-24 year olds respectively in the St Stephen NPA.</p> |
| Overcrowding (persons per room) | Census 2011 |  | <p>The St Stephen NPA is experiencing comparatively low, and reducing, levels of 'persons per room'; a traditional indicator of overcrowding. As a result, an assessment of one down arrow has been deemed appropriate</p> |
| Overcrowding (concealed families) | Census 2011 |  | <p>The relatively higher levels of concealed families experienced in the NPA may suggest that there are barriers to entering the housing market in the NPA compared to the district as a whole. This narrative is consistent with other evidence presented throughout this HNA and as a result an assessment of one up arrow has been deemed appropriate despite occupancy ratings being comparatively low.</p> |

| | | | |
|----------------------------|---|---|---|
| Rate of development | LPA completion data, Strategic Local Plan 2016 Appendix 2 | ↔ | Although the rate of development experienced in the NPA is deemed to possess a high granularity, this is deemed proportional in terms of the population of the parish compared to the district. |
|----------------------------|---|---|---|

189. In arriving at a final figure for homes that reflect demand in the Plan Area two issues need to be taken into consideration.

190. Firstly, the number derived from dwellings completed in paragraph 66 is supply constrained meaning it reflects the difficulty of finding suitable sites not the ground as a result of environmental factors and standing policy (for example Green Belt). Furthermore it's only a five year figure and may not reflect the capacity of the area to absorb new dwellings over a longer period. Its reliability as a guide to demand in places like St Stephen where demand significantly outstrips what can be delivered on the ground is therefore limited.

191. Secondly, it is necessary to take into account the influence of the factors set out in Table 25.

192. In order to allow for these two factors, we have taken the mean of projections 1, 2, 3 and 4 only as the basis for our final estimate. This produces a rounded figure of 848 homes (rounded). Taking the second factor into consideration, we look at the balance of 'up' to 'down' arrows

193. In our view, it is an indication that radical action needs to be taken if the price of entry level properties has increased to a point where they are well out of reach those on average incomes, as is the case in St. Stephen. The policy options available, beyond AH, are, firstly, to stimulate the delivery of more housing and, secondly, for those dwellings to be designed around the needs of people on moderate incomes.

194. In terms of affordable housing, in particular Discounted Market Housing for sale, the emerging Local Plan opens up the possibility of new development brought forward through a neighbourhood plan through site allocations. This is a key policy step for St. Stephen, and should include rural exception sites (RES).

195. It is within the scope of policy to apply a local connection test to dwellings on RES on condition evidence of local need can be shown. A weakness is the scant evidence of such need. A local register, developed in conjunction with SACDC, recording such need within the NPA would help address this.

196. It is worth noting that the driving force for this house price growth is migration. This results broadly from the status of the villages in St. Stephens (and St. Albans generally) as a quasi-dormitory settlements for the major centres of major economic activity that

surround them. It also derives from the excellent quality of life and good school infrastructure available within the NPA.

197. Given the economic attractiveness of these areas is unlikely to relent in coming years (subject to the uncertainties of 'Brexit'); the first and most appropriate policy response is the construction of more homes. The value of the site allocations study will be to identify how such development may take place in such a way the high well-being enjoyed by current residents is not undermined.

198. Taking these factors into consideration, and the overall balance of arrows (8 'up' arrows to 1 'down' arrow), we feel an overall target of between 875 – 900 dwellings to be delivered over the Plan Period would be appropriate in the NPA.

Table 26: Summary of factors specific to St. Stephen with a potential impact on neighbourhood plan housing type

| Factor | Source(s) (see Chapter 4) | Possible impact on housing needed | Conclusion |
|---------------------------|--|---|--|
| Affordable Housing | SHMA Update 2015, Housing Register, Land Registry, Census. | <p>Only those households in receipt of income significantly above the average can afford market housing for purchase.</p> <p>Those on lower quartile household income are restricted to social and intermediate housing.</p> <p>The area shows little evidence of deprivation and housing need.</p> <p>There is a relatively low proportion of social housing compared with the wider region.</p> <p>The share of all tenures accounted for by the Private Rented Sector is growing within the Plan Area.</p> | <p>Affordable Housing policy, in terms of both the proportion of new housing, and the proposed allocation to different tenure types should not depart from emerging Local Plan policy, SLP9; this puts forward apportioning approximately 60% to social rented/ affordable rent and 40% to immediate housing.</p> <p>Affordable Private Rented Housing should be considered as a means of generating more AH in the Plan Area in future years.</p> <p>A local register of housing need should be established to record housing priorities of local people in future years.</p> |
| Demand/ need for | Census, SHMA update | Solo households and childless couples are among those | The provision of family dwellings of 2-3 bedrooms should be a priority in the area so as to underpin its role as a |

| | | | |
|---|---|---|--|
| smaller dwellings | 2015, SSNPS, Local Estate Agents Survey | <p>household types forecast to grow in future years.</p> <p>In the SSNPS, 1-2 bedroom flats were found to be relatively unpopular; 2-3 bedroom houses, in contrast, were the most popular size of dwellings.</p> <p>Under-occupation is widespread.</p> <p>Demographic change suggests a large growth in both single and couple with no children.</p> <p>Of the five different types of dwellings explored in this study, flats were the least favoured type by a significant margin.</p> | <p>place that is both attractive and affordable to family households.</p> <p>The provision of such dwellings, by providing smaller dwellings for older people to downsize into will help address the demand, described by local estate agents of larger homes of 4 bedrooms.</p> <p>Given the increase in the number of solo and two-person households, demand for flats may increase in future years.</p> |
| Family-sized housing | Census, Local Estate Agents | <p>Family households, at the time of the last Census constituted 70% of all households and demographic shifts suggest a dramatic growth (41%) of couple/lone parent with 1 child and a growth of couple/lone parent with 2 children households (27%).</p> <p>Of the five different types of dwellings explored in the study, there was greatest demand for bungalows, followed by semi-detached, detached and terraced houses.</p> | In considering appropriate housing for the Plan Area, the needs of families should be prioritised. |
| Housing for independent living for | Census, SHMA Update | Demographic profiling suggests a disproportionately large number of older | Supply- based approaches to identifying housing need for older people identifies 18 care home places, 3 units of extra care housing and 19 units of sheltered |

**older
people**

2015,
SSNPS

people (aged 65+) compared with the district geography and a large increase in those in the 85+ year old age group with an increase of 392%, followed by 75-84 year olds at 283%, 65-74 at 260% and 55-59 at 190%.

Of the five different types of dwellings explored in this study, bungalows were the most favoured type by a significant margin.

housing should be provided over the plan period.

Using the Housing Learning and Improvement Network demand-led approach, 17 additional conventional sheltered housing units; 33 additional leasehold sheltered housing units = 33 (rounded down); 6 additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale; 4 additional extra care housing units for rent; 8 additional extra care housing units for sale = 8 (rounded down); and 2 additional specialist dementia care homes.

A percentage of general housing should be designed according to lifetime homes standards.

