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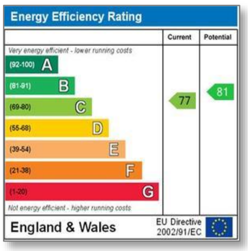

Braintree Strategic Housing Market Assessment

Report of Findings

July 2025

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Contents

Executive Summary

Summary of key findings and conclusions

Introduction

1. Opinion Research Services (ORS) was commissioned by Braintree District Council to prepare a Strategic Housing Market Assessment. The study seeks to build upon the evidence base for a new Braintree Local Plan 2024-2041.

2. The Government published the National Planning Policy Framework (the Original NPPF) in 2012. This set out the planning policies for England and how these were expected to be applied.

1.1 Since this time there have been many updates to the NPPF, with the most recent being in December 2024, following a consultation in July 2024 by the new Government. This report was developed and written under the current NPPF 2024 and therefore has incorporated the changes to the NPPF set out in December 2024. This includes a new standard method local housing need figure for Braintree of 1,115 dwellings per annum and changes to some of the housing needs to be considered.

Establishing Current Unmet Need for Affordable Housing

3. To assess the current need for affordable housing, we initially calculated the number of households in Braintree who are not suitably housed and who are unable to afford market housing. These include: all households that are currently homeless, those who are currently housed in temporary accommodation, concealed families and individuals living as part of another household, households overcrowded in social or private rent, and people otherwise not counted who are in a reasonable preference category on the housing register.

4. Based on a detailed review of both the past trends and current estimates our analysis has concluded that 1,406 households are currently living in unsuitable housing and are unable to afford their own housing. This assessment is based on the criteria set out in the PPG and avoids double counting, as far as possible. Of these households, 614 currently occupy affordable housing that does not meet the current householders' needs, mainly due to overcrowding. These households all require to move, predominantly to a larger property, but would also free an affordable home. Providing more suitable housing for these households will enable them to vacate their existing affordable housing property, which can subsequently be allocated to another (smaller) household in need of affordable housing. There is, therefore, a net affordable housing need of 792 households (1,406 less 614 = 792).

Future Need for Affordable Housing

5. In addition to those who cannot currently afford market housing, it is also necessary to consider those households who will arise in the future and households that can afford market rents but aspire to home ownership. Figure 1 summarises the overall impact of:

» New households adding to housing need;

» The households no longer present reducing housing need; and

» The changes in circumstances impacting existing households.

Figure 1: Annual components of Household Growth in Braintree 2024-2041 (Source: ORS Housing Model)

BRAINTREE 2024-41	All households	Households able to afford housing costs	Households unable to afford housing costs
All new households	5,071	3,956	1,115
All households no longer present	4,029	3,089	940
Change in existing households	-	-27	27
Future affordable housing need 2024-41 (Annual average)	**1,042**	**840**	**202**
Future affordable housing need 2024-41 (17 Year change)	**17,717**	**14,281**	**3,436**

6. Overall, reviewing the contribution of each element amounts to an additional 3,436 households needing affordable housing in Braintree annually over the 17-year period 2024-41.

Needs of Households Aspiring to Homeownership

7. The Government have placed an emphasis on households that cannot afford to own their home, reflecting concerns that the proportion of owner occupiers has reduced nationally over the last 20 years. One unexpected consequence of current policy is that households in the Private Rented Sector (PRS) who aspire to home ownership and can afford affordable home ownership are designated as being in housing need of affordable home ownership. At the same time, households in the PRS who can afford private sector rent but cannot afford affordable home ownership are designated as being adequately housed.

8. Overall, there are likely to be up to 7,550 households who cannot afford to buy their own home on the open market and aspire to homeownership in Braintree over the period 2024-41. These are the upper limit figures and are adjusted as part of the assessment to take account of any households that can afford market ownership.

9. Below, Figure 2 brings together the information on assessing the current unmet need for affordable housing together with the future need for affordable housing and those aspiring to home ownership arising over the 17-year period 2024-41. It can be noted that this assessment has no regard for whether those aspiring can access affordable home ownership options; some may be able to afford home ownership but have not found a suitable property yet.

Figure 2: Assessing total need for affordable housing in Braintree 2024-2041 (Source: ORS Housing Model)

BRAINTREE 2024-41	Affordable Housing Need Households unable to afford	Affordable Housing Need Households aspiring to home ownership	Overall Affordable Housing Need
Current housing need in 2024	792	4,209	5,001
Future housing need 2024-41	3,436	3,341	6,778
TOTAL HOUSING NEED	**4,228**	**7,550**	**11,778**

10. However, it is necessary to consider how affordable need can be addressed within the overall housing need established. Therefore, for the purpose of establishing the plausibility of low-cost home ownership access, we have assumed a maximum discount of 30% on open market prices for properties. This would be consistent with the First Homes scheme, but instead can be Discount Market Sales.

11. Given this context, Figure 3 identifies those households with income that would be insufficient to afford 70% of newbuild prices at the lower quartile for the local area, those households with savings of less than £5,000, and those households that both have sufficient income and savings to purchase an open market property but nonetheless choose to rent. Of the 7,550 households who can afford to rent but who aspire to homeownership, there would be 1,013 that would be able to afford market home ownership but choose not to (but aspire to do so at some point in the future). There would be a further 3,705 households with insufficient income to have a realistic prospect of being able to afford at 70% of open market values. Of the remaining dwellings for households with incomes above the minimum threshold, there would be 2,101 where the household had savings of less than £5,000[1] and were therefore unable to afford the assumed deposit (nor the assorted up-front costs) of purchasing a home in the local area.

Figure 3: Affordable homeownership housing mix by household affordability 2024-2041 (Source: ORS Housing Model)

	All households aspiring to home ownership	MINUS properties over the cap limit or where the household can afford market home ownership	Households unable to afford market home ownership	MINUS households unable to afford 70% of newbuild LQ	Households able to afford 70% of newbuild LQ	MINUS households with savings of less than £5,000	Households able to afford 70% of newbuild LQ and have savings of £5,000 or more
1 bedroom	**1,105**	175	**930**	336	**594**	387	**207**
2 bedrooms	**3,275**	440	**2,834**	1,575	**1,260**	897	**363**
3 bedrooms	**2,532**	299	**2,234**	1,406	**828**	666	**161**
4+ bedrooms	**638**	99	**538**	388	**150**	150	**0**
TOTAL	**7,550**	**1,013**	**6,537**	**3,705**	**2,832**	**2,101**	**731**

12. On this basis, between 2024 and 2041, 731 dwellings are needed for households that aspire to homeownership but cannot afford it, who also have at least £5,000 in savings and incomes above the relevant threshold.

13. At this point we add the allowance for vacant homes, taking the overall need for affordable dwellings to 5,060. Within the overall need of households requiring affordable homes identified, it is possible to further consider the mix of affordable housing products that would be appropriate based on the mix of households needing affordable housing. This allows for disaggregation of the cohort that are unable to afford market rents to be disaggregated into those who can and those that cannot afford Affordable Rents. The household aspiring to own figure is based upon those who can access a Discount Market Sale property at 30% discount.

14. Figure 4 includes the need from those modelled to require Class C2 and also an allowance for vacant homes, so the total number of dwellings required equals 18.995 over the period 2024-41. The figure also contains

[1] £5,000 is a minimum amount required as the seed of saving for a deposit. The modelling is not prescriptive regarding the amount of savings, only that the savings and income should give the household a reasonable chance of being able to buy a property, including the need to save more in many cases.

market needs which represent the need for Use Class C2 bedspaces, such as care homes, converted to dwellings. The Class C2 figure considers the projected growth in those in Class C2 in the population and household projections. It is important to note that we are not assuming that the equivalent of 396 dwellings in Braintree are delivered as Class C2 bedspaces. Instead, the population and household projections assume that the equivalent of 396 dwellings will be vacated by those moving to Class C2. If these moves do not occur because Class C2 bedspaces are not delivered, then 396 more Class C3 dwellings will be required. If Class C2 bedspaces are delivered, they can be counted at a ratio of 1.80 bedspaces equals 1 dwelling in the LHN figures.

Figure 4: Overall need for Market and Affordable Dwellings (including affordable home ownership products) by property size (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	Require Social Rent	Require Affordable Rent	Require Affordable to Own	Total Affordable Housing (Total columns 2-4)	Total Market Housing	Total (Total columns 5-6)
1 bedroom	648	63	211	922	911	**1,833**
2 bedrooms	1,277	191	370	1,839	2,895	**4,734**
3 bedrooms	1,408	239	165	1,812	6,585	**8,397**
4+ bedrooms	435	51	0	486	3,109	**3,595**
C2 Dwellings	-	-	-	-	396	**396**
TOTAL	**3,769**	**545**	**746**	**5,060**	**13,895**	**18,955**
1 bedroom	3.4%	0.3%	1.1%	4.9%	4.8%	9.7%
2 bedrooms	6.7%	1.0%	2.0%	9.7%	15.3%	25.0%
3 bedrooms	7.4%	1.3%	0.9%	9.6%	34.7%	44.3%
4+ bedrooms	2.3%	0.3%	0.0%	2.6%	16.4%	19.0%
C2 Dwellings	-	-	-	-	2.1%	2.1%

1. Introducing the Study

Background to the project

Introduction

1.1 Opinion Research Services (ORS) was commissioned by Braintree District Council to prepare a Strategic Housing Market Assessment. The study seeks to build upon the evidence base for a new Braintree Local Plan 2024-2041.

1.2 This current study represents an update to the evidence base in Braintree in relation to housing needs.

Government Policy

1.3 The Government published the National Planning Policy Framework (the Original NPPF) in 2012. This set out the planning policies for England and how these were expected to be applied.

1.4 Since this time there have been many updates to the NPPF, with the most recent being in December 2024, following a consultation in July 2024 by the new Government. This report was developed and written under the current NPPF 2024 and therefore has incorporated the changes to the NPPF set out in December 2024. This includes a new standard method local housing need figure for Braintree of 1,115 dwellings per annum and changes to some of the housing needs to be considered.

Overview of the HNA

1.5 The first key objective of this HNA is to establish the need for housing (both market and affordable) in Braintree on the assumption that it delivers housing to meet the new government standard method number of dwellings to be supplied over the period 2024-2041, which is 18,955 dwellings. The final calculation for this task is set out, broken down by affordable and market housing, in Figure 30.

1.6 This report considers the key outputs from the HNA – namely establishing the overall balance between market and affordable housing over the 17-year period 2024-41. It is important to recognise that the information from the HNA should not be considered in isolation, but forms part of a wider evidence base to inform the development of housing and planning policies and in particular will link strongly to issues around viability. The HNA does not seek to determine rigid policy conclusions, but instead provides a key component of the evidence base required to develop and support a sound policy framework.

Summary of the ORS Approach to Modelling Housing Need

1.7 As noted above, this HNA seeks is to establish the need for housing (both market and affordable) in Braintree on the assumption that it delivers housing to meet the standard method number of dwellings to be supplied over the period 2024-2041, which is 18,955 dwellings.

1.8 In Chapter 4, we consider the affordable housing needs for Braintree based on the latest official projections and cover the 7-year period 2024-2031. They are informed by the latest ONS mid-year estimates[2] and take account of the most up-to-date fertility and mortality rates and the latest migration trends. In particular, we focus upon the 2018 based 10-year migration trends variant population and household projections. The data within these projections is then adjusted in light of the Census 2021 and mid-year population estimates 2022 and 2023. The reason for choosing this set of projections is that they represent the best and most up to date information available for population and household growth trends currently published.

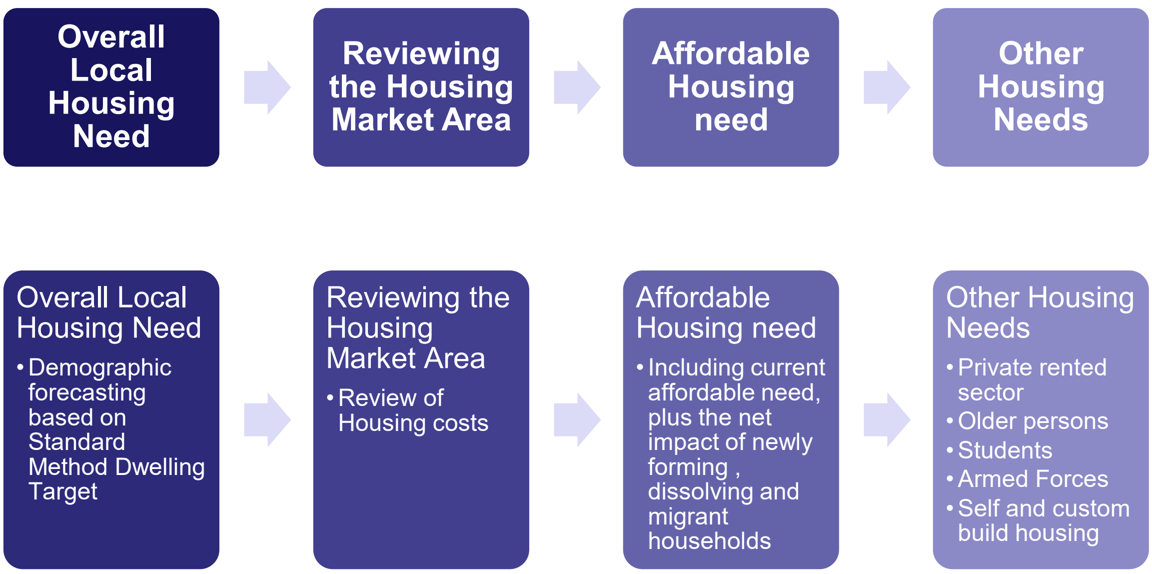
1.9 The rate of household formation is then returned to its 2001 levels, which was the high point for household formation, to be consistent with the government's objective of delivering more dwellings to allow more households to form. Any shortfall in the projected household growth and the need to deliver 18,955 dwellings is addressed by changes in net migration to Braintree.

1.10 Finally, in delivering the number of dwellings required it is also necessary to include the impact of vacant and second homes to uplift the household projection to become the need for dwellings. This gives a net need for new affordable dwellings for the period 2024-2031 which is consistent with the trend growth in population and household in Braintree. Therefore, the figures produced in Chapter 4 are the overall conclusions for housing need in Braintree for affordable and market housing.

1.11 It should also be noted that this study looks at other housing issues such as future need for student housing, older people homes, built to rent and the number of homes that may need to be specially designed housing for older people and people with disabilities/illnesses. These needs are all inclusive within the figure of 18,955 and not in addition to that number.

1.12 Figure 5 sets out a flow chart of the study process building from demographic data and housing costs to consider a wide range of housing needs.

Figure 5: Flow Chart of the Study



[2] The ONS reissued the official estimates for mid-2012 to mid-2016 in March 2018 following methodological improvements.

2. Demographic Projections

The baseline for establishing housing need

Introduction

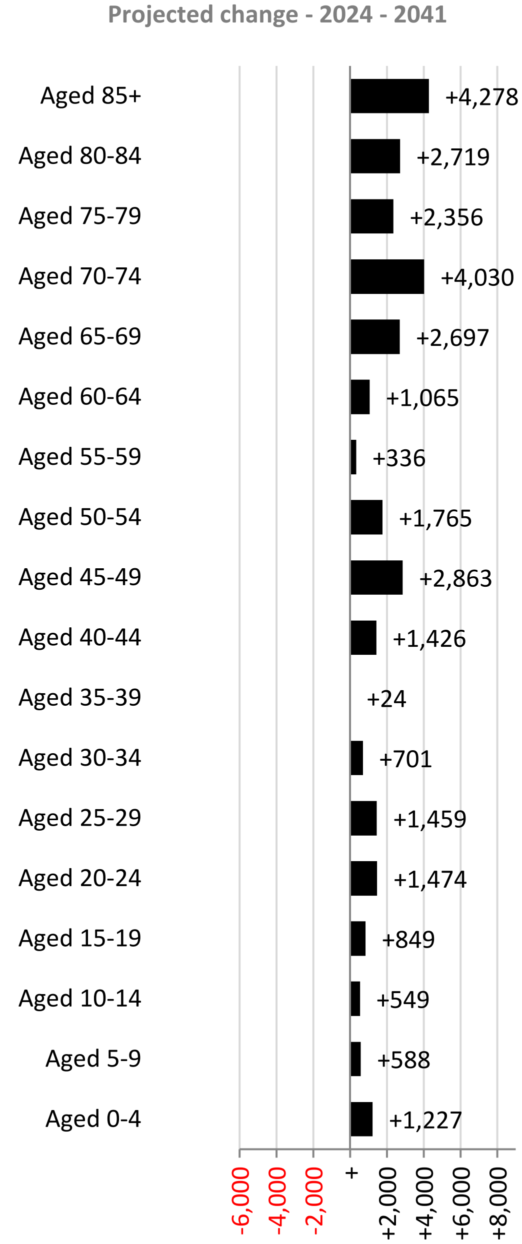
2.1 This chapter uses the available population projections for Braintree to explain the predicted growth of households during the plan period.

Projected Population Age Profile

2.2 The 2018-based ONS household projections represent the most up-to-date household projections at the time of writing, however since their publication and further sets of Mid-Year Estimates (MYEs) of population have been released for 2022 and 2023. By applying the 2018 household formation rates to these population estimates, a more up-to-date estimate of household numbers for 2024 can be derived. The projection is then run based on this updated data to derive projected household change 2024-41 in Braintree.

2.3 The figures are calculated from assuming the 18,955 additional dwellings will be delivered in Braintree over the period 2024-2041. The most significant rise is in the population aged over 65 years, which represents a growth of 16,079 persons. This represents a key policy concern because the increase in older people will include an increase in the number of dependent older people. There are currently a very high number of people aged 50 years and above in Braintree and if they do not migrate away then the older person population will grow rapidly.

Figure 6: Population projections 2024-41 by 5-year age cohort for Braintree (Source: ONS 2018 based Population Projections, MYE 2022 and 2023 and ORS)



Household Projections by Age

2.4 An important point to understand in both the population and household growth is the extent to which growth is focused on older people and older households particularly amongst those over 65. The table below considers household projections categorised by the age of the household representative (HRP)[3]. Please note that throughout this section figures in the tables are rounded to the nearest 100 to simplify interpretation although all calculations are made using unrounded data.

2.5 Figure 7 shows an overall increase of 18,100 households over the 17-year period 2024-41. It is important to consider household growth in relation to age cohorts. Figure 7 shows the projected number of households in each cohort, showing their age in both 2024 and 2041. Clearly, no household representatives are aged under 8 (in 2024), but children aged under 8 in 2024, will be aged 15-24 in 2041 and thus will be potentially heads of a household.

2.6 For example, households aged 18-27 in 2025 will be 35-44 in 2041. There are projected to be an extra 9,400 households in this cohort, partly due to new household formations and partly due to net migration. This figure is measuring new households to the area, so it is measuring the impact of existing households ageing and the age profile of new households in Braintree.

Figure 7: Total projected change in households for 2024 and 2041 by age cohort of household representative (Note: Figures may not sum due to rounding)

	Age of Household Representative								TOTAL
Age in 2024	<8	8-17	18-27	28-37	38-47	48-57	58-67	68+	
Age in 2041	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
TOTAL HOUSEHOLDS									
2024	-	300	3,200	9,200	11,600	12,800	12,400	18,800	68,200
2041	2,000	9,800	12,600	15,200	14,400	13,500	12,500	6,300	86,300
TOTAL CHANGE	+2,000	+9,500	+9,400	+6,000	+2,800	+700	+100	-12,500	+18,100

2.7 Based on the cohort analysis, around 30,600 extra households will be formed over the 17-year period 2024-41 by those who will be aged under 85 years in 2041. These extra households are offset against a reduction of 12,500 households aged 85 or over. Whilst the number of older person households will increase in Braintree, this will be due to existing households ageing and new households moving to the area. There will also be a loss of existing older households from net household dissolution following death, particularly in the 85+ cohort.

2.8 Whilst newly forming households can be in any age cohort, most of the newly forming households looking for housing will be in their twenties and thirties at the time that they form, and there are very high numbers of these households in Braintree. Many of these households will buy or rent existing housing, perhaps

[3] A Household Representative (HRP) is a person chosen for statistical reasons by virtue of economic activity, age and/or sex as the representative of a household

vacated by an older existing household. Again, newly forming households moving in to existing properties may be in any age cohort. New housing stock is not necessarily occupied by newly formed households.

Projected Household Types

2.9 When considering future need for different types of housing, it is important to understand that households of different ages are likely to have different needs. Similarly, households of different types (singles, couples and families) within each age group will also have different housing requirements.

2.10 Figure 8 shows the household numbers and net change for Braintree from 2024 to 2041 separated out by the age of the household representative person (HRP).

Figure 8: Change in total projected households for 2024 and 2041 by household type and age of household representative (Note: Figures rounded to nearest 100; All calculations based on unrounded data. Figures may not sum due to rounding)

Year	Household Type	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	TOTAL
Change	Single person	+300	+190	+190	+510	+270	+1,570	+1,400	+1,940	+6,400
Change	Couple without children	+290	+470	+170	+550	+260	+2,050	+2,010	+950	+6,700
Change	Families with child(ren)	+320	+710	+840	+1,250	+110	+40	+10	+0	+3,300
Change	Other households	+130	+130	+160	+420	+220	+280	+130	+190	+1,700
Change	**TOTAL**	**+1,000**	**+1,500**	**+1,400**	**+2,700**	**+900**	**+3,900**	**+3,500**	**+3,100**	**+18,100**

2.11 In summary over the 17-year period:

» Single person households are projected to increase by 6,400 and this includes an increase of 4,910 with a household representative aged 65 years and over;

» Families with dependent children have a net growth of 3,300;

» Couples without dependent children are projected to rise by 6,700 households with 5,010 of these aged 65 years and over;

» The increase in “Other” households represents 1,700 households.[4]

2.12 The final group of ‘Other’ households is very important because it implies that much of the projected household growth in Braintree will be unrelated households, students and multi-generation households. This is a point we will return to in Chapter 4.

[4] Other Households can be defined as: “multi-person households including unrelated adults sharing, student households, multi-family households and households of one family and other unrelated adults”

3. Local Housing Market

Housing trends and cost of housing in Braintree

Introduction

3.1 This chapter explores the cost of housing in Braintree and the incomes needed to rent or buy at market prices.

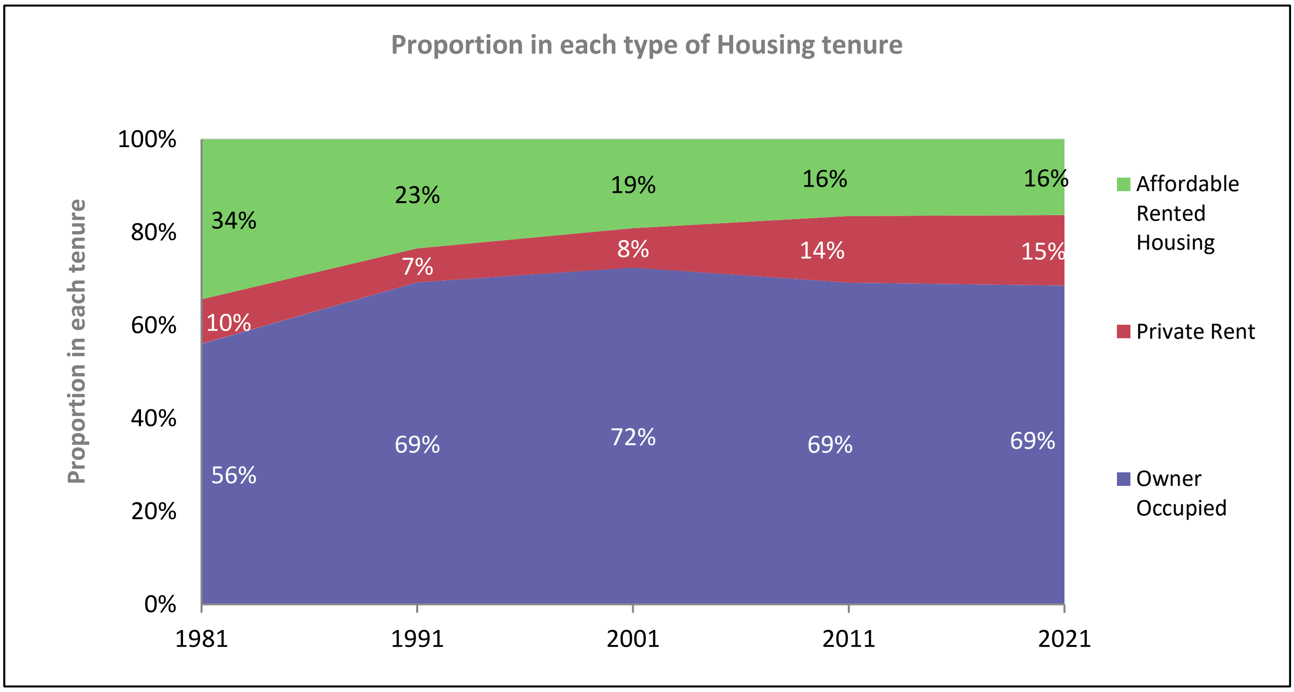
3.2 It highlights the potential income gaps and identifies where and how people may fall into affordable housing need. This includes consideration of Social Rent, Shared Ownership and Discount Market Sales and access to housing benefit for those in the rental sector. Our modelling has a focus upon Discounts Market Sales at 70% of market prices, because this was the discount associated with the, until recently recommended, scheme entitled First Homes. In practice, households who can afford Discount Market Sales or First Homes can also normally afford Shared Ownership, so there is a large overlap between their needs.

Housing Tenure Trends

3.3 When considering the local housing market, it is worth noting the changes to tenure over the past forty years.

3.4 Figure 9 shows how the most notable change has been the decline in the proportion of people in affordable rented housing (comprising Social Rent and other affordable rented homes), which has fallen during the period (from 34% to 16%). In contrast, numbers for people living in privately rented accommodation have grown. Between 1981 and 1991, there was a strong growth in owner occupiers, partly as a consequence of the introduction of right to buy policies. This peaked at 72% in 2001 but has been fallen slightly since that time.

Figure 9: Housing tenure trends for Braintree (1981 – 2021). Source: UK Census of Population



3.5 Figure 10 provides the detailed data for the period.

Figure 10: Number of Households in Braintree by Tenure 1981-2021 (Source: UK Census of Population)

	Number of Households					Net Change			
	1981	1991	2001	2011	2021	1981-1991	1991-2001	2001-2011	2011-2021
Owner occupied	22,185	31,865	39,363	42,234	44,567	+9,680	+7,498	+2,871	+2,333
Private rent	3,768	3,372	4,585	8,754	9,825	-396	+1,213	+4,169	+1,071
Affordable Rented Housing	13,625	10,794	10,384	10,055	10,594	-2,831	-410	-329	+539
TOTAL	**39,578**	**46,031**	**54,332**	**61,043**	**64,986**	**+6,453**	**+8,301**	**+6,711**	**+3,943**

3.6 The long-term growth in the private rented sector (PRS) in Braintree is consistent with national trends. The key drivers behind this growth are a reduction in affordability for home ownership and a lack of affordable housing. If the PRS expands and other sectors contract, it is clear that many households who would previously have met their housing needs in other sectors are now renting privately. This includes many households currently unable to afford their housing costs, which can be seen from the expansion of families receiving Housing Benefit in the private rented sector. Therefore, many households find themselves living in the private rented sector by default, rather than choice; immediate solutions to make owner occupation more affordable, or to significantly increase the number of affordable rented homes, are unlikely. Given this context, PPG recognises the importance of understanding the likely future role of the private rented sector.

3.7 It is important for local authorities to recognise the role of the private rented sector at a local level. National letting policies and the reality of pressures on the housing stock make it less likely that single persons aged under 35 years will be allocated to a 1-bedroom Social Rented or Affordable Rented property. Affordability issues such as this contribute to the number of 'other' households such as Houses in Multiple Occupation and multi-generation living. The private rented sector has the potential to makes an important contribution towards providing affordable housing options for many households. However, currently many households face rising rents and poor living conditions in the PRS. The current government are seeking to offer better regulation of the PRS to support more stable tenancies and also to enforce standards around the quality of the accommodation provided.

3.8 Recent Conservative Governments pursued a policy entitled First Homes[5]. Policies on First Homes were formally adopted in July 2021 and guidance on their delivery was published. First Homes prioritises first-time buyers, serving members and veterans of the Armed Forces, and key workers, such as nurses, police, and teachers. They involve a reduction of at least 30% to be in perpetuity, so the buyer will own the entire property, but when they sell, they will only receive 70% of the value. When they wish to sell their property, the home will be independently valued and sold to someone from a waiting list held by the local authority with the discount being applied, so the property always remains below local house prices. There are restrictions on the use of First Homes, so that they cannot be used as buy-to-let or holiday homes.

3.9 The First Homes policy was changed under the 2024 Labour Government. Whilst First Homes can still be delivered, the new focus for delivery is on Social Rent, but products, such as Discount Market Sales, with prices set at 20% or 30% below market prices in perpetuity and Shared Ownership can also be delivered.

[5] https://www.gov.uk/government/consultations/first-homes

3.10 As discussed later, there are many households residing in the private rented sector in Braintree who aspire to home ownership. If affordable Discount Market Sales or Shared Ownership properties are provided for this group, it would potentially reduce the size of the private rented sector. This in turn would provide for households that meet the previous and current Government's definitions of affordable housing.

Cost of Renting

3.11 When considering renting in Braintree, it is important to reflect on the range of rental options available together with the impact of the housing benefit levels in the area. There are a number of rates to consider. There are four key definitions to consider when looking at the cost of renting in Braintree. These include:

» Median and lower quartile private rent;

» Local Housing Allowance (LHA) for Chelmsford BRMA[6];

» Affordable Rent based on existing dwellings available for affordable rent; and

» Social Rents.

3.12 The Local Housing Allowance (LHA) is the maximum payment for claimants in receipt of housing benefit. These are based on broad rental market areas (BRMAs). The LHA is currently calculated on the 30th percentile private rent, as of April 2024, but rates will be frozen until at least 2026.

3.13 Figure 11 sets out the median weekly rents for different property sizes in Braintree together with the local housing allowances and the calculated affordable rent rates.

Figure 11: Weekly rent thresholds in Braintree (Source: Valuation Office Agency 2022-23; SDR 2024)

Weekly Rent £	Median Private Rent	Lower Quartile Private Rent	Local Housing Allowance Chelmsford BRMA	Affordable Rent	Social Rent
1 bedroom	£172.48	£160.99	£182.96	£136.10	£92.47
2 bedrooms	£218.48	£195.48	£218.63	£168.96	£108.93
3 bedrooms	£275.98	£241.48	£276.16	£207.06	£118.04
4+ bedrooms	£356.47	£310.47	£333.70	£252.52	£137.61

3.14 Across all property sizes, the lower quartile private rent is lower than the maximum LHA in Braintree and Social Rents are also always lower.

3.15 Although the relationship between the LHA rate and private rents is helpful for benchmark purposes, it does not take account of the disposable income available to households after their housing costs have been paid and it is "*housing that is too expensive compared to disposable income*" that the PPG references in the context of assessing the need for affordable housing (ID 2a-023).

3.16 Considering some examples of disposable income:

» A single person household with a gross income of £20,000 from employment would have £16,880 (£324 per week) after income tax and national insurance contributions. Housing costs at 35% of gross income would represent 41.4% of their net income and would leave £189 per week as disposable income to cover their other living expenses.

[6] This represents the maximum amount of housing benefit that can be claimed. Previously based on the 30th percentile private rent, however more recent increases are based on Consumer Price index (CPI) and rates were frozen in the July 2015 Budget.

- A couple with two children with a gross income of £20,000 from employment would have up to £19,559 (£375 per week) after income tax and national insurance contributions (assuming both earned £10,000). Therefore, housing costs at 35% of gross income would represent 35.8% of their net income and would leave £241 per week as disposable income to cover their other living expenses.

3.17 We should also consider the differing potential levels of housing benefit:

- The maximum amount of weekly income that a single person household can receive before their income starts to affect their housing benefit is currently £73.10 for those aged 25 or over and £57.90 for those aged 16-24.
- The maximum amount of weekly income that a couple with two children can receive before their income starts to affect their housing benefit is currently £248.65 (if one or both are aged 18 or over).

3.18 When assessing affordable housing need, it is not appropriate to adopt a simplistic income multiplier as this does not take into account different household circumstances. As set out above, households with children have a different level of out-going costs, benefit and taxes than those without children.

3.19 **It is better to consider housing benefit eligibility criteria set by the Department for Work and Pensions. This will take into account the different amounts of disposable income for various types of households, based on the rents for suitable housing.** Therefore, a key consideration in the ORS Model[7] as to whether a household can afford market rents is whether they receive housing benefit or Universal Credit to assist with their housing costs. **If a household is renting privately and does not receive housing benefit, then they are covering their own rents. This shows that the Government has deemed that the household is capable of affording it's rent without any further financial assistance.**

3.20 This is not the only criteria adopted within the model to consider which households require affordable housing. As set out in Chapter 4, any household who is deemed to have a reasonable preference on the Braintree housing register, or is overcrowded in the either PRS, or affordable housing is counted as automatically being in need. The model also includes a trend element to reflect the type of households who have been allocated affordable housing in the recent past. The application of housing benefit take-up rates in the private rented sector is an additional element to pick up those households that the government has deemed not able to afford their own housing costs, but who have not been allocated affordable housing because of a lack of current available stock.

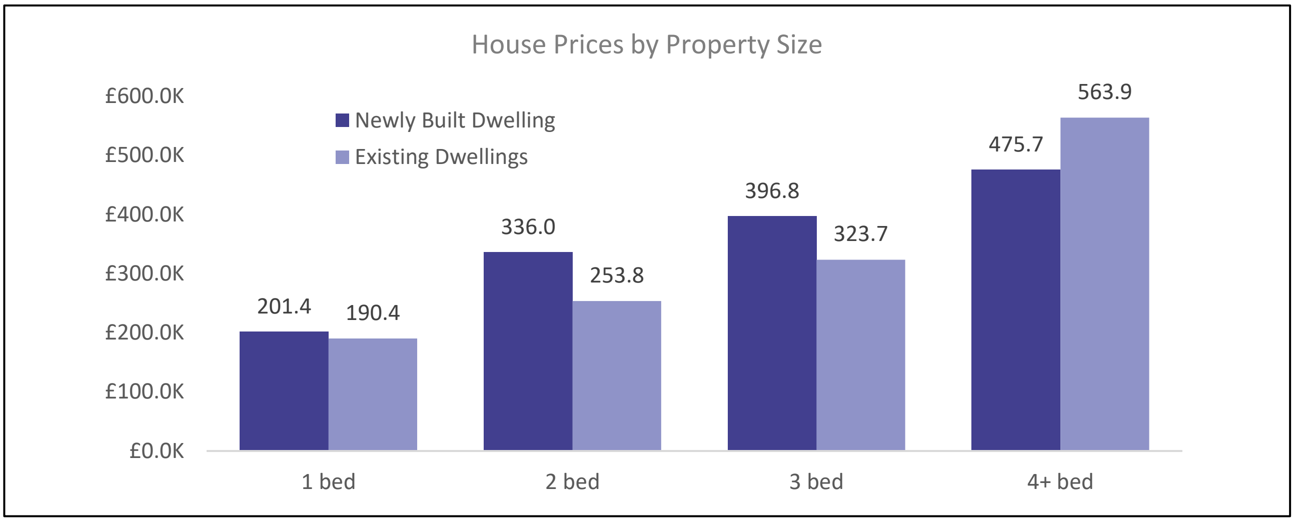
Cost of Home Ownership

3.21 House prices clearly vary in accordance with a range of factors. An important component is the size of the property, with the number of bedrooms being key. Figure 12 shows lower quartile house prices in Braintree by bedroom size.

3.22 There is also a difference between existing properties and new build dwellings. New build dwellings generally attract a premium, and this is the case in Braintree, with the exception of 4+ bedroom properties.

[7] See Summary of the ORS Approach to Modelling Housing Need, paragraph 1.7

Figure 12: Lower quartile prices (adjusted by CPI) (2024) by property size (Source: ORS based on ONS House Price Statistics, Bank of England, Valuation Office Agency and Land Registry Price Paid Data)



3.23 The difference in values between new build and existing properties is likely to be down to a range of factors which include the location of new build housing, the relative size of properties, comparative quality, the condition of existing stock, and other intangible issues such as character.

Identifying the Gap for Affordable Home Ownership

3.24 The NPPF encourages local authorities to widen opportunities for home ownership. A range of Low-Cost Home Ownership (LCHO) products have also been developed to assist households into homeownership, including, Shared Ownership and Discount Market Sales.

Shared Ownership

3.25 Figure 13 sets out the weekly costs associated with shared ownership properties of different sizes, taking account of the differential full market prices and based on the following assumptions:

- 40% equity share purchased by the occupier;
- 10% of the equity purchased is available as a deposit;
- Mortgage costs base based on a 30-year repayment mortgage at 6% interest;
- Rent based on 2.75% of the retained equity paid each year; and
- Service charge of £20 per week.

Figure 13: Shared ownership costs (Note: Mortgage costs based on a 30-year repayment mortgage at 6% interest. Rent based on 2.75% of the retained equity annually. Service charge assumed to be £20 per week)

	Property Value	40% Equity Share	10% Deposit	Weekly Mortgage Costs	Weekly Rent Costs	Weekly Service Charge	TOTAL of weekly costs
1 bedroom	£201,370	£80,548	£8,055	£101.00	£63.72	£20.00	£184.72
2 bedrooms	£336,048	£134,419	£13,442	£168.55	£106.34	£20.00	£294.89
3 bedrooms	£396,796	£158,718	£15,872	£199.02	£125.56	£20.00	£344.58
4+ bedrooms	£475,716	£190,286	£19,029	£238.61	£150.53	£20.00	£409.14

3.26 Figure 14 shows the sensitivity of weekly costs to the equity share purchased and presents this relative to the equivalent local rents, which run from a median rent for a 1-bedroom property of £172 per week, to £356 per week for a 4 bedroom plus property. This model uses a 6% interest rate for modelling purposes, if rates are lower in the future, then shared ownership will be more affordable, conversely higher rates make it less affordable. As can be seen in Figure 14 the cost of shared ownership is always more expensive than the cost of median rent.

Figure 14: Total weekly costs for shared ownership based on different equity shares ((Note: Mortgage costs based on a 30-year repayment mortgage at 6% interest. Rent based on 2.75% of the retained equity annually. Service charge assumed to be £20 per week. Cells highlighted in orange are above the lower quartile private rent but below median private rent (though this does not appear in the below), cells in red are above the equivalent median private rent.))

Total Weekly Cost £	Property Value	25% Equity Share	30% Equity Share	35% Equity Share	40% Equity Share	45% Equity Share	50% Equity Share
1 bedroom	£201,370	£162.78	£170.09	£177.41	£184.72	£192.04	£199.35
2 bedrooms	£336,048	£258.27	£270.48	£282.68	£294.89	£307.10	£319.31
3 bedrooms	£396,796	£301.34	£315.76	£330.17	£344.58	£359.00	£373.41
4+ bedrooms	£475,716	£357.30	£374.58	£391.86	£409.14	£426.42	£443.71

<u>Discount Market Sales</u>

3.27 Meanwhile, Figure 15 sets out the weekly costs associated with Discount Market Sales properties with 50%, 60% and 70% equity, which in turn would be consistent with First Homes discounts, taking account of the differential full market prices and based on the following assumptions:

» 70% equity share purchased by the occupier;

» 10% of the remaining equity purchased is available as a deposit; and

» Mortgage costs base based on a 30-year repayment mortgage at 5% interest[8].

Figure 15: Total weekly costs for First Homes with 50%, 60% and 70% Equity Share (Note: Mortgage costs based on a 30-year repayment mortgage at 5% interest. Cells highlighted in orange are above the lower quartile private rent but below median private rent, cells in red are above the equivalent median private rent.)

Total Weekly Cost £	Property Value	First Homes with 50% equity share	First Homes with 60% equity share	First Homes with 70% equity share
1 bedroom	£201,370	£113.05	£135.66	£158.27
2 bedrooms	£336,048	£188.66	£226.39	£264.12
3 bedrooms	£396,796	£222.76	£267.31	£311.87
4+ bedrooms	£475,716	£267.07	£320.48	£373.90

3.28 Discount Market Sales, with a 30% in perpetuity discount, are very similar in weekly costs to Shared Ownership with a 30% equity and to median rents. Therefore, from an affordability point of view, Discount Market Sales and Shared Ownership are options for those who can afford to rent.

[8] For shared ownership we have assumed a 6.25% mortgage rate and for First Homes we have assumed a 5.5% rate. In general there is a mortgage premium for Shared Ownership when compared to full ownership.

Income Needed for Other Types of Housing

3.29 Another housing option that could be made available in Braintree, thereby increasing the variety of products available, is Build to Rent. Build to Rent is defined by the NPPF Glossary as:

> ***Build to Rent:*** *purpose-built housing that is typically 100% rented out.*
>
> *Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.*
>
> **NPPF 2024 (Glossary)**

3.30 Build to Rent housing tends to be somewhat more expensive than median rents (typically more comparable to upper quartile rents). Occupants tend to be those that can afford these higher rents, but are not currently seeking to own a property, since the income required to service such rents is typically in excess of that required to get onto the housing ladder through Low Cost Home Ownership options.

3.31 The National Planning Policy Framework states that affordable housing on Build to Rent schemes should be provided in the form of affordable private rent. The PPG offers a "generally suitable" benchmark that 20% of any given Build to Rent scheme should be provided as affordable rent (maintained in perpetuity). In terms of setting affordable rent levels, national affordable housing policy requires a rent discount of at least 20% for affordable private rent homes, relative to local market rents (inclusive of service charges).

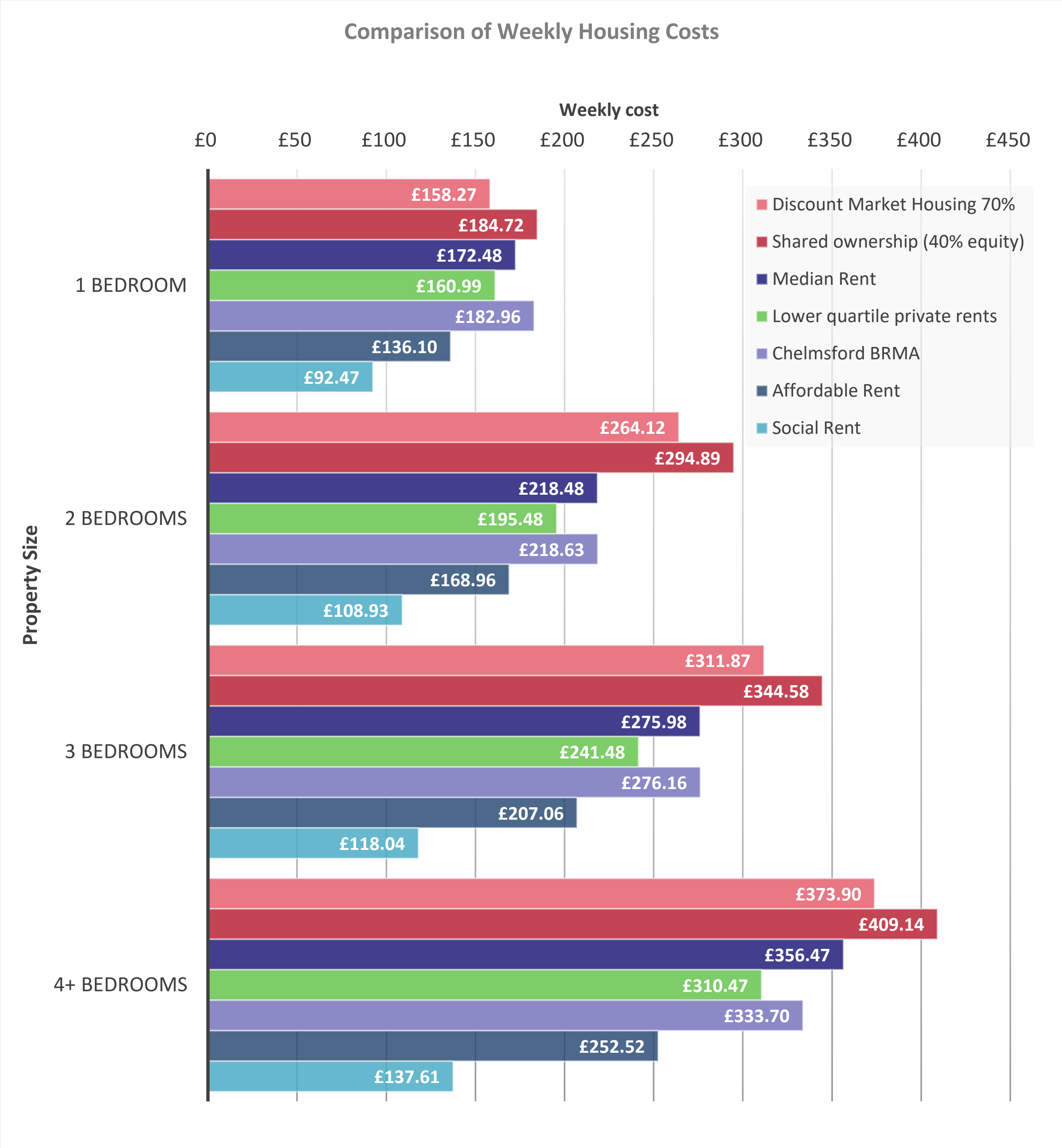
3.32 However, the affordability of these affordable Build to Rent options is highly dependent on the rent being discounted. Research by JLL[9] shows that the average Build to Rent option is 9.3% more expensive than the median rent. This, therefore, tends to lead to the affordable Build to Rent options being more expensive than Social Rent and are best considered as a form of Discounted Market Rent.

Summary of Housing Costs

3.33 This chapter has considered in some detail the cost of housing depending on tenure type and property size. Figure 16 summarises these costs for each property size with all costs adjusted to 2023 levels using the most recent data available. Social Rent is significantly cheaper than any other tenure. Both Shared Ownership,sssss and Discount Market Sales are more expensive than renting privately, except for one bedroom Discount market Sale. However, the gap is not that large for most property sizes, so they do represent an alternative for those who can afford to rent.

[9] https://www.jll.co.uk/content/dam/jll-com/documents/pdf/research/emea/uk/jll-residential-insight-build-to-rent.pdf

Figure 16: Comparison of weekly housing costs by property size including any service charges (Source: Valuation Office Agency and Land Registry Price Paid Data)



4. Affordable Housing Need

Identifying households who cannot afford market housing

Introduction

4.1 The definition of affordable housing was changed by the NPPF 2019, with a specific emphasis now placed on affordable home ownership. This was retained in the NPPF 2024 update and does not explicitly include First Homes. Annex 2 of the Revised NPPF now defines affordable housing as being:

> ***Affordable housing***
>
> *Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)*
>
> **NPPF 2024, Annex 2**

4.2 To reflect this change, paragraphs of PPG were updated in February 2019. These were further updated with a new set of guidance on "*Housing needs of different groups*" published on 22nd July 2019[10], which covered:

» Addressing the need for different types of housing;

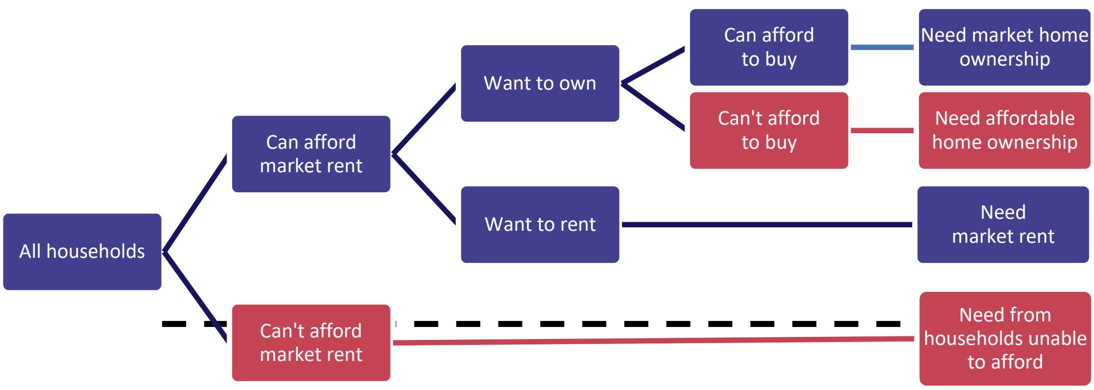
» Affordable housing;

» Rural Housing.

4.3 Further guidance to reflect the need to consider First Homes was then added on May 24th 2021.

4.4 Relevant paragraphs of PPG have also been updated to confirm that the types of household to be considered in housing need should include *"those that cannot afford their own homes, either to rent, or to own, where that is their aspiration"* [PPG ID 2a-020-20190220]. The assessment of affordable housing need therefore needs to consider both those who cannot afford to rent *and* those households who can afford to rent but would like to buy. In Figure 17, blue indicates that the household can afford the option whilst red indicates that the household cannot afford the option.

Figure 17: Establishing the need for market and affordable housing



10 https://www.gov.uk/guidance/housing-needs-of-different-groups#affordable-housing

Assessing Affordable Housing Needs

4.5 The PPG identifies that "projections of affordable housing need will need to take into account new household formation, the proportion of newly forming households unable to buy or rent in the market area, and an estimation of the number of existing households falling into need" (ID 2a-021). **The ORS Model recognises that the proportion of households unable to buy or rent in the market area will not be the same for all types of household, and that this will also differ by age.** Therefore, the appropriate proportion is determined separately for each household type and age group.

4.6 The affordability percentages in Figure 18 are calculated using detailed information from the 2021 Census alongside data published by the Department of Work and Pensions (DWP) about housing benefit claimants. For each type of household in each age group, the table identifies the percentage of households unable to afford their housing costs. This is the proportion of households in each group that either occupy affordable housing or receive housing benefit to enable them to afford market housing. This shows a high level of affordable need for lone parents and for some older persons households.

Figure 18: Assessing affordability by household type and age (Source: Census 2021 and DWP)

Percentage unable to afford market housing	Under 25	25-34	35-44	45-54	55-64	65+
Single person household	33%	13%	21%	26%	26%	32%
Couple family with no dependent children	17%	5%	8%	11%	9%	18%
Couple family with 1 or more dependent children	52%	22%	12%	9%	12%	28%
Lone parent family with 1 or more dependent children	99%	89%	67%	46%	54%	66%
Other household type[11]	24%	13%	19%	24%	22%	20%

Current Unmet Needs of Households Unable to Afford

4.7 Any exploration of housing need in an area must first give consideration to existing unmet needs. Households assumed to be unable to afford housing include:

» All households that are currently **homeless**;

» All those currently housed in **temporary accommodation**; and

» People in a **reasonable preference category** on the housing register, where their needs have not already been counted.

4.8 Given this context, the model includes the needs of all these households when establishing the need for affordable housing at a base date of 2024. The evidence is predominantly derived from data collected by Braintree on homelessness or households otherwise unsuitably housed, but we also consider the needs of households who are overcrowded in both the social and private rented sector.

4.9 The analysis counts the needs of all households living in overcrowded rented housing when establishing the affordable housing need (which could marginally overstate the requirements) but it does not count the needs of owner occupiers living in overcrowded housing. We do not count those in owner occupied housing because they would typically not qualify for affordable housing. Student households are also excluded, given that their needs are assumed to be transient.

[11] Other Households can be defined as: "multi-person households including unrelated adults sharing, student households, multi-family households and households of one family and other unrelated adults"

4.10 Concealed households are an important part of unmet housing need. Concealed households are identified through Census data and include lone parents or couples with or without children who are sharing with another household. They do not include single persons living at home, or individuals who are house sharing in the private rented sector who may wish to occupy affordable housing, but have little chance of doing so. However, not all concealed households want separate housing. Any concealed households in a reasonable preference category on the housing register will be counted regardless of age. The analysis also considers the additional growth of concealed households with family representatives aged under 55 (even when not on the housing register) and assumes that all such households are unlikely to be able to afford housing (otherwise they would have found a more suitable home). We have counted the growth in these households between 2001 and 2021 as a backlog which requires addressal.

4.11 The analysis does not count people occupying insanitary housing or otherwise living in unsatisfactory housing conditions as a need for additional affordable housing. These dwellings would be unsuitable for any household and enabling one household to move out would simply allow another to move in – so this would not reduce the overall number of households in housing need.

4.12 Figure 19 sets out the assessment of current unmet affordable housing need for Braintree:

Figure 19: Assessing current unmet gross need for affordable housing (Source: ORS Housing Model)

Current unmet need classification	Current status	Affordable Housing Gross Need	Affordable Housing Supply	Affordable Housing Net Need
Homeless households in priority need [Source: CLG P1E returns]	Currently in temporary accommodation in communal establishments (Bed and breakfast or Hostels)	6		6
Homeless households in priority need [Source: CLG P1E returns]	Currently in temporary accommodation in market housing (Private sector leased or Private landlord)	4		4
Homeless households in priority need [Source: CLG P1E returns]	Currently in temporary accommodation in affordable housing (Local Authority or RSL stock)	31	31	0
Homeless households in priority need [Source: CLG P1E returns]	Households accepted as homeless but without temporary accommodation provided	0		0
Concealed households [Source: Census 2001 and 2021]	Growth in concealed households with family representatives aged under 55	332		332
Overcrowding based on the bedroom standard [Source: Census 2021 and English Housing Survey	Households living in overcrowded private rented housing	285		285
Overcrowding based on the bedroom standard [Source: Census 2021 and English Housing Survey	Households living in overcrowded social rented housing	558	558	0
Other households living in unsuitable housing that cannot afford their own home [Source: CLG LAHS]	People who need to move on medical or welfare grounds, including grounds relating to a disability	188	25	163
Other households living in unsuitable housing that cannot afford their own home [Source: CLG LAHS]	People who need to move to a particular locality in Braintree, where failure to meet that need would cause hardship	2	0	2
TOTAL	**TOTAL**	**1,406**	**614**	**792**

4.13 Based on a detailed review of both the past trends and current estimates, our analysis has concluded that 1,406 households are currently living in unsuitable housing and are unable to afford their own housing. This assessment is based on the criteria set out in the PPG and avoids double counting, as far as possible.

4.14 Of these households, 614 currently occupy affordable housing that does not meet the current householders' needs, mainly due to overcrowding. These households all require moving, predominantly to a larger property, but this would also free an affordable home. They are also the households who are likely to have the most pressing housing needs which must be addressed the most quickly. Providing more suitable housing for these households will enable them to vacate their existing affordable housing property, which can subsequently be allocated to another (smaller) household in need of affordable housing.

4.15 There is, therefore, a net affordable housing need of 792 households (1,406 less 614 = 792).

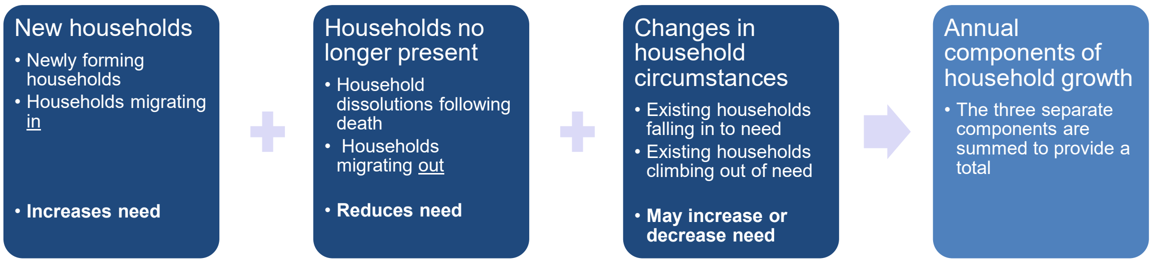
4.16 614 dwellings are occupied by people living in unsuitable conditions (e.g. too small for their needs) whose needs would be met by new homes of the right size, if provided.

Projected Future Need of Households Unable to Afford

4.17 When considering the number of newly arising households likely to be in affordable housing need, the PPG recommends a *"gross annual estimate"* (ID 2a-021) suggesting that *"the total need for affordable housing should be converted into annual flows"* (ID 2a-024).

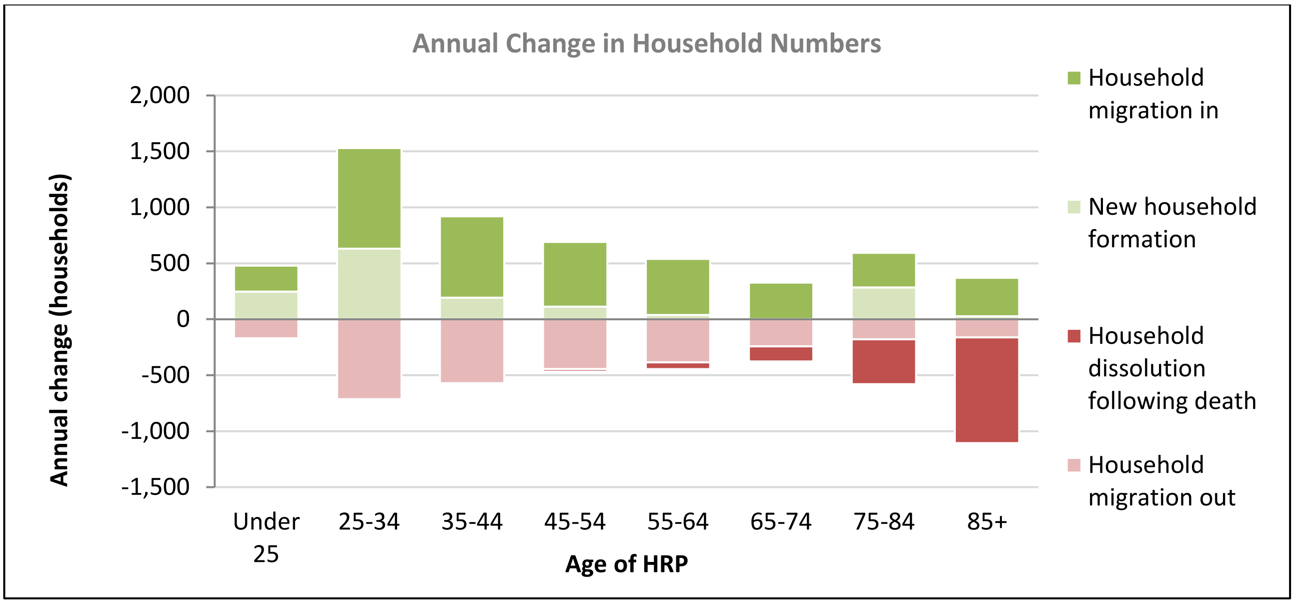
4.18 This section analyses and brings together the annual components of household growth as shown in this flowchart:

Figure 20: Flow Chart of annual components of growth analysis



4.19 Figure 21 shows the age structure of each of the components of household change. This analysis is based on changes within each age cohort. Comparisons are based on households born in the same year and relate to their age at the end of the period. Therefore, all new households are properly counted, rather than only counting the increase in the number of households in each age group. The data shows a high rate of household formation for those aged 25-44 years, but these households also have high in and out migration rates to Braintree. For older age groups, formation and migration is much lower, but household dissolution starts to become higher for those aged 65 years and over.

Figure 21: Annual change in household numbers in each age cohort by age of HRP in Braintree (Source: ORS Housing Model)



4.20 Together with information on household type, this provides a framework for the model to establish the proportion of households who are unable to afford their housing costs. The following tables look at the impact of different types of households. The percentage of households unable to afford housing are based upon those in receipt of housing benefit by household type and age and also those allocated to affordable housing in the past (taking account of double counting). The split between newly forming and migrating households is derived from components of the household projections, which take account of new household formation through natural growth in the population alongside growth due to **all** in and out migrating households.

Figure 22: Annual components of Household Growth 2024-41: Newly forming households (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Newly forming households	1,425	993	432	30%
Households migrating in to the area	3,646	2,963	683	19%
All new households	**5,071**	**3,956**	**1,115**	**22%**

4.21 The ORS Model identifies 1,425 new households projected to form in Braintree each year, of which 30% will be unable to afford their housing costs. This amounts to 432 households each year.

4.22 The model also considers new households migrating to the area. The projection is for 3,646 households per annum of which 19% (683 households) will be unable to afford their housing costs. For clarity, these households cannot afford to meet their own housing costs and it is not just the case that they cannot afford to purchase a property. It should be remembered that households in affordable housing need will also leave Braintree, thus reducing need.

4.23 This results in a total of 1,115 new households in need of affordable housing per annum (Figure 22).

Figure 23: Annual components of Household Growth 2024-41: Households no longer present (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Household dissolutions following death	1,478	1,097	381	26%
Households migrating out of the area	2,552	1,992	560	22%
All households no longer present	**4,029**	**3,089**	**940**	**23%**

4.24 PPG identifies that "*there will be a current supply of housing stock that can be used to accommodate households in affordable housing need*" and that it is necessary to establish "*the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need*" (ID 2a-022).

4.25 The model identifies 1,478 households are likely to dissolve following the death of all household members. This is based upon the age profile of households, with deaths being modelled by locally specific mortality rates, with the death of the final household member creating a dissolution. Many of these households will own their homes outright, however 381 of these are likely to have been unable to afford market housing and will mostly be living in affordable rented housing.

4.26 In addition, some households that are unable to afford housing will migrate away from the area, so their needs should be discounted to ensure consistency with the household projections. The model identifies that 2,552 households will migrate out of the area each year, again derived from components of the household projections which measure all households migrating in and out of Braintree, including 560 households who are unable to afford their housing costs. A proportion of these will vacate rented affordable housing (which will become available for another household) whereas others that have not yet been allocated an affordable home will reduce the number of households waiting. (It should be noted that some might have chosen to stay if housing costs were cheaper or more affordable housing was available).

4.27 Altogether, there are 940 households who will vacate affordable dwellings, or will no longer be waiting for a home (Figure 23). Therefore, fewer households dissolve or out-migrate from Braintree than those who form or migrate into the area, so these changes increase the level of projected future affordable housing need.

4.28 Figure 24 shows the change in the number of households who can afford their housing costs in terms of the number of households falling into need, usually due to their income decreasing and those climbing out of need, usually because of their income increasing. This is explained more fully below the table and is based on incomes and demographic data.

Figure 24: Annual components of Household Growth 2024-41: Households moving into and out of need (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Existing households falling into need	-	-306	306	100%
Existing households climbing out of need	-	279	-279	0%
Change in existing households	**-**	**-27**	**27**	**-**

4.29 PPG also identifies that it is important to estimate *"the number of existing households falling into need"* (ID 2a-021). Whilst established households that continue to live in Braintree will not contribute to household growth, changes in household circumstances (such as separating from a partner or the birth of a child) can lead to households who were previously able to afford housing falling into need. The needs of these households are counted by the model, and it is estimated that 306 established households will fall into need in Braintree each year.

4.30 This is the change in the number of established households of each type in each age group identified as being unable to afford market housing. The analysis only considers established households, so households that form or dissolve during the period and migrant households are all excluded. Established households are analysed on a cohort basis, using 5-year bands and periods. That means that the same households are considered at the start and the end of the period; at the end of the period, they will be 5 years older than at the start of the period. For example, the number of established households aged 30-34 unable to afford market housing at the start of the period is compared with the number aged 35-39 at the end of the period 5 years later. The analysis is undertaken based on a matrix of 15 age groups and 5 household types and repeated for 4 five-year periods. Those sub-groups where the number of established households unable to afford has increased are summed to identify the total falling into need. Those sub-groups where the number has reduced are summed to identify the total climbing out of need. For example, if at the start of a 5 year period, 1,000 households aged 30-34 cannot afford market housing, and at the end of the period, 1,500 households aged 35-39 cannot afford market housing, then the number of households in that cohort have fallen into need.

4.31 However, established households' circumstances can also improve. For example:

» When two single person households join together to form a couple, pooling their resources may enable them to jointly afford their housing costs (even if neither could afford separately).

» Households also tend to be more likely to afford housing as they get older, so young households forming in the early years of the projection may be able to afford later in the projection period.

4.32 These improved circumstances can therefore reduce the need for affordable housing over time. The model identifies by again considering household types by age bands by affordability that the circumstances of 279 households will improve such that they become able to afford their housing costs having previously being unable to afford.

4.33 Therefore, considering the changing needs of existing households overall, **there is a net <u>increase</u> of 27 existing households needing affordable housing each year**. (Figure 24). We would note that typically the number of households falling into and climbing out of need broadly balances in a local authority.

4.34 The following table (Figure 25) summarises the overall impact of:

» New households adding to housing need (Figure 22);

» The households no longer present reducing housing need (Figure 23); and

» The changes in circumstances impacting existing households (Figure 24).

Figure 25: Annual components of Household Growth 2024-41: Summary (Source: ORS Housing Model)

BRAINTREE 2024-41	All households	Households able to afford housing costs	Households unable to afford housing costs
All new households	5,071	3,956	1,115
All households no longer present	4,029	3,089	940
Change in existing households	-	-27	27
Future affordable housing need 2024-41 (Annual average)	**1,042**	**840**	**202**
Future affordable housing need 2024-41 (17 Year change)	**17,717**	**14,281**	**3,436**

4.35 Overall reviewing the contribution of each element amounts to an additional 3,436 households needing affordable housing over the 17-year period 2024-41, or a rate of 202 per annum.

Needs of Households Aspiring to Homeownership

4.36 To consider the need for those who aspire to own, but who can afford private rents, Figure 26 links together data for the number of households of each type in each age group living in private rented housing and paying their own rent, with the aspiration data from the English Housing Survey 2021/22. Figure 26 establishes the number of existing households likely to aspire to home ownership that have not been counted in the affordable housing need.

Figure 26: Households currently living in the Private Rented Sector and paying their own rent that aspire to home ownership (Note: Figures may not sum due to rounding)

Household Type	15-24	25-34	35-44	45-54	55-64	65+	TOTAL
Single person	88	410	307	153	106	30	1093
Couple without children	114	733	146	103	86	28	1210
Families with child(ren)	37	569	509	227	0	0	1341
Other households	55	217	177	114	60	0	624
Total Volume	**294**	**1,930**	**1,140**	**597**	**251**	**58**	**4,269**
Percentage of households	*7%*	*45%*	*27%*	*14%*	*6%*	*1%*	*100%*

4.37 Based on this analysis, we can estimate that there are a total of around 4,269 households currently resident in Braintree who cannot afford to own their own home but would aspire to do so. 52% of these households are aged 15-34 with the substantial majority (79%) aged under 45. There is nothing in the modelling to state that the households need, or would, want to buy in Braintree, just that they are currently renting and want to buy a property. Note that the NPPF specifically talks about housing need, but talks of demand when considering affordable to own properties.

4.38 In addition to the current need, it is also important to consider new households that are projected to form over the period 2024-41. Through the same modelling process of combining future household projections with the aspiration data from the EHS, we can conclude that it is likely that there would be a further 3,341 households that form over the 17-year period who will be able to afford to pay market rent but unable to afford to own, despite that being their aspiration. **Overall, there are likely to be 7,550 households who aspire to homeownership, but who cannot afford to buy their own home over the period 2024-41, a net annual need of 444 per year.**

4.39 When identifying the need for Affordable Home Ownership (AHO), it is necessary to consider the housing costs for both renting and buying market housing in order to understand the relative incomes required, the associated purchase costs, and to establish the appropriate income range for AHO products.

Identifying the Overall Affordable Housing Need

4.40 Figure 27 brings together the information on assessing the unmet need for affordable housing in 2024 from Figure 19 and Figure 25, together with the future need for affordable housing and those aspiring to home ownership arising over the 17-year period 2024-41. It can be noted that this assessment has no regard for whether those aspiring to ownership can access affordable home ownership options. We would also note that there is no double counting between those who cannot afford market rents and those who aspire to own.

4.41 Again, it should be noted that aspiring home ownership hugely inflates need, and it doesn't capture if these people want to live in the same area that they rent, or that they might be able to buy elsewhere.

Figure 27: Assessing total need for affordable housing in the Braintree 2024-2041 (Source: ORS Housing Model)

BRAINTREE 2024-41	Affordable Housing Need Households unable to afford	Affordable Housing Need Households aspiring to home ownership	Overall Affordable Housing Need
Current housing need in 2024	792	4,209	5,001
Future housing need 2024-41	3,436	3,341	6,778
TOTAL HOUSING NEED	**4,228**	**7,550**	**11,778**

4.42 On this basis, we can conclude that the potential overall need for affordable housing for Braintree would comprise a total 11,778 households over the 17-year period 2024-2041, equivalent to an average of 693 per annum. We would note immediately that this does not represent the final need for affordable housing in Braintree for the reasons set out below.

4.43 However, it is necessary to consider how affordable need can be addressed within the overall housing need established. It will be important for local authorities to plan for the needs of **all** households unable to afford to rent or own market housing, if they are going to avoid the number of housing benefit claimants living in private rented housing increasing, along with the costly use of temporary accommodation. Therefore, for the purpose of establishing the plausibility of low-cost home ownership access, we have assumed a maximum discount of 30% on open market prices for properties. This would be consistent with the First Homes scheme, but does not need to be restricted to being First Homes and instead can de Discount Market Sales.

4.44 Given this context, Figure 28 identifies those households with income that would be insufficient to afford 70% of newbuild prices at the lower quartile for the local area, those households with savings of less than £5,000, and those households that both have sufficient income and savings to purchase an open market property but nonetheless choose to rent. It should be remembered that, as set out in Figure 16, Discount Market Sales are typically more affordable than Shared Ownership in the Braintree, but of course Shared Ownership does often require a lower deposit. This is based on further analysis of the EHS data which considers the income distribution and savings data for households that rent privately but aspire to homeownership. This data has been updated to reflect current income levels, and it is scaled for each local area using indices from the ONS gross disposable household income (GDHI) tables.

4.45 Of the 7,550 households who can afford to rent but who aspire to homeownership, there would be 1,013 that would be able to afford market home ownership, but choose not to (but aspire to do so at some point in the future). There would be a further 3,705 households with insufficient income to have a realistic prospect of being able to afford at 70% of open market values (Figure 28). Of the remaining dwellings, for households with incomes above the minimum threshold, there would be 2,101 where the household had savings of less than £5,000[12], and they were, therefore, unable to afford the assumed deposit (nor the assorted up-front costs) of purchasing a home in the local area.

Figure 28: Affordable homeownership housing mix by household affordability 2024-2041 (Source: ORS Housing Model)

	All households aspiring to home ownership	MINUS properties over the cap limit or where the household can afford market home ownership	Households unable to afford market home ownership	MINUS households unable to afford 70% of newbuild LQ	Households able to afford 70% of newbuild LQ	MINUS households with savings of less than £5,000	Households able to afford 70% of newbuild LQ and have savings of £5,000 or more
1 bedroom	**1,105**	175	**930**	336	**594**	387	**207**
2 bedrooms	**3,275**	440	**2,834**	1,575	**1,260**	897	**363**
3 bedrooms	**2,532**	299	**2,234**	1,406	**828**	666	**161**
4+ bedrooms	**638**	99	**538**	388	**150**	150	**0**
TOTAL	**7,550**	**1,013**	**6,537**	**3,705**	**2,832**	**2,101**	**731**

4.46 On this basis, between 2024 and 2041, 731 dwellings are needed for households that aspire to homeownership but cannot afford it, but have at least £5,000 in savings and incomes above the relevant threshold.

4.47 Whilst it will be a policy decision as to how much of the additional need for affordable homeownership from households able to afford market rent should be provided, it would seem appropriate to only plan for the of those 731 households likely to be able to afford the various products that will potentially be available, in addition to the 4,228 households unable to afford to rent or own market housing from Figure 19 and Figure 25. Figure 29 provides a breakdown of the affordable housing on this basis.

Figure 29: Overall need for Affordable Housing 2024-41, including aspiring households able to access affordable home ownership, by property size (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

BRAINTREE	Affordable Housing Need Households unable to afford	Affordable Housing Need Households aspiring to home ownership	Affordable Housing (Households)
1 bedroom	697	207	904
2 bedrooms	1,440	363	1,803
3 bedrooms	1,614	161	1,776
4+ bedrooms	477	0	477
TOTAL HOUSING NEED	**4,228**	**731**	**4,959**

[12] £5,000 is a minimum amount required as the seed of saving for a deposit. The modelling is not prescriptive regarding the amount of savings, only that the savings and income should give the household a reasonable chance of being able to buy a property, including the need to save more in many cases.

4.48 This study identifies an overall affordable housing need from 4,959 households over the 17-year period 2024-41 (338 per annum). This includes the needs from all households unable to afford to rent or own market housing, and it also provides for those households who aspire to homeownership but who cannot afford to buy, where there is a realistic prospect of those households being able to access a 70% Discount Market Sale property. It is this figure, not the 11,778 set out in Figure 27, which represents the affordable housing need for households in Braintree over the period 2024-41.

4.49 However, it is important to recognise that there are many more households who aspire to homeownership who either do not have sufficient savings or sufficient income to realise their aspiration. Many of these households require an intermediate rent or ownership product if they are to be able to move from private rented in Braintree, though they may also decide to move to a more affordable area. It is also important to recognise that these figures assume that the number of households in receipt of housing benefit, to enable them to afford market housing in the private rented sector, does not change.

Size and Tenure Mix based Upon Overall Housing Needs

4.50 Within the overall need of 5,020 affordable homes identified for those unable to afford market rents, it is possible to further consider the mix of affordable housing products that would be appropriate based on the mix of households needing affordable housing. In order to profile affordability, income data from the English Housing Survey (2012-14)[13] and ONS Survey of Personal Incomes (2014 and 2018) has been used and modelled to establish the income distribution by household type and age in Braintree.

4.51 Figure 30 provides a breakdown of the supply of 18,955 dwellings between market and affordable housing on this basis. Figure 30 shows the result of applying the vacancy rate for affordable homes to the summary of households in Figure 29 . These affordable homes are subtracted from the overall dwelling need calculated above. The size mix for each tenure is derived from a mixture of the household type and past trend. The key driver of size for affordable to rent is the high number of overcrowded households in Braintree. **Whilst numerically, there is a high need for all sizes of property, the highest need is for 2 and 3 bedrooms, which are approaching 73% of the overall affordable need.** We would note that the model assumes that any overcrowded households are required to address their need in a larger property. However, there is no mechanism in place to compel smaller households to downsize, so we do not assume that any under-occupying households will move to a smaller property.

4.52 It is important to note that the affordable housing figures quoted are for net delivery. Therefore, if any properties are sold under right to buy, or lost through demolition then they require addition to the figures one for one. Similarly, we have not counted any pipeline supply delivery, and any homes brought back into use can be counted against the needs. This second figure is particularly important because Braintree has a very high rate of long-term empty properties, which stood at 1,235 in December 2024. Bringing these back into use could form part of the process of meeting the overall housing need for the area.

4.53 In terms of affordable home ownership, we have included all households who potentially can afford Discount Market Sales at 70% of the market price, and those who can afford private rents but who aspire to own and have a realistic prospect of doing so, through schemes such as Discount Market Sales or Shared Ownership. This represents 731 households from Figure 29, plus a vacancy rate to take this figure to 746 dwellings.

4.54 The table also contains an allowance to reconcile population and household estimate, which derives from the way in which institutional population is treated within the household projections. The household

[13] This is the most recent data available that allows this analysis

projections exclude population in institutional settings, and it assumes that the same ratio of over 75 year olds will be in institutional housing in the future, as is currently the case. Therefore, not all people are assumed to be in households. However, the table below encompasses the entire population of the local authority, so it is necessary to reconcile the household projections with the total population and the number of dwellings to be provided. It is important to note that we are not assuming that the equivalent of 396 dwellings in Braintree are delivered as Class C2 bedspaces, but instead that the population who are assumed to occupy these dwellings in the population projections are counted at some point in the model.

4.55 The market housing figure contains both market rent and owned occupied dwellings. As noted above, market rent will grow by 3,341 dwellings for those who aspire to own (Figure 27) unless affordability improves so the market rented sector is likely to grow considerably.

Figure 30 Overall Dwelling need for Affordable Housing (including households aspiring to home ownership) and Market Housing by property size (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	Require Social Rent	Require Affordable Rent	Require Affordable to Own	Total Affordable Housing (Total columns 2-4)	Total Market Housing	Total (Total columns 5-6)
1 bedroom	648	63	211	922	911	**1,833**
2 bedrooms	1,277	191	370	1,839	2,895	**4,734**
3 bedrooms	1,408	239	165	1,812	6,585	**8,397**
4+ bedrooms	435	51	0	486	3,109	**3,595**
C2 Dwellings	-	-	-	-	396	**396**
TOTAL	**3,769**	**545**	**746**	**5,060**	**13,895**	**18,955**
1 bedroom	3.4%	0.3%	1.1%	4.9%	4.8%	9.7%
2 bedrooms	6.7%	1.0%	2.0%	9.7%	15.3%	25.0%
3 bedrooms	7.4%	1.3%	0.9%	9.6%	34.7%	44.3%
4+ bedrooms	2.3%	0.3%	0.0%	2.6%	16.4%	19.0%
C2 Dwellings	-	-	-	-	2.1%	2.1%

4.56 The most significant finding overall from Figure 30 is that **the need for affordable to rent housing, the vast majority of which will be social housing, is 4,314 dwellings**.

Policy Implications for Affordable Housing Need

4.57 This document represents a technical analysis for the housing needs of Braintree. As in the introduction, we do not consider that it should set firm policies for the Council, but should instead be seen as underwriting the evidence of policies which will be developed. However, we are able to make a series of recommendations.

4.58 The core issue facing Braintree is that in Figure 30 the ORS model estimates a need for at least 4,314 (i.e. 3,769 plus 545) affordable to rent dwellings for households unable to afford market housing, from an overall total supply of 18,955 over the period 2024-2041. This represent around 23% of the total supply for Braintree. Therefore, maximising the delivery of social rented housing should be a priority of the council.

4.59 The overall need for housing must also be set in the context of other policy objectives. For example there is the need to meet the needs of older persons, those seeking shared accommodation, students, and those seeking to build their own homes. All of these would contribute to the overall delivery of dwellings in Braintree and are considered below.

5. Needs of Different Groups

An exploration of need for target groups

Introduction

5.1 Paragraph 63 of the NPPF requires that local planning authorities consider the needs of a range of groups within the population, and this chapter considers the specific groups in turn. However, the affordable needs of families with children and those who rent their homes have already been considered within earlier chapters and are therefore not repeated.

Housing for Older People

5.2 The UK population is ageing, and people can expect to live longer healthier lives than previous generations, so the older population living in England is forecast to grow significantly over the next 20 years. Given this context, PPG recognises the importance of providing housing for older people. These national trends are also evident across local areas, and the following section considers the evidence for Braintree.

Older People in Braintree

5.3 The 2021 Census identified a total of around 30,900 persons aged 65 or over resident in the local authority area at that time (Figure 31). This included around 13,600 persons aged 75 or over. Most residents were living in households, but 758 were recorded as living in communal establishments (mainly residential care or nursing care). There were a total of around 10,200 household representatives aged 65 or over, of which over 50% lived as single person households.

Figure 31: Resident population and living arrangements of population aged 65+ living in Braintree by age and population aged 75+ (Source: 2021 Census)

	Aged 65-74	Aged 75-84	Aged 85+	Total Aged 65+	Total Aged 75+
RESIDENT POPULATION					
Household population	17,270	10,248	3,345	30,863	13,593
Communal Establishment population	129	247	511	887	758
Total Resident Population	**17,399**	**10,495**	**3,856**	**31,750**	**14,351**
HOUSEHOLD POPULATION					
Living as a single person household	3,781	3,279	1,867	**8,927**	5,146
Living in a couple household	4,435	661	64	**5,160**	725
Living in other types of household	9,054	6,308	1,414	**16,776**	7,722
Total Household Population	**17,270**	**10,248**	**3,345**	**30,863**	**13,593**
HOUSEHOLD REPRESENTATIVES					
Single person household representative	3,781	3,279	1,867	8,927	5,146
Couple household representative	5,564	3,672	787	10,023	4,459
Other household representative	718	417	188	1,323	605
Total Household Representatives	**10,063**	**7,368**	**2,842**	**20,273**	**10,210**

5.4 Figure 32 identifies the type of dwellings occupied by households aged 75 or over, based on 2021 Census data. Around 8,000 households were owner occupiers (78.4%), 615 rented privately (6%) and 1,586 lived in social rented homes (15.5%). 45% of owner occupiers aged 75 or over had three bedrooms with a further quarter having four bedrooms or more (23.7%). In contrast, only 22.5% of those in social rented accommodation had three bedrooms or more, with 31.6% living in a single bedroom property.

5.5 The Census does not provide details about specialist older person housing, but information about this stock is maintained by the Elderly Accommodation Counsel (EAC).[14] Based on estimates for Braintree, there is a stock of 622 rented units (typically managed by Registered Social Landlords), 104 units which are privately rented and 1,050 units that are owned.

Figure 32: Existing dwelling stock in the Braintree District Council occupied by households aged 75+ (Source: 2021 Census; Specialist Housing Person Housing based on data published by EAC for 2024)

Braintree	Owner occupied	Private rent	Social rent	TOTAL
DWELLINGS OCCUPIED BY HOUSEHOLDS AGED 75+				
1 bedroom	420	199	502	1,121
2 bedrooms	2,117	216	727	3,060
3 bedrooms	3,575	166	330	4,071
4 or more bedrooms	1,897	34	27	1,958
Total Households	**8,009**	**615**	**1,586**	**10,210**
SPECIALIST OLDER PERSON HOUSING UNITS				
Housing with Support	951	104	498	1,449
Housing with Care	99	0	124	223
Total Specialist Older Person Housing Units	**1,050**	**104**	**622**	**1,672**

5.6 It is notable that the number of rented units (622 homes) forms over half of the number of households aged 75 or over living in one and two-bedroom social rented housing at the time of the Census (1,229 households).

5.7 The owner-occupied stock of specialist older person housing (1,050 homes) represents around 41% of all one and two-bedroom dwellings occupied by owner occupiers aged 75 or over. Nevertheless, as the vast majority of older owner occupiers live in properties with three or more bedrooms, the specialist older person housing stock represents only 13% of households when considering all owner occupiers aged 75 or over.

Identifying the Need for Specialist Older Person Housing

5.8 The Housing Learning and Improvement Network (LIN) has published a number of different online toolkits that have provided standardised rates for estimating demand for specialist older person housing products. These have been based on applying prevalence rates per 1,000 people aged 75 or over.[15, 16] A further baseline model has been developed by Sheffield Hallam University Centre for Regional Economic and Social Research (CRESR).[17]

[14] http://www.housingcare.org/downloads/eac%20stats%20on%20housing%20for%20older%20people%20March%202015.pdf
The EAC data is based on the following definition: *"a group of dwellings intended for older people and served by a resident or non-resident warden/scheme manager with specific responsibility for the group"*. This includes Extra Care, assisted living, and other forms of 'housing with care' but other forms of specialist older person housing may not be included within this definition.
[15] http://www.housinglin.org.uk/_library/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf
[16] http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf
[17] https://www.shu.ac.uk/centre-regional-economic-social-research/projects/all-projects/older-peoples-housing-care-and-support-needs-in-greater-cambridge-2017-2036

5.9 These rates provide a useful framework for understanding the potential demand for different forms of older person housing, but there is limited detail about the derivation of the figures published by the Housing LIN.

5.10 The More Choice, Greater Voice toolkit recognises that the suggested framework simply:

> *"…represents an attempt to quantify matters with explicit numerical ratios and targets. It is contentious, but deliberately so, in challenging those who must develop local strategies to draw all the strands together in a way that quantifies their intentions."* (page 44)

5.11 Similarly, the SHOP resource pack acknowledged that the framework simply provides a baseline, which extrapolates *"…crude estimates of future demand from existing data"* (page 36) and the 2016 Review acknowledged that the Housing in Later Life report had *"suggested a large increase in leasehold housing for older people which were not substantiated at the time"* (page 4).

5.12 In contrast, the baseline rates for the CRESR model were established based on:

> *"the level and composition of supply of age-exclusive housing, specialist housing, and care beds across the 100 English local authorities with the highest overall provision of each broad type of older person housing per 1,000 older people (aged 75 years or older)."* (page 26)

Reviewing the Existing Stock of Specialist Older Person Housing

5.13 As previously noted, the 2021 Census identified a total of 14,351 persons aged 75 or over resident in Braintree at that time (Figure 31) and data published by the Elderly Accommodation Counsel (EAC) identifies that there is an overall stock of 1,672 specialist older person housing units across the area (Figure 32). On this basis, we can determine that the current provision of stock in the area equates to around 102 dwellings per 1000 persons aged 75 or over when the population age profile is updated to 2024.

5.14 Figure 33 compares the rates for the different types of specialist housing for sale and rent with the suggested target benchmark rates from the Housing LIN Review and the baseline rates from the CRESR Model. Numbers coloured in red are shortfalls, and those in green are above target rates.

Figure 33: Existing Specialist Older Person Housing for the Braintree District Council

Form of Provision	Existing Supply			Housing LIN 2016 Review		CRESR Model	
	Number of dwellings	Percentage	Rate per 1000 persons aged 75+	Benchmark rates	Supply-Demand balance	Benchmark rates	Supply-Demand balance
Housing with Support	**1,553**	-	**89**	**100.0**	**-11**	**153.2**	**-64**
Owned	951	61%	55	50.0	5	24.5	30
Rented	602	39%	35	50.0	-15	128.7	-94
Housing with Care	**223**	-	**13**	**35.0**	**-22**	**19.5**	**-7**
Owned	99	44%	6	23.5	-18	2.5	3
Rented	124	56%	7	11.6	-4	17.0	-10
TOTAL	**1,776**	-	**102**	**135**	**-33**	**172.7**	**-71**
Owned	1050	59%	60	73.5	-13	27.0	33
Rented	726	41%	42	61.6	-20	145.7	-104

5.15 Figure 32 previously established that the existing owner-occupied stock of specialist older person housing represented only 13% of owner occupiers aged 75 or over living in the area. Nevertheless, the CRESR Model identifies that the current rate [60 (55 for housing with support and 5 for housing with care) per 1000] is higher than the average for the 100 English local authorities, with most provision based on actual stock (27 per 1000). The current rate is lower than the benchmark from the Housing LIN Review (73 per 1000).

5.16 With regard to specialist older person housing for rent, it was previously noted in Figure 32 that the existing stock was around a half of the number of households aged 75 or over living in one- and two-bedroom social rented housing at the time of the Census. Therefore, it is perhaps surprising that the current rate (42 per 1000) is lower than the Housing LIN benchmark (61.6 per 1000) suggesting insufficient rented stock in Braintree.

5.17 When considering the different types of specialist older person rented housing, it is apparent that the benchmark rates of Housing with Care (35 per 1000) are higher than the existing stock (13 per 1000), and there are similar differences relating to Housing with Support.

Establishing the Future Need for Specialist Older Person Housing

5.18 The population projections underlying the Local Housing Need figure for Braintree show a substantial increase in the older population over the period 2024-2041, with an additional 9,353 persons and 6,632 households resident in the local area. The figures are slightly different from those set out from the Census 2021, because the population modelling used in the LHNA relates to 2024, not Census population.

Figure 34: Projected population aged 75+ (Source: LHNA modelling, ORS)

	Total population 2024	Total population 2041	17-year change 2024-2041
RESIDENT POPULATION			
Household population	16,559	25,180	+8,621
Communal Establishment population	875	1,607	+732
Total Resident Population	**17,434**	**26,786**	**+9,353**
HOUSEHOLD POPULATION			
Living as a single person household	6,085	9,427	+3,342
Living in a couple or another type of household	10,474	15,753	+5,278
Total Household Population	**16,559**	**25,180**	**+8,621**
HOUSEHOLD REPRESENTATIVES			
Single person household representative	6,085	9,427	+3,342
Couple household representative	5,337	8,304	+2,966
Other household representative	718	1,041	+323
Total Household Representatives	**12,140**	**18,772**	**+6,632**

5.19 The household projections assume that the population aged 75 or over living in communal establishments will remain constant as a proportion for each 5-year age group, based on the rates identified by the 2021 Census. On this basis, it is projected that an additional 732 residents will need bedspaces to be provided in residential or nursing care homes in Braintree over the 17-year period 2024-2041. This is therefore the Use Class C2 need for Braintree.

5.20 Figure 35 considers the need for specialist older person housing for older households in Braintree, over the 17-year period 2024-2041. This uses the baseline rates previously established based on existing supply

(Figure 33) and considers appropriate target rates, taking account of the range of different benchmarks identified by the toolkits.

» The target rates are based on the higher of the existing rates and the average of (i) the baseline rate for the local authority and (ii) the mid-point of the benchmark range, with the exception of the affordable rates from the CRESR model, which appear to be too high.

» Based on the identified target rates, the projected number of residents aged 75 or over at the end of the 17-year period in 2041 (Figure 34) is used to establish the overall gross need.

» The existing supply is then offset to identify the housing need for the 17-year period 2024-2041.

5.21 On this basis, there would be a need to provide an additional 1,241 specialist older person housing units in Braintree (equivalent to an average of 73 dwellings per year) of which 51% would need to be provided as affordable housing. The need for specialist Use Class C3 older person housing represents 7% of the overall dwelling target for Braintree.

Figure 35: Modelled Need for Specialist Older Person Housing in the Braintree District Council 2024-2041

Form of Provision	Existing supply	Baseline rate per 1000 persons aged 75+	Benchmark range per 1000 persons aged 75+	Target rate per 1000 persons aged 75+	Gross need in 2041	Housing need 2024-2041
Market Housing	**1,050**	**60**	-	**64**	**1,609**	**559**
Housing with Care	99	6	3-23	9	235	136
Housing with Support	951	55	25-50	55	1,374	423
Affordable Housing	**726**	**42**	-	**51**	**1,299**	**573**
Housing with Care	124	7	11.6	9	235	111
Housing with Support	602	35	50	42	1,064	462
TOTAL	**1,776**	**102**	**-**	**115**	**2,908**	**1,132**
Housing with Care	*223*	*13*	-	*18*	*470*	*247*
Housing with Support	*1,553*	*89*	-	*97*	*2,438*	*885*

5.22 This analysis assumes a continuation of current types of housing, although it is unclear if older people will aspire to these types of specialist housing in the future. Some types of specialist housing are already experiencing lower demand, and other newer types of provision may appear to meet changing aspirations in the future. For example, across England, much of the supported housing stock is older and requires either refurbishment or replacement, because it is in low demand. Meanwhile, newer types of schemes which are age restricted, but have limited or no support provided, are rising in demand. The policy aim of supporting people at home for longer, along with assistive technology, could also reduce or alter demand. However, it will form part of the mix, whilst aligning with other needs and land pressures.

5.23 In terms of meeting the needs for older persons, many local authorities have bespoke policies which require provision as part of larger sites in their areas. Others have sought to deliver specific olde person housing schemes, as part of their Local Plan site allocations, whilst some schemes will come forward as windfall sites.

Accessible and Adaptable Housing

5.24 The Government's reform of Health and Adult Social Care is underpinned by a principle of sustaining people at home for as long as possible. This was reflected in the changes to building regulations relating to adaptations and wheelchair accessible homes that were published in the Building Regulations 2010 Approved

Document Part M: Access to and use of buildings (2015 edition incorporating 2016 amendments – for use in England).[18]

5.25 Three standards are covered:

» M4(1) Category 1: Visitable dwellings – Mandatory, broadly about accessibility to ALL properties

» M4(2) Category 2: Accessible and adaptable dwellings – Optional, similar to Lifetime Homes

» M4(3) Category 3: Wheelchair user dwellings – Optional, equivalent to wheelchair accessible standard.

5.26 In terms of new developments, Part M states that: *"Where no condition is imposed, dwellings only need to meet requirements M4(1)"* (Paragraph 0.3). Local authorities should identify the proportion of dwellings in new developments that should comply with the requirements for M4(2) Category 2 and M4(3) Category 3 as part of the Braintree Plan, based on the likely future need for housing for older and disabled people (including wheelchair user dwellings) and taking account of the overall impact on viability.

5.27 For this section we have considered existing propensity rates for people who have their housing needs affected by health problems to consider the need for adapted homes.

Assessing need for M4(2) Category 2: Accessible and adaptable dwellings

5.28 In establishing the need for M4(2) Category 2 housing, it is important to consider the population projections and health demographics of the area.

5.29 The ORS model uses the national English Housing Survey, together with data about relative levels of limiting long-term illness and disability in Braintree, to estimate the number of households likely to require adaptations, or likely needing to move to a more suitable home.

Figure 36: Households with a long-term illness or disability in Braintree in 2024 by effect on housing need (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

BRAINTREE	TOTAL
Households with one or more persons with a limiting long-term illness or disability	20,336
Does not affect their housing need	13,618
Current home suitable for needs	5,602
Current home requires adaptation	552
Need to move to a more suitable home	564
Total households where a limiting long-term illness or disability affects their housing need:	**6,718**

5.30 The model (Figure 36) identifies that there were 20,336 households living in Braintree in 2024 with one or more persons with a limiting long-term illness or disability. In 13,618 of these households, this does not affect their housing need, but in 6,718 households, an illness or disability does impact on housing need.

5.31 Amongst the households where it does affect housing needs, 5,602 households are already living in a suitable home. This leaves 552 households needing adaptations to their current home and 564 households needing to move to a more suitable home. This is a modelled need which reflects national trends, and these

[18] https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m

households needing to move represent an existing **unmet need** for M4(2) housing, and some may actually be wheelchair users needing M4(3) housing.

5.32 Based on household projections and the overall dwelling-led housing need, we can establish the future need for adapted housing based on the projected household growth and the changing demographics of the area. Figure 37 shows our calculation that there will be an additional 9,021 households either needing adaptations to their existing housing, or suitable new housing to be provided by the end of the period in question.

5.33 To provide M4(2) housing for all of the identified need would require housing for up to 9,585 households to be provided. However, not all households will want to move to new housing – some will adapt their current homes, and others will move to another dwelling which can be adapted to the standard required.

5.34 Although some households would prefer not to move, the EHS identifies that many existing homes are not suitable for adaptation to meet the M4(1) Category 1 standard, and others would require major works and, therefore, these households are required to move to meet their housing needs. Still fewer dwellings would be adaptable to the M4(2) Category 2 standard given the additional requirements. Based on the housing mix in Braintree in combination with this EHS data, a robust estimate of the number of dwellings that could be converted to meet the M4(1) standard can be derived.

5.35 This provides a reasonable upper estimate of the number of households likely to be able to adapt existing homes rather than move to new housing. On this basis, we can calculate the need for adapted housing that could not be met by adaptation of existing homes; these households should be added to the households identified as needing to move at the start of the period (Figure 37). This figure clearly has a significant overlap with the need for older persons dwellings set out in the preceding section of this report. Therefore, there is a need for a high number of homes which can be used to accommodate people as their health deteriorates.

Figure 37: Households with a long-term illness or disability in Braintree by effect on housing need (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

BRAINTREE	Affordable	% of Total Affordable (Figure 50)	Market	% of Total Market (Figure 50)	TOTAL	% of Total LHN (Figure 50)
Existing need in 2024						
Households where an existing illness or disability affects their housing need and need to move in 2024	290	-	274	-	564	-
Projected future need 2024-41						
Additional households in 2041 where illness or disability affects their housing need or will develop within 10 years	2,953	-	6,068	-	9,021	-
Maximum need for adapted housing 2024-41 (households)	**3,243**	**56%**	**6,342**	**50%**	**9,585**	**52%**
Less households living in dwellings adaptable to M4(1) standard	1,804		3,706		5,510	
Minimum need for adapted housing 2024-41 (households)	**1,439**	**25%**	**2,636**	**21%**	**4,075**	**22%**

5.36 Therefore the need for adapted housing 2024-41 can be expressed as a range between 4,075 and 9,585 dwellings (between 240 and 564 dwellings per annum). There is inevitably uncertainty about how many households will be able to meet their housing needs without moving and how many will move to existing homes rather than new housing.

5.37 Given the number of households that likely need to move due to a limiting long-term illness or disability that affects housing need (a significant proportion when compared to the LHN, see Figure 37) the evidence supports consideration of a high proportion of affordable homes being built to at least M4(2) standards.

5.38 It is important to recognise that the range presented in Figure 37 represents the combined need for both M4(2) Category 2 and M4(3) Category 3 housing; households with a wheelchair user would be included within those households counted as having a health problem or disability that affects their housing need.

5.39 It should be noted that the Government have stated in their response to the September 2020 consultation on raising accessibility standards of new homes: "Raising accessibility standards for new homes: summary of consultation responses and government response"[19] that their intent is to change the building regulations so that M4(2) is the default minimum standard for new homes. M4(1) will apply by exception only:

> *73. Government proposes that the most appropriate way forward is to mandate the current M4(2) (Category 2: Accessible and adaptable dwellings) requirement in Building Regulations as a minimum standard for all new homes – option 2 in the consultation. M4(1) will apply by exception only, where M4(2) is impractical and unachievable (as detailed below). Subject to a further consultation on the draft technical details, we will implement this change in due course with a change to building regulations.*
>
> **Raising accessibility standards for new homes: summary of consultation responses and government response**

5.40 The timescale for this proposed change has not yet been released, with no response from the new Government on this issue. Some local authorities have brought forward polices on the basis of the September 2020 consultation and June 2022 response for 100% of all new homes to be built to M4(2) standard, but the major objection tends to be on viability, rather than need, grounds.

Housing for Wheelchair Users

5.41 The overall need calculated in the previous section represents the combined need for both M4(2) Category 2 and M4(3) Category 3 housing. Households with a wheelchair user are included within the definition of households having a health problem or disability that affects their housing need.

5.42 Building Regulations for M4(3) Category 3: Wheelchair user dwellings states that reasonable provision should be made for people to gain access to and use the facilities of the dwelling and that:

> *"The provision made must be sufficient to-*
>
> *(a) allow simple adaptation of the dwelling to meet the needs of occupants who use wheelchairs, or;*
>
> *(b) to meet the needs of occupants who use wheelchairs."*
>
> **Access to and use of buildings: Approved Document M - Page 23**

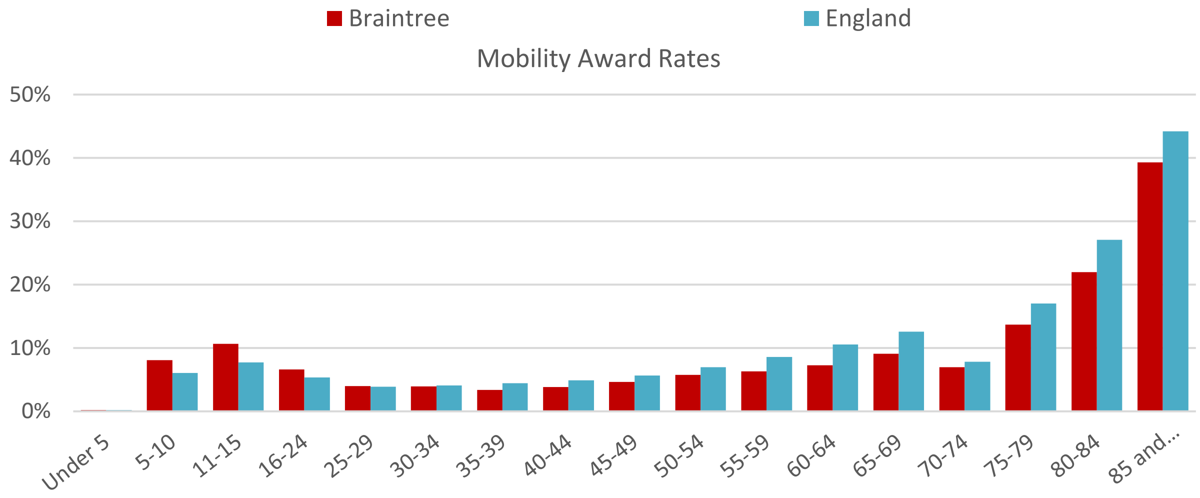
[19] Raising accessibility standards for new homes: summary of consultation responses and government response – updated July 2022: https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response#government-response

5.43 In establishing the need for M4(3) Category 3 housing, it is again important to consider the LHN dwelling-led population projections and health demographics of the area, but with specific reference to households with wheelchair users.

5.44 The CLG guide to available disability data[20] referenced by PPG [ID 56-007-20150327] shows that around one in thirty households in England (3.3%) currently has at least one wheelchair user, although the rate is notably higher for households living in affordable housing (7.1%).

5.45 To gain a better understanding of the local data, Figure 38 compares the proportion of disability benefit claimants in receipt of mobility award (the majority of whom will be wheelchair users) for Braintree against the figures for England.

Figure 38: Disability benefit claimants in receipt of mobility award by age in Braintree and England (Source: DWP 2024)



5.46 Through combining the information on local rates with the national data, we can establish the proportion of households in Braintree likely to have a wheelchair user by the age of the household representative in market housing and affordable housing (Figure 39):

Figure 39: Percentage of households with a wheelchair user in Braintree, by type of housing and age of household representative (Source: EHS, DWP)

AGE OF HOUSEHOLD REPRESENTATIVE	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
Market housing	< 0.1%	0.4%	1.0%	1.6%	2.8%	3.8%	5.7%	8.4%
Affordable housing	0.3%	2.0%	3.0%	6.0%	5.8%	10.0%	12.0%	18.2%

5.47 If we apply these proportions to the population and household data for the area, then we can identify the net change in the number of households with a wheelchair user over the period 2024 to 2041 (Figure 40). Using this approach, we can calculate that the number of households likely to need wheelchair accessible housing in Braintree is likely to increase by 1,020 over the 17-year period. Note that these are gross figures, and many of the households identified in 2024 are likely to already live in wheelchair accessible housing.

[20] https://www.gov.uk/government/publications/building-regulations-guide-to-available-disability-data

Figure 40: Households needing wheelchair accessible housing in Braintree (Source: ORS Housing Model. Note: Figures may not sum due to rounding. Percentage of tenure in LHN column is calculated by dividing net change for a given tenure by the total identified need for that tenure in the LHN, as indicated by row labels.)

BRAINTREE: Gross Modelled Need for Wheelchair Accessible Housing	2024	2041	Net change 2024-41	%age of tenure in LHN
Market housing	1,460	1,950	+490	3.8%
Affordable housing	1,000	1,530	+530	9.3%
Total	**2,470**	**3,490**	**+1,020**	**5.5%**

5.48 Importantly, as the model has included household age, it is possible to identify that a significant proportion of this growth comes from households which are aged over 75. This can be seen in Figure 41.

Figure 41: Households needing Wheelchair Accessible Housing by age (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

BRAINTREE: Modelled Need for Wheelchair Accessible Housing	Households in 2024 aged under 75	Households in 2041 aged under 75	Net change 2024-41	Households in 2024 aged over 75	Households in 2041 aged over 75	Net change 2024-41
Market housing	880	1,050	+170	590	910	+320
Affordable housing	600	800	+200	410	730	+330
Total	**1,470**	**1,850**	**+370**	**1,000**	**1,640**	**+650**

5.49 This means that there are likely to be some people who are identified in both categories: wheelchair accessible housing and specialist older person housing.

5.50 Whilst not all over 75 households needing wheelchair accessible housing will live in specialist older person housing, it is likely that many of those moving to specialist older housing will need wheelchair accessible homes. It is also likely that some older households will progress to using a wheelchair whilst living in specialist housing due to a deterioration in their health. Considering that a given older persons residence may house multiple residents in its lifetime, it becomes even more likely that at some stage a resident will require a wheelchair. Furthermore, it may be noted that where it is possible to retrospectively adapt residences, this may be costly or difficult.

5.51 The evidence (Figure 40) supports at least 9.3% of all new affordable housing for rent to be wheelchair accessible, as the Council will be able to allocate affordable rented households with wheelchair needs to appropriate homes. However, the Council may consider a slightly higher target (e.g. 12%, subject to viability), to ensure that a situation does not arise in which a property is not available for a wheelchair user in affordable need.

5.52 In market housing, the evidence supports at least 3.8% of all market housing being fully (and simply) adaptable to the needs of a wheelchair occupant. However, since the Council cannot allocate market wheelchair homes, it is likely that some of these dwellings may be occupied by households that do not contain a wheelchair user. To avoid there being insufficient market homes that are fully wheelchair adaptable to meet the needs of the wheelchair using population, it is reasonable to plan for a higher proportion of fully wheelchair adaptable homes (e.g. 5%) subject to viability and similar constraints.

Looked After Children

5.53 A ministerial statement in May 2023 stressed the importance of providing accommodation for looked after children[21]. The statement refers to the NPPF requirement to consider the needs of different groups in the community, and it states that *Local planning authorities should consider whether it is appropriate to include accommodation for children in need of social services care as part of that assessment.*

5.54 Footnote 28 of the NPPF 2024 also notes that the evidence for this should come from, '*the relevant local authority's Children's Social Care Sufficiency Strategy'.* The most recent document covering Braintree was produced by Essex County Council in 2022[22]. This shows that in Essex there were a total of 1,140 Children in Care. This means that the average rate Children in Care was 34 per 10,000 children aged 0-17 years. The national average in England for Children in Care is 67 per 10,000, whilst the rate for Braintree is 25.3 per 10,000. This is just under 100 Children in Care in the whole district. The vast majority of these are with foster parents, with only 88 on the Children in Care in residential homes and 171 in supported accommodation.

5.55 In terms of future needs, the Essex County Council Sufficiency Strategy for Children in Care and Care Leavers in Essex 2022 identifies a need for an aver of 4 more residential bedspaces and 9 supported accommodation bedspaces each year for the whole county. For each local authority, this would amount to approximately 7 residential spaces and 13 supported accommodation spaces over a 17 year plan period.

Student Housing

5.56 PPG includes specific reference to identifying the needs of students:

> *Strategic policy-making authorities need to plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus … They will also need to engage with universities and other higher educational establishments to ensure they understand their student accommodation requirements.*
>
> **Planning Practice Guidance, ID 2a-017-20190220**

5.57 Braintree has no major student campuses in the area, so students will have no significant impact on the housing market.

[21] https://questions-statements.parliament.uk/written-statements/detail/2023-05-23/hcws795

[22] Essex Sufficiency Strategy for Children in Care and Care Leavers

Service Families

5.58 Paragraph 63 of the NPPF identifies that local planning authorities should plan for the needs of different groups in the community, including service families:

> *Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rent); families with children; looked after children; older people (including those who require retirement housing, housing with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes.*
>
> **National Planning Policy Framework December 2024, Paragraph 63**

5.59 There is no military base in Braintree which means that Armed Forces personnel represent a minimal impact on the housing market of the area.

Build to Rent

5.60 As noted in Chapter 4, another housing option that could be made available Braintree is Build to Rent. Build to Rent is defined by the NPPF Glossary as:

> ***Build to Rent:*** *purpose-built housing that is typically 100% rented out.*
>
> *Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.*
>
> **NPPF 2024 (Glossary)**

5.61 Build to Rent can be seen as a potential solution for those who are seeking to remain in the private rented sector as a long-term tenure choice, rather than move on to owner occupation. ORS have recently completed a study of Build to Rent in Bath and North East Somerset, which showed that the weekly rental cost was similar to other properties in the area, but that property sizes typically had fewer square metres of space.

5.62 This accords with the evidence that Build to Rent is typically a more expensive, but higher quality private rent option. Build to Rent tends to have longer tenancy agreements and greater flexibility in the use of properties.

5.63 The current government is seeking to reform pension funds to encourage them to make longer-term investment, which could include properties such as Build to Rent. Therefore, far more Build to Rent is likely to be delivered in the future. To date, no Build to Rent properties have been delivered in Braintree, but the whole sector is expected to grow in size.

5.64 As shown in Figure 42, 28.8% of those currently in the private rented sector expect to remain in that tenure as a long-term option. In 2021, there were 9,825 households in private rent in Braintree. When excluding households who currently claim housing benefit, this would leave around 2,500 households who are currently paying their rent in full in Braintree who expect to remain in private rent in the long term.

Figure 42: Long-term aspirations (Source: English Housing Survey 2021/22)

Current Tenure	Owner Occupier	Shared Ownership	Rent from Private Landlord	Rent from Social Landlord	Other
Owner occupied	96.1%	0.4%	0.7%	1.1%	1.6%
Private rent	53.5%	2.6%	28.8%	11.4%	3.8%
Affordable rented	18.1%	1.8%	1.9%	77.0%	1.1%

5.65 A figure of 2,500 Build to Rent properties being required in Braintree is a top end estimate, but is consistent with recent trends for Build to Rent delivery. Savills produce a quarterly review of the Build to Rent market[23]. This shows that in 2023, nearly 20,000 Build to Rent properties were completed nationally, with a strong focus on London, and another 50,000 are under construction and 54,000 with detailed permission. This is around 10% of the delivery of all new dwellings and is likely to rise in future years.

5.66 A further issue to consider in the whilst the Council cannot control the rent on Build to Rent schemes, they would also include an affordable element, with guidance suggesting a minimum discount of 20% on the market prices and this would set prices below Local Housing Allowance rates.

5.67 We would also note that one type of dwelling which may be seen as addressing the needs of younger households is shared housing with small purpose-built units with shared amenity spaces such as high-quality

[23] Savills UK | UK Build to Rent Market Update – Q3 2024

purpose-built co-housing/co-living rather than traditional HMOs, and it is, in many ways, a distinct variation on studio apartments. A succinct definition of co-housing is:

> *"Co-housing, a generic term, covers various forms of housing, owned and rented, that are developed and/or owned and/or managed by their residents as a distinct* community*"*[24]

5.68 The growth of co-living schemes has followed the growth of Build to Rent. Savills produced a report in 2023[25] which outlines that there were 3,422 Co-living beds operational in the UK, with 82% of these being in London and over 6,000 under construction. Savills report that typical tenancies are around 9-12 months, with a maximum stay typically being three years, with many residents having recently moved to the UK. Therefore, Co-living is not going to become a long-term solution to meeting market housing needs. However, as a policy led response to the increasing lack of housing for younger people in the area, the schemes could have a role in short term housing for groups such as recent graduates looking to establish themselves in an area as an alternative to living in HMOs. However, the lack of a major higher education body in Braintree would suggest that the market for Co-living will be extremely limited in the area.

[24] http://www.cih.org/resources/PDF/Wales%20Events/older_peoples_housing/Jon%20Stevens.pdf
[25] Savills UK | Spotlight: UK Co-living - Q2 2023

People Wishing to Build their Own Homes

5.69 Planning practice guidance requires that people wishing to build their own homes are considered and states:

> ***How can self-build and custom housebuilding needs be assessed?***
>
> *Most local planning authorities (including all district councils and National Park Authorities) are now required to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in their area in order to build their own home. The Self-build and Custom Housebuilding (Register) Regulations 2016 set out these requirements. For further details, see guidance on self-build and custom housebuilding registers.*
>
> *To obtain a robust assessment of demand for this type of housing in their area, local planning authorities should assess and review the data held on registers. This assessment can be supplemented with the use of existing secondary data sources such as building plot search websites, 'Need-a-Plot' information available from the Self Build Portal and enquiries for building plots from local estate agents.*
>
> **Planning Practice Guidance, ID: 67-003-20190722**

5.70 Over half of the population (53%) say that they would consider building their own home[26] (either directly or using the services of architects and contractors) and an Ipsos MORI poll commissioned by the National Self Build Association (NaSBA) in 2016 found that: *"one in seven (14%) Britons (around 7 million people) now expect to research or plan how to build a home for themselves in the next 12 months: up from 12% last year. The poll also suggested that around one in 50 (2%) expect to buy a building plot, obtain detailed planning consent, start, or complete, construction work on their own new home during the coming year or so"*[27]. Nevertheless, given that the growth in the housing stock is only around 1% per annum, it is likely that these figures conflate aspiration with effective market demand. Self-build and custom housebuilding currently represents only around 10% of housing completions in the UK, so in practice around 0.1% of households utilise self-build and custom housebuilding each year, not 2%. The 10% of housing completions in UK can be compared to rates of around 40% in France and 70 to 80% elsewhere in Europe.

5.71 The Self-Build and Custom Housebuilding Act 2015 was amended by the Housing and Planning Act 201628, which placed a duty on local planning authorities to provide sufficient serviced plots which have planning permission to match entries on the register:

> *An authority to which this section applies must give suitable development permission in respect of enough serviced plots of land to meet the demand for self-build and custom housebuilding in the authority's area arising in each base period.*
>
> **Housing and Planning Act 2016 Section 2(a)(2)**

[26] Building Societies Association Survey of 2,051 UK consumers 2011
[27] https://www.ipsos-mori.com/researchpublications/researcharchive/3347/One-in-seven-Britons-expect-to-look-into-building-their-own-home.aspx
[28] http://services.parliament.uk/bills/2015-16/housingandplanning.html

April 2021 Self and Custom-Build Action Plan (Bacon Review)

5.72 In April 2021, MHCLG produce a new action plan to further support the development of the self-build and custom housebuilding sector.[29] As part of the April 2021 Action Plan, the Government commissioned an independent review into the scaling up of self and custom housebuilding. This report was published in April 2022[30] and the Government responded to this review in June 2022[31].

5.73 The review focuses primarily on supply side factors limiting the delivery of self and custom housebuilding; it produced 6 key recommendations which were broadly supported by the government:

» Greater role for Homes England;

» Raise awareness of the Right to Build;

» Support community-led Housing, diversity of supply and Levelling Up;

» Promote greener homes and more use of advanced manufacturing;

» Support custom and self-build housebuilding through the planning reforms**; and**

» Iron out issues around tax which act as disincentives to build.

Levelling Up and Regeneration Act 2023

5.74 A number of provisions in the Levelling Up and Regeneration Act, which was granted Royal Assent on 26th October 2023, should be noted

» The Act imposes a new duty on councils to include pre-existing unmet demand for self-build and custom build housing when calculating their current level of demand.

» The demand for self-build and custom housebuilding in any "12-month base period should be treated as including any demand from an earlier 12-month base period which has not been met within the time period allowed for complying with the duty to meet that demand".

5.75 Therefore, the Act states that it is only sites where self and custom housebuilding plots are explicitly permissioned which can be counted against demand, so meeting the demand for plots will require more proactive permissions for many councils.

Evidence for Braintree

5.76 Braintree have put arrangements in place to comply with the Self-Build and Custom Housebuilding Act, including providing a self-build and custom housebuilding register.

5.77 Figure 43 shows that as of October 2022, Braintree has provided enough self and custom housebuilding plots to meet the needs identified on the register. The delivery of plots is calculated from CIL exemptions and from direct evidence from applicants for consent for housing.

[29] Self and custom build action plan - GOV.UK (www.gov.uk)
[30] Independent review into scaling up self-build and custom housebuilding: report - GOV.UK (www.gov.uk)
[31] Government response to the independent review into scaling up self-build and custom housebuilding - GOV.UK (www.gov.uk)

Figure 43: **Self-build and Custom Housebuilding Register and Plot Provision (Source: Local Authority Data. Note: * is not recorded)**

Self-build and Custom Housebuilding Register and Plot Provision	Up to October 2016	Oct 2016-Oct 2017	Oct 2017-Oct 2018	Oct 2018-Oct 2019	Oct 2019-Oct 2020	Oct 2020-Oct 2021	Oct 2021-Oct 2022
New applicants on the register	42	49	56	26	23	27	20
Record of consented custom and self-build plots	*	0	46	38	36	36	0

Future Need for Self-build and Custom Housebuilding

5.78 As highlighted above, Braintree is currently providing sufficient plots to comply with its requirement to meet the needs of those on its own self-build and custom housebuilding register. The Braintree Local Plan was adopted in 2022, and it includes Policy LPP 35 which requires 2% of sites over 500 units to be set aside for self and custom house building.

5.79 We would note that PPG recommends that alternative sources of data beyond the register, such as Need a Plot, can be considered to highlight the need for self and custom housebuilding plots. However, this now reverts back to council registers, so the only recorded information on the demand for self and custom housebuilding is the housing register and the actual up take of plots.

5.80 The first priority of the Council should be to ensure that they continue complying with national policy and meet the demand from the self and custom housebuilding register. This would amount to providing an on-going supply of around 70 plots over the period October 2023-September 2026.

Essential Local Workers

5.81 Annex 2 of the NPPF also includes the needs of essential local workers:

> *Essential local workers: Public sector employees who provide frontline services in areas including health, education and community safety and can include NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers.*
>
> **NPPF – Annex 2**

5.82 It is notable that the definition provided by the NPPF is similar to the definition of Key Workers which was utilised prior to the adoption of the original 2012 NPPF. Under this definition, being classified as an essential worker in need correlates directly with being unable to afford home ownership.

5.83 Therefore, these households will already be counted in the affordable housing need because they cannot afford market rents, or because they wish to own their own property but cannot afford to do so. **Because of this, the needs from this group will not add to the total need for affordable housing, but they are likely to require separate consideration on the housing register, and it may be appropriate to consider whether or not some affordable properties should be set aside solely for essential local workers.**

6. Conclusions

Overall Summary

Affordable Housing Need

6.1 Of the 18,955 dwelling total, the modelling process identifies a need for 5,060 of these to be affordable (Figure 30). This includes a current unmet need for 792 households who require affordable housing, predominantly because they are in temporary accommodation, hostels, are overcrowded or are concealed households (Figure 19).

6.2 In terms of the required tenure mix the following conclusions apply:

Affordable to Rent

6.3 There is a high need for affordable to rent housing such as social or affordable rent. This accounts for the vast majority of the total need, and the ability to deliver for this need may be constrained by viability factors. Figure 30 details a need for 3,769 Social Rent dwellings and 545 Affordable Rented dwellings. This is 23% of the total need for 18,955 affordable and market dwellings of all tenures. In light of the particularly high need for social rented housing and the fact there is a large unmet existing need for such housing, we would recommend the Council pursues a tenure split which maximises the delivery of social rented housing in the first instance.

Shared Ownership and Discount Market Sales

6.4 Shared Ownership and Discount Market Sales have the potential to assist 746 households into home ownership. This will require support from developers in delivering products which are genuinely affordable and from Registered Providers to manage the properties.

Build to Rent

6.5 Braintree cannot influence any market rents set through Build to Rent schemes, but for the affordable component guidance suggests a minimum discount of 20% on the market prices and this would set prices below Local Housing Allowance rates.

Other Needs

Private Rent

6.6 Private rent is a very important tenure in Braintree. Continuing to monitor and enforce standards in the private rented sector will remain an important function for the Council. Given current affordability pressures, the cost of living crisis and high interest rates, there is a real risk of a deterioration in the quality of the housing stock in Braintree.

Other Needs

6.7 The overall need for housing is also required to be set in the context of other policy objectives. For example, there is the need to meet the needs of older persons, those seeking shared accommodation, students, and those seeking to build their own homes as follows:

A need for 1,241 units of specialist older persons accommodation over the 17 year period, with 51% of this provided as affordable housing. The need for specialist Use Class C3 older person housing represents 7% of the overall dwelling target for Braintree.

» The Government are now proposing that all homes be delivered to M4(2) accessible and adaptable dwellings standard. If this is not implemented, the need for adapted housing 2024-41 can be expressed as a range between 4,075 and 9,585 dwellings (between 240 and 564 dwellings per annum).

» The current self and custom housebuilding register in Braintree grows by around 23 persons a year, and Braintree have been delivering this level of plots in recent years.

6.8 **These dwellings are included and not in addition to the overall housing need.** All would contribute to the overall delivery of dwellings in Braintree.

Appendix A: Glossary

Glossary of Terms

Definitions

Affordability is a measure of whether housing may be afforded by certain groups of households.

Affordable housing includes affordable rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. For the purpose of this report we have used the definition in the National Planning Policy Framework 2012

Affordable Rent is a type of low cost rented housing, targeted at the same groups as Social Rent, but with rents set at a maximum of 80% of market rents.

Affordable rented housing is provided by social landlords and rented for less than would be paid if renting privately and included both Affordable Rent and Social Rent.

Category 2 and 3 are classifications of wheelchair accessible housing. They refer to building regulations Approved Document M (2015) which introduced three categories of accessible dwellings. Category 1 (visitable dwellings) relates to accessibility of all properties and, being mandatory, is not assessed in the SHMA. Category 2 (accessible and adaptable dwellings) is optional and similar to Lifetime Homes. Category 3 (wheelchair user dwellings) is optional and equivalent to wheelchair accessible standard.

Census Output Area is the smallest area for which UK Census of Population statistics are produced. Each Census Output Area had a population of around 250 people with around 100 dwellings at the time of the 2001 Census.

Concealed families are defined as; "family units or single adults living within other households, who may be regarded as potential separate households which may wish to form given appropriate opportunity"[32].

A Dwelling as a single self-contained household space (an unshared dwelling) or two or more household spaces at the same address that are not self-contained, but combine to form a shared dwelling that is self-contained. In most cases, a single household space will be an unshared dwelling.

Equity is the difference between the selling price of a house and the value of the outstanding mortgage.

Headship rates are defined by CLG as: "*the proportion of people in each age group and household type who are the 'head' of a household*"[33]

A household is one person living alone, or two or more people living together at the same address who share at least one meal a day together or who share a living room.

Household formation refers to the process whereby individuals in the population form separate households. 'Gross' or 'new' household formation refers to households that form over a period of time, conventionally one year. This is equal to the number of households existing at the end of the year that did not exist as separate households at the beginning of the year (not counting 'successor' households, when the former head of household dies or departs). 'Net' household formation is the net growth in households resulting from new households forming less the number of existing households dissolving (e.g. through death or joining up with other households).

[32] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6338/1776873.pdf
[33] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/182417/MethodologyFinalDraft.pdf

A Housing Association or **Registered Provider** is an independent not-for-profit body that primarily provides low-cost "social or affordable housing" for people in housing need.

Housing demand is the quantity of housing that households are willing and able to buy or rent.

Household income includes all salaries, benefits and pensions, before deductions such as tax and National Insurance.

Household Representative (HRP) is a person chosen for statistical reasons by virtue of economic activity, age and/or sex as the representative of a household

House in Multiple Occupation are currently defined by the Housing Act 2004 as:

» an entire house or flat which is let to three or more tenants who form two or more households and who share a kitchen, bathroom or toilet;

» a house which has been converted entirely into bedsits or other non-self-contained accommodation and which is let to three or more tenants who form two or more households and who share kitchen, bathroom or toilet facilities;

» a converted house which contains one or more flats which are not wholly self-contained (i.e. the flat does not contain within it a kitchen, bathroom and toilet) and which is occupied by three or more tenants who form two or more households; and

» a building which is converted entirely into self-contained flats if the conversion did not meet the standards of the 1991 Building Regulations and more than one-third of the flats are let on short-term tenancies.

Housing market areas are geographical areas in which a substantial majority of the employed population both live and work and where those moving to a new house without changing employment choose to stay.

Housing need is the quantity of housing required for households who are unable to access suitable housing without financial assistance.

Housing requirements encompasses both housing demand and housing need and is therefore the quantity of housing necessary for all households to have access to suitable housing, irrespective of their ability to pay.

Housing type refers to the type of dwelling, for example, flat, house, specialist accommodation.

Intermediate affordable housing is housing at prices and rents above those of affordable rented housing, but below market price or rents, and which meet the criteria for affordable housing set out above. These include shared equity products (e.g. HomeBuy), other low cost home ownership products and intermediate rent.

Lending multiplier is the number of times a household’s gross annual income a mortgage lender will normally be willing to lend. The most common multipliers quoted are 3.5 times income for a one-income household and 2.9 times total income for dual income households.

Low cost home ownership or **Shared ownership** is intermediate affordable housing designed to help people who wish to buy their own home but cannot afford to buy outright (with a mortgage). Through this type of scheme, you buy a share in the property with a Housing Association or other organisation.

Lower quartile means the value below which one quarter of the cases falls. In relation to house prices, it means the price of the house that is one-quarter of the way up the ranking from the cheapest to the most expensive.

Lower Super Output Area is a group of around 5-6 Census Output Areas and is the smallest geography for many Government statistics. Each Lower Super Output Area had a population of around 1,250 people with around 500 dwellings at the time of the 2001 Census.

Market housing is private housing for rent or for sale, where the price is set in the open market.

Market signals are indicators that supply and demand are not in balance for a local housing market. Possible market signals are listed in PPG and the following are the most pertinent; house prices, private sector rents, affordability, rate of development and overcrowding.

Migration is the movement of people between geographical areas. In this context it could be either local authority Boroughs, or wider housing market areas. The rate of migration is usually measured as an annual number of individuals, living in the defined area at a point in time, who were not resident there one year earlier. Gross migration refers to the number of individuals moving into or out of the authority. Net migration is the difference between gross in-migration and gross out-migration.

Other Households can be defined as: "multi-person households including unrelated adults sharing, student households, multi-family households and households of one family and other unrelated adults".

A projection of housing needs or requirements is a calculation of numbers expected in some future year or years based on the extrapolation of existing conditions and assumptions. For example, household projections calculate the number and composition of households expected at some future date(s) given the projected number of residents, broken down by age, sex and marital status, and an extrapolation of recent trends in the propensity of different groups to form separate households.

Registered Social Landlord/Registered Provider see Housing Association.

Secondary data is existing information that someone else has collected. Data from administrative systems and some research projects are made available for others to summarise and analyse for their own purposes (e.g. Census, national surveys).

Shared ownership see Low Cost Home Ownership.

Social Rented housing is housing where the landlord is a Registered Provider, usually the Council or a housing association, and where social rents are charged. These rents are significantly lower than market rents, and set in accordance with a formula set by Government.

Specialised housing refers to specially designed housing (such as mobility or wheelchair accommodation, hostels or group homes) or housing specifically designated for particular groups (such as retirement housing).

Acronyms and Initials

AHC	Affordable Housing Commission
AHO	Affordable Homeownership
BRMA	Broad Rental Market Area
CLG	Department for Communities and Local Government (now MHCLG)
CPI	Consumer Prices Index
DFG	Disable Facilities Grant
DWP	Department of Work and Pensions
EHS	English Housing Survey
HB	Housing Benefit
HMA	Housing Market Area
HPSSA	House Price Statistics for Small Areas
LA	Local Authority
LHA	Local Housing Allowance
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LLTI	Limiting Long-Term Illness
LPA	Local Planning Authority
LQ	Lower Quartile
LRR	Local Reference Rent
LSE	Leasehold Schemes for the Elderly
MHCLG	Ministry for Housing, Communities and Local Government
MSOA	Middle-layer Super Output Area
NPPF	National Planning Policy Framework
OAN	Objectively Assessed [Housing] Need
OBR	Office for Budget Responsibility
ONS	Office for National Statistics
ORS	Opinion Research Services
PPG	Planning Practice Guidance
PPTS	Planning Policy for Traveller Sites
PRS	Private Rental Sector
RSL	Registered Social Landlord
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

Appendix B: Table of Figures