

Weymouth

Housing Needs Assessment (HNA)

November 2024

Quality information

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List of acronyms used in the text:

BCP	Bournemouth, Christchurch, and Poole
HMA	Housing Market Area
HMO	House in Multiple Occupation
HNA	Housing Needs Assessment
HRF	Housing Requirement Figure (the total number of homes the NA is expected to plan for, usually supplied by LPAs)
HLIN	Housing Learning and Improvement Network
HRP	Household Reference Person
LA	Local Authority
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LPA	Local Planning Authority
LSOA	Lower Layer Super Output Area
MHCLG	Ministry of Housing, Communities, and Local Government
MSOA	Middle Layer Super Output Area
NA	Neighbourhood (Plan) Area
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
OA	Output Area
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RP	Registered Provider
RQ	Research Question
SHMA	Strategic Housing Market Assessment
VOA	Valuation Office Agency

1. Executive Summary

- 1.1.1. Weymouth is a Neighbourhood Area (NA) located in the unitary area of Dorset. The NA boundary covers the areas administered by Weymouth Town Council.
- 1.1.2. A Housing Need Assessment (HNA) was undertaken by AECOM for Weymouth in 2021. However, this was completed before the Census 2021 results were available. This new HNA updates the evidence to take account of Census 2021 and other data and policy updates since the last report.
- 1.1.3. The 2021 Census recorded 53,417 individuals in Weymouth, indicating an increase of 1,094 people since the 2011 Census.
- 1.1.4. There has been significant development in Weymouth in recent years. Dorset Council has provided data showing that 1,773 new homes have been built between 2011/12 and 2023/24. Affordable Housing data was only collected from 2020/21, with 18.9% of homes delivered between 2020/21 and 2023/24 being Affordable Housing.
- 1.1.5. As of 2023/24 there are outstanding commitments (dwellings on sites with planning permission) totalling 1,340 homes in Weymouth.
- 1.1.6. This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the Steering Group at the outset of the research.
- 1.1.7. Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.
- 1.1.8. This HNA has been undertaken in line with the current National Planning Policy Framework (NPPF) and practice guidance. The Government consulted on changes to the NPPF in July 2024. The HNA may need to be reviewed after the introduction of any new NPPF.

1.2. Affordability and Affordable Housing

Current tenure profile

- 1.2.1. In 2021 a greater proportion of households in Weymouth owned their own home (65.3%) than nationally (61.3%), but the proportion was below that of Dorset as a whole (70.4%). Looking at Affordable Housing, the NA had the smallest proportion of households living in shared ownership dwellings and the proportion of households living in social rented dwellings in both Weymouth (13.6%) and Dorset (12.3%) was well below national levels (17.1%). This highlights the likely difficulty that lower income households face in accessing affordable accommodation in Weymouth. The size of the private rented sector in Weymouth was in line with England, but larger than the

local authority. The sector plays a significant role in housing lower income households (including those supported by housing benefit) who cannot access social/affordable rented housing due to the shortage of this accommodation.

Affordability

- 1.2.2. House prices increased relatively steadily in Weymouth between 2013 and 2024. The median house price (the middle number when the data is sorted from smallest to largest) increased by 39.0% in this time, peaking in 2023 at £271,000. The lower quartile house price (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) increased to a slightly lesser extent, by 37.3%, peaking in 2023 at £210,000. The median house price across Dorset in 2023 was £345,000, with a lower quartile price of £250,000.
- 1.2.3. Local households mean on average incomes (around £42,000 in 2020 – the latest estimate of incomes at small scales by the ONS) are unable to access even entry-level homes unless they have the advantage of a very large deposit. Private renting is generally only affordable to higher earners. Households on mean incomes can only afford entry-level rental affordability thresholds. Households on below average incomes, including those receiving lower quartile earnings (around £20,000 for LQ full time earnings in 2023 at the level of Dorset as a whole) have limited choice within the market.
- 1.2.4. Turning to affordable home ownership, it is suggested that in Weymouth First Homes are delivered at a 30% discount, making the product affordable to households on mean average incomes and with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with the exception of shared ownership at 10% equity, which may be accessible to households with one lower quartile earner. Rent to Buy may offer a useful product to meet the needs of some households with little or no savings for a deposit.
- 1.2.5. Affordable rented housing is generally affordable to households with full time two lower earners, with households with a single full time lower earner only able to afford social rented housing on the basis of their earnings alone unless they are supported by housing benefit/ Universal Credit.

The need for Affordable Housing

- 1.2.6. The most recent evidence base on the need for affordable housing is the LHNA undertaken for BCP and Dorset in 2021. This study estimates the need for affordable housing in the local authorities. Pro-rated to the NA based on its share of the population the relevant estimate equates to a need for 134 affordable rented homes per annum in Weymouth, or 1,876 over the Neighbourhood Plan period 2024-2038. In addition, a further LHNA estimate translates to an estimated need for 108 affordable home ownership dwellings per annum in Weymouth, or 1,512 over the plan period. Pro-rating larger scale study estimates to smaller areas must be treated with caution as characteristics vary across BCP and Dorset. However, this approach provides a reasonable estimate of the likely broad scale of Affordable Housing need which

provides a starting point for policy development. It is also important to note that the estimate of need for affordable home ownership properties can best be described as potential demand. These households are generally already housed but would prefer to buy rather than rent. It also means that, if their need for affordable home ownership was met, many would release a property (mostly private rented properties) for another household to occupy.

- 1.2.7. Housing Register data provided by Dorset Council shows that there are currently 513 households on the waiting list for social/affordable housing with a local connection to Weymouth. There are a further 653 households without a local connection but that have listed Weymouth as a preferred area to live.

Affordable Housing policy

- 1.2.8. AECOM suggests an indicative mix that is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified in Weymouth. AECOM suggests a mix of 70% affordable homes for rent (Social and Affordable Rented tenures) and 30% affordable home ownership dwellings. This is in line with the mix sought in the adopted and emerging Local Plans .
- 1.2.9. It is recommended that First Homes are delivered as 25% of the Affordable Housing mix, in line with current national policy. However, this requirement is planned to be abandoned in the ongoing 2024 NPPF consultation. It is recommended that the remaining 5% of affordable home ownership products are delivered as shared ownership in the interests of diversity and maximising choice, although this could be increased if the 25% First Homes requirement is removed. Rent to Buy does not feature in the mix as the least affordable tenure locally.
- 1.2.10. The expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. Indeed, the estimated need for Affordable Housing to rent or to buy (3,388 in total over the plan period, 242 per annum) would exceed the total housing requirement for Weymouth over the plan period (3,225 in total over the plan period). It is therefore important that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) are explored.

1.3. Housing Mix – Type and Size

The current housing mix

- 1.3.1. 2021 Census data shows that there was a relatively even split in the proportion of households living in detached, semi-detached, terraced, and flatted accommodation in Weymouth. The greatest proportion (26.2%) lived in detached dwellings, above the proportion across England (22.9%), but well below local authority levels (40.6%). The NA had the greatest proportion of terraced dwellings and flats of the three geographies. Broadly, the mix of housing remained stable between the 2011 and 2021 Census. 2023 VOA data shows that 10.0% of dwellings in Weymouth were bungalows, compared to 19.2% across Dorset and 9.1% nationally.

- 1.3.2. Turning to dwelling size, Weymouth had a greater proportion of smaller 1-2 bedroom dwellings (43.3%) than Dorset (35.9%) and England (38.9%). The greatest proportion of households in the NA lived in mid-sized 3-bedroom dwellings, in line with the trend across the local authority and country, although to a slightly lesser extent than the comparator geographies. Weymouth had the smallest proportion of households living in larger 4+ bedroom dwellings.

Population characteristics

- 1.3.3. In both 2011 and 2021 the greatest proportion of the population in Weymouth was aged 45-64, at 28.9% in 2021. The proportion of the population aged 65-84 increased from 18.8% to 23.4% over the decade, with the number of people aged 85 and over increasing by 24.2%, indicating an aging population over the decade. The number and proportion of people 44 and under decreased over the 10 year period.
- 1.3.4. Whilst Weymouth had a greater proportion of the population aged 65+ than England in 2021, it had a smaller proportion than Dorset as a whole. The proportion of children and young adults was broadly similar across the NA and local authority but below national levels.
- 1.3.5. Looking at household composition, both Weymouth (17.1%) and Dorset (16.0%) had a significantly greater proportion of families aged 66 and over than England as a whole (9.2%). Between 2011 and 2021 the number of family households aged 65/66 and over in Weymouth increased by 67.5%, compared to increases of 25.2% across Dorset and 8.4% nationally, highlighting an aging population. In 2021 Weymouth had the smallest proportion of households with dependent children, at 19.7% compared to 25.8% nationally.
- 1.3.6. Under-occupancy is relatively common in Weymouth, with 70.2% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 66+ and families under 66 with no children. There is some overcrowding in Weymouth, with 7.0% of households with dependent children and 3.8% of households with adult children living in a dwelling with too few bedrooms based on their household size. This provides further evidence of acute needs experienced by some households in Weymouth, as discussed in the previous sections on Affordable Housing needs. The higher rates of overcrowding amongst family households with children is a common pattern across the country and particularly in urban areas.

Future population and size needs

- 1.3.7. Population growth can be expected to be driven by the oldest households, with those with a household reference person aged 65 and over projected to increase by 67%. There is also slight growth (+3%) projected in households with a reference person aged 55 to 64, but declines are projected in all of the younger categories.
- 1.3.8. The HNA modelling suggests that future delivery focusses on mid-sized (3-bedroom, 38.9%) and larger (4+ bedroom, 43.4%) dwellings, with some delivery of 2-bedroom dwellings (17.6%) and no further delivery of the smallest 1-bedroom dwellings. This modelling covers all tenures and so it is likely that the mix will vary across tenures

with smaller dwellings likely to be needed in the Affordable Housing sector in part due to allocation policies which limit households to homes which meet their basic needs (including requiring children to share bedrooms).

- 1.3.9. It is likely that some of the need for smaller housing (market and affordable) within the district tends to met in Weymouth, with more rural areas often having greater provision of larger dwellings. It may not be appropriate to expand the provision of 4+ bedroom dwellings substantially in Weymouth because of its role within the wider market albeit some provision of larger dwellings would expand choice locally. Continued provision of smaller dwellings may be important to meet local and wider housing needs and this is likely to be a core part of the provision of Affordable Housing.
- 1.3.10. This modelling exercise provides a starting point for discussions on policy development in this area but it is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

1.4. Specialist Housing for Older People

- 1.4.1. There are currently 1,055 units of specialist accommodation for older people in Weymouth, suggesting that current provision is in the region of 154 units per 1,000 of the 75+ population (a common measure of specialist housing supply). This is greater than the national average provision of 136 units per 1,000 of the 75+ population. There are also 575 care home bedspaces in the NA.
- 1.4.2. 2021 Census data shows that at this time there were 6,842 individuals aged 75+ in Weymouth. It is projected that by the end of the plan period this will increase to 10,392 (an increase of 52% compared to 2011), with the 75+ population accounting for 18.4% of the population by 2038, compared to 20.7% across Dorset.

Specialist housing for older people

- 1.4.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 1.4.4. These two methods of estimating the future need in Weymouth produce a range of 891 to 1,270 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.
- 1.4.5. It is also helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people. The HNA modelling identifies a much greater

need for market (76.1%) than affordable provision (23.9%). This reflects the increasing proportion of older people who are home owners and likely to want to access specialist market housing if/when they need it. Just over 70% of the current provision of specialist housing for older people in Weymouth is for social rent, meaning that a greater provision of market specialist housing may be required in the future to expand the offer to older people who are currently home owners. However, given affordability pressures there is likely to be continued need for Affordable Housing in the specialist sector. There is a more even split between the need for sheltered (54.7%) and extra-care (45.3%) housing. The greatest sub-category of need is for market sheltered housing (43.8%), with some of this need potentially able to be met through at home adaptations or ensuring that new housing is accessible and adaptable.

- 1.4.6. It is considered that Weymouth is, in broad terms, a suitable location for specialist housing for older people. There is potential for such accommodation to be provided within the NA, although there is no specific requirement or obligation to do so if there is potential to meet need arising from Weymouth in other suitable locations near to but outside the Plan area boundary (although this dynamic may also operate in the other direction).

Care homes

- 1.4.7. Care homes fall within a different planning use class to mainstream housing. However, there is often overlap in needs of the people living in them and some care home need may be delayed by specialist housing eg extra care or even accessibility arrangements in own home. Planning policies on care homes are likely to be developed by the Local Plan so it may be useful to discuss this with the LPA to determine the extent of any role for the Neighbourhood Plan in the provision of care homes.
- 1.4.8. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth in the older population, it is estimated that in 2038 an additional 231 residential care beds and 160 nursing care beds may be required in Weymouth to meet the needs of this increase in older population. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of the need may be met through the turnover of existing care home beds.

Adaptable and accessible housing

- 1.4.9. Another key avenue to addressing those with relevant needs is to consider the standards of accessibility and adaptability in new development.
- 1.4.10. Emerging Local Plan policy HOU4 provides explicit encouragement for development to accommodate specific groups such as older people. Emerging policy HOU1 outlines that on major residential development sites, at least 20% of all dwellings across all tenures should be provided to national standards for accessibility and

adaptability (Category M4(2)). There are no requirements for wheelchair users (Category M4(3)).

- 1.4.11. The evidence gathered here may justify the Steering Group approaching the LPA to discuss setting further requirements on accessibility and adaptability.

1.5. Second Homes and Holiday Lets

- 1.5.1. This section of the HNA considers the extent of second home ownership in Weymouth and related trends.
- 1.5.2. In 2021 Weymouth contained 24,640 households and 26,828 dwellings, implying that there were 2,188 dwellings with no resident household. This means that 8.2% of dwellings had no usual residents, compared to 7.8% across Dorset, and around 6.0% nationally. This represents a slight increase on the 2011 figure of 8.0%. These dwellings include homes that are empty to allow households to move home, those that are being renovated or empty due to disrepair, as well as those operating as second homes or holiday lets. The higher proportion of these dwellings in Weymouth and Dorset is likely to reflect second home ownership and holiday lets.
- 1.5.3. The Weymouth Neighbourhood Plan Steering Group identified clear concentrations of second homes in certain areas of the NA. MSOA E02004284 had by far the greatest proportion of empty dwellings at the time of the 2021 Census, at 18.0%, and therefore likely the greatest proportion of second homes/holiday lets.
- 1.5.4. Data provided by Dorset Council shows that there are currently 403 dwellings registered for business rates and listed as holiday homes in Weymouth. In addition, Council Tax data shows that there were 857 second homes, 3.2% of 26,474 Council Tax banded properties. These total 1,260 dwellings eligible for business rates as holiday lets or registered as second homes, accounting for 4.7% of dwellings as per the 2021 Census count of dwellings. This analysis could not be repeated for the MSOA sub-areas.
- 1.5.5. The demand for second home ownership in the NA is likely to have an adverse impact on affordability for local people. There is a clear difference in the potential income for owners between the private rented sector and holiday lets identified in the NA. The calculated average monthly cost of a holiday let in Weymouth is £5,807 compared to the average monthly cost of a private rented dwelling of £1,145. If a holiday let was rented back-to-back, as it could be in the summer months, the income (exclusive of any related costs) associated with the holiday let could be over 5x greater than associated with longer term private rental.
- 1.5.6. It is not only Weymouth that has housing challenges relating to second home ownership, with a number of Neighbourhood Plans including principal residence policies. Purbeck Local Plan (adopted 2024) introduces a policy (H14)¹ which restricts new housing in the Dorset national Landscape to homes provided as a principal residence. This does not apply to homes which are commercially let for holidays or to

¹ [Purbeck Local Plan \(2018 - 2034\) Adopted 2024](#)

replacement dwellings. The aim is to manage the number of new homes which are built as second homes. Another example is the Northumberland Local Plan² (Policy HOU10), which requires at least 20% of household spaces to have no usual resident in order for the policy to apply. Weymouth NA is not close to meeting the criteria Northumberland Council (as an example) sets, with MSOA E02004284 (18.0% empty dwellings) falling slightly below this example threshold. It is not clear whether the Neighbourhood Plan could set a sub-area level principal residence policy, and this is something that should be discussed in further detail with Dorset Council.

1.6. Houses in Multiple Occupation

- 1.6.1. HMOs are a complex topic, especially at a neighbourhood scale. A number of sources are reviewed here to try to understand the current stock of HMOs in the NA.
- 1.6.2. Census data for Dorset shows that in 2021 there were 169 HMOs (0.1% of all dwellings compared to 0.7% nationally). Of these, 119 were small HMOs and 50 were large HMOs, showing that smaller unlicensed dwellings clearly exist in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate.
- 1.6.3. The Dorset HMO Register showed 93 licensed HMOs across Dorset in April 2024, considerably more than the 50 'large HMOs' noted by the Census. This is despite the fact that Dorset Council only register HMOs with 6 or more occupants and so that true figure is likely to be higher when smaller HMOs are included. Of the 93 licensed HMOs in Dorset, 57 had addresses in Weymouth. This would mean that approximately 0.2% of dwellings in Weymouth are licensed HMOs, with 61.3% of Dorset's licensed HMOs located in Weymouth.
- 1.6.4. As of September 2024 there were 3 rooms available for rent on Rightmove.co.uk in Weymouth. The average monthly rent of the 3 advertised rooms was £548, compared to an average market rent of £1,145 and average entry-level market rent of £1,050 per month. Whilst this is a small sample it is consistent with the price of rooms to rent in Dorset as a whole (mean average £570pcm and lower quartile price of £500pcm in 2023)³ and suggests the data for Weymouth is likely to be robust. This highlights the role HMOs are playing in the private rented sector in Weymouth, as the only housing option available to some lower income individuals or households.
- 1.6.5. Low incomes and social exclusion, both issues in some coastal communities, can increase dependence on HMOs. A greater proportion of seaside HMOs were classified as non-decent to live in compared to England as a whole, with the House of Lords Select Committee on Regenerating Seaside Towns and Communities outlining that coastal towns suffer disproportionately from high levels of poor-quality housing, even more so when HMOs occupy a high percentage of the housing stock .

² <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Local%20Plan/Northumberland-Local-Plan-Adopted-March-2022.pdf>

³ ONS private rental market series 2022-23

- 1.6.6. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector. The Melcombe Regis Board (which was set up to overcome problems in Melcombe Regis) has attributed the high incidence of anti social behaviour, crime and poor health outcomes, in part, to the high concentration of HMOs in the area. The Board noted that the Council's HMO register did not reflect the large number of HMOs in the area and additional concentrations of cheaper private rented flats.⁴
- 1.6.7. The options available to the Steering Group for managing HMOs in Weymouth via the Neighbourhood Plan are likely to be limited. However, the full chapter outlines the management options available to local authorities.
- 1.6.8. Increased planning controls must be balanced to ensure not too strict a control approach is taken which could further limit the housing options for people that already have very few choices in the market. Any management options for HMOs must take into consideration the overall strategy to tackle homelessness, empty properties, and residents with potential multiple complex needs (e.g. addiction, mental health problems, care leavers, referrals from the probation service).

⁴ Melcombe Regis Strategic Plan 2017

2. Context

2.1. Local context

- 2.1.1. Weymouth is a Neighbourhood Area (NA) located in the unitary authority of Dorset in South West England. The NA boundary was designated in July 2020.
- 2.1.2. The Neighbourhood Plan is envisaged to start in 2021 and extend to 2038, therefore covering a period of 14 years. The evidence supplied in this report will look ahead to the Plan end date of 2038, but where possible will also provide annualised figures which can be extrapolated to a different term if the Neighbourhood Plan period changes.
- 2.1.3. Weymouth NA is located on the south coast of England, within the unitary authority area of Dorset. Weymouth is located approximately 8 miles south of Dorchester and c.38 miles south west of Bournemouth. The A354 runs through the NA, connecting the Isle of Portland (south of Weymouth) to Salisbury (Wiltshire). Weymouth train station provides connection to London and settlements including Bristol, Dorchester, Bournemouth, Southampton, and Bath.

2.2. The NA boundary and key statistics

- 2.2.1. For Census purposes, the NA is made up, like the rest of England, of statistical units called Output Areas (OAs). A breakdown of the OAs relevant to Weymouth is provided in Appendix A. A map of the Plan area appears below in Figure 2-1.

Figure 2-1: Map of the Weymouth Neighbourhood Area



Source: Dorset Council⁵

- 2.2.2. At the time of the 2011 Census the NA was home to 52,323 residents, formed into 23,360 households and occupying 25,389 dwellings. The 2021 Census indicates population growth of around 1,094 individuals (or 2.1%) since 2011, recording a total of 53,417 residents and 24,640 households.
- 2.2.3. 2021 Census data identifies 26,828 dwellings in the NA, an increase of 1,439 since the 2011 Census. This broadly aligns with the increase in households over the same period (+1,280 households). Completions data provided by Dorset Council shows that

⁵ Available at <https://www.dorsetcouncil.gov.uk/documents/35024/331745/Weymouth+Neighbourhood+Area.pdf/c119c545-2079-6c46-10a4-ce065d759e15>

between 2011/12 and 2023/24 there were 1,773 net dwellings completed in Weymouth, a total that reflects the additional development since the 2021 Census was completed.

2.3. The housing market area context

- 2.3.1. Whilst this Housing Needs Assessment (HNA) focuses on Weymouth NA it is important to keep in mind that neighbourhoods are not self-contained housing market areas (HMAs). Housing market areas are usually wider than local authority areas and often stretch across a number of districts or boroughs. This is because housing market areas are inherently linked to the labour market, employment patterns and travel to work areas.
- 2.3.2. In the case of Weymouth, the NA sits within a housing market area which covers Dorset. This means that when households who live in these authorities move home, the vast majority move within this geography. The housing market area also has links to other neighbouring areas however, including Bournemouth, Christchurch, and Poole.
- 2.3.3. At the neighbourhood scale it is not possible to be definitive about housing need and demand because neighbourhoods, including Weymouth, are closely linked to other areas. In the case of Weymouth, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.
- 2.3.4. In summary, Weymouth functions within a wider strategic area. As well as fostering good working relationships with the local planning authority (Dorset Council), it is therefore useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

2.4. Planning policy context

- 2.4.1. Neighbourhood Plans are required to be in general conformity with adopted strategic local policies.⁶ In the case of Dorset Council, the relevant adopted Local Plan consists of the West Dorset, Weymouth & Portland Local Plan (2011-2031), adopted in October 2015⁷. A Local Plan for the new Dorset unitary authority is currently underway, with the Dorset Council Local Plan Options Consultation taking place between January and March 2021. This currently covers the period 2021-2038. This is unlikely to be adopted in the short term and is now expected in 2027.

⁶ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

⁷ <https://www.dorsetcouncil.gov.uk/documents/35024/327480/West+Dorset%2C+Weymouth+%26+Portland+Local+Plan+2015.pdf/e6f329e7-ec5b-52fc-7364-4a8726877184>

2.4.2. A detailed breakdown of the Local Plan policies relevant to housing need is provided in Appendix B. Here, it is worth summarising the most important points of the emerging Local Plan:

- Emerging Local Plan Policy DEV1 identifies an overall housing target of 1,793 homes per year for the local authority;
- Policy HOUS2 states that 25% (Weymouth Town Centre) to 35% (elsewhere in NA) of all new dwellings are expected to be delivered as Affordable Housing on major sites. The suggested tenure mix within Affordable Housing is at least 30% social rent, at least 40% affordable rent, and a maximum of 30% (minimum 10%) affordable home ownership products;
- Policy HOU1 sets out an expectation that at least 20% of new homes on major sites will be built to Category M4(2) accessibility standards.

2.5. Quantity of housing to provide

2.5.1. The NPPF 2023 (paragraphs 67 and 68) requires LPAs to provide neighbourhood groups upon request with a definitive or an indicative number of houses to plan for over the Neighbourhood Plan period.

2.5.2. Dorset Council has fulfilled that requirement by providing Weymouth with a minimum figure of 3,225 dwellings to be accommodated within the NA for the period 2021-2038 as per the emerging Local Plan (Appendix 2).

3. Objectives and approach

3.1. Objectives

3.1.1. This HNA is structured according to a number of themes or topics that were agreed at the outset of the research with the Weymouth Neighbourhood Plan Steering Group. These themes are broadly aligned with the kinds of housing policy areas available to neighbourhood plans, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

Affordability and Affordable Housing

3.1.2. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

3.1.3. This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

3.1.4. The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must be in general conformity with these strategic policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

Type and Size

3.1.5. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.

3.1.6. The focus of this chapter is to identify relevant trends and potential gaps in the market that can be used to justify planning policies. It has three aims, each given its own sub-section:

- To establish what **mix** of housing exists in the NA at present;
- To describe relevant characteristics of the local **population**; and
- To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.

3.1.7. In addition to the direction of travel revealed by statistics, a variety of reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. The conclusions and recommendations given here are sufficient for justifying planning policies but are not definitive. It is also appropriate to take into account other factors and evidence if desired.

Specialist Housing for Older People

3.1.8. It may be appropriate for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older persons.

3.1.9. This chapter supplements the demographic evidence relating to Type and Size, including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

3.1.10. This element of the HNA recognises that the majority of older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

Second Homes and Holiday Lets

3.1.11. This chapter considers the potential scale of second homes ownership, including commercial holiday lets, in the NA. The approach is as follows:

- To estimate the **current level** of second home ownership (including commercial holiday lets);
- To estimate the **financial incentive** for home owners to use their properties for commercial holiday lets as opposed to long term private rentals; and
- To discuss the potential **policy options** relating to second homes in the NA.

Houses in Multiple Occupation

3.1.12. This chapter considers the potential scale of HMOs in the NA. The approach is as follows:

- To estimate the **current level** of HMOs in Weymouth;
- To discuss the **potential impacts** of HMOs on the housing market; and

- To discuss the potential **policy options** relating to HMOs at local authority level.

3.2. Approach

3.2.1. This HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data; and
- Dorset and BCP Local Housing Needs Assessment, November 2021⁸.

3.2.2. Data from the 2021 Census continues to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data at the localised level, including parishes, will not be available until later in 2024, as well as data comparing numerous variables. As such, neighbourhood level HNAs will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS parish projections to build up evidence at the neighbourhood level.

⁸ <https://www.dorsetcouncil.gov.uk/documents/35024/2012718/Housing+Needs+Assessment.pdf/caac9843-8acc-66bd-91f3-554b75c70091>

4. Affordability and Affordable Housing

4.1. Introduction

4.1.1. Neighbourhood plans may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

4.1.2. This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

4.1.3. The evidence gathered here can be used to justify planning policies in the Neighbourhood Plan, but it is likely that other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the Neighbourhood Plan must conform with these policies, there is scope for Neighbourhood Plan policies to adopt some local variety where this is supported by the evidence.

4.2. Definitions

4.2.1. This section uses a range of technical terms which are useful to define at the outset:

- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
- **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
- The definition of **Affordable Housing** is set out in the NPPF 2023 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the current NPPF (Annex 2). A relatively less expensive home for market sale may be affordable but it is not a form of Affordable Housing.
- A range of affordable home ownership opportunities are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. As part of this, the Government has introduced a new

product called First Homes, although this is not yet reflected in Annex 2 of the NPPF.⁹

- **First Homes** is a new product and expected to be an important part of the strategy for improving access to home ownership. Its key features are explained in greater detail in Appendix C.

4.3. Current tenure profile

4.3.1. The current tenure profile is a key feature of the Neighbourhood Area (NA). Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.

4.3.2. Table 4-1 presents data on tenure in Weymouth compared with Dorset and England from the 2021 Census. It shows that a greater proportion of households in Weymouth owned their own home (65.3%) than nationally (61.3%), but below Dorset as a whole (70.4%). The NA had the smallest proportion of households living in shared ownership dwellings. The proportion of households living in social rented dwellings in both Weymouth (13.6%) and Dorset (12.3%) was well below national levels of 17.1%. The private rented sector in Weymouth was in line with England, but larger than the local authority.

Table 4-1: Tenure (households) in Weymouth, 2021

Tenure	Weymouth	Dorset	England
Owned	65.3%	70.4%	61.3%
Shared ownership	0.8%	1.0%	1.0%
Social rented	13.6%	12.3%	17.1%
Private rented	20.4%	16.3%	20.6%

Sources: Census 2021, AECOM Calculations

4.3.3. It is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). This shows that the greatest increase was in the number of people living in shared ownership dwellings (+52.7%), although this tenure still represented the smallest number of households, increasing from 129 to 197. The proportion of households living in social rented dwellings and the proportion that owned their home both increased by less than 5%, while the number of households living in the private rented sector increased by 11.4%. It is not possible to examine data on any further growth in the private rented sector since 2021. However, the neighbourhood plan steering group anticipate further growth. In some areas, growth in second home ownership and holiday let properties serves to limit the growth of the private rented sector and this may be a feature in this area (see Section 7 for further discussion).

⁹ The shape that the new First Homes product will take is set out in a Ministerial Statement issued in May 2021, available here: <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>. The relevant update to PPG is available here: <https://www.gov.uk/guidance/first-homes#contents>.

Table 4-2: Tenure change (households) in Weymouth, 2011-2021

Tenure	2011	2021	% Change
Owned	15,537	16,089	+3.6%
Shared ownership	129	197	+52.7%
Social rented	3,191	3,339	+4.6%
Private rented	4,503	5,015	+11.4%

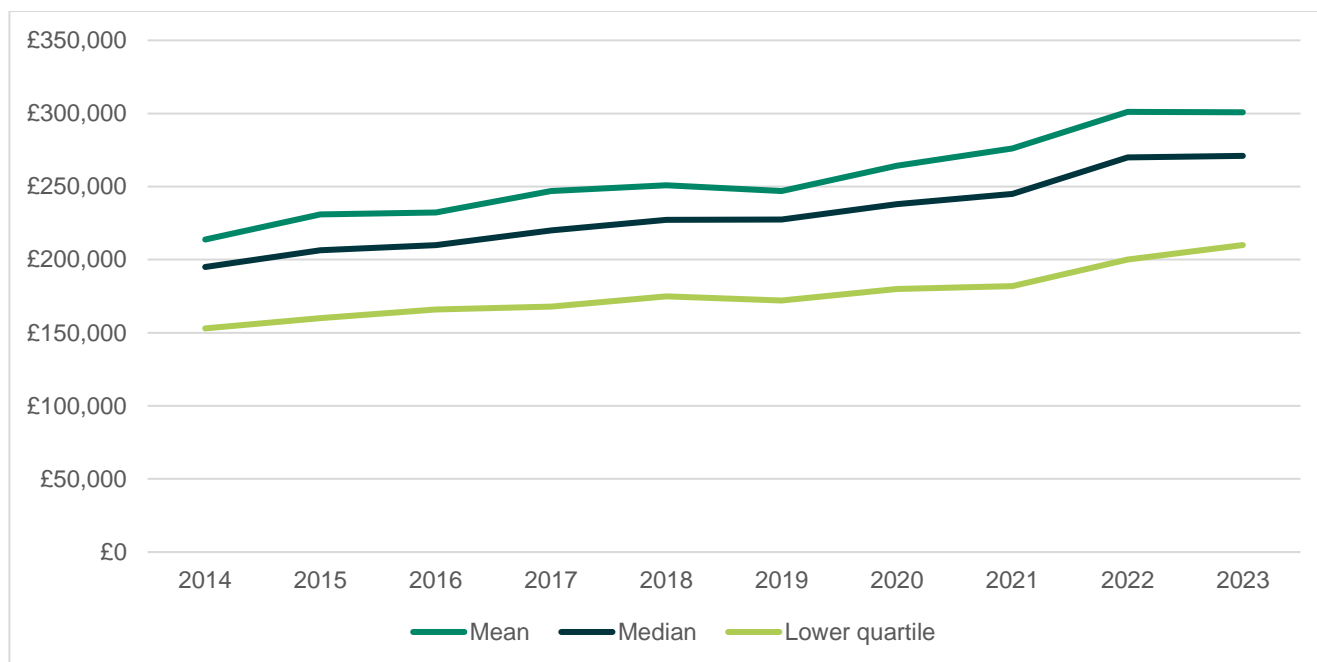
Sources: Census 2021 and 2011, AECOM Calculations

4.4. Affordability

House prices

- 4.4.1. House prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability over time can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what this reveals about the local housing market.
- 4.4.2. Figure 4-1 looks at the average and lower quartile house prices in Weymouth based on sales price data published by the Land Registry. It shows that house prices increased relatively steadily in Weymouth between 2013 and 2024. The median house price (the middle number when the data is sorted from smallest to largest) increased by 39.0% in this time, peaking in 2023 at £271,000. The lower quartile price (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) increased to a slightly lesser extent, by 37.3%, peaking in 2023 at £210,000.
- 4.4.3. The median house price across Dorset in 2023 was £345,000, with a lower quartile price of £250,000, perhaps reflective of the NA's role in the local authority area with a greater share of smaller dwellings and flats. In part, the dwelling mix in Weymouth reflects historic factors such as the provision of terraced housing to support industrial development around the railway and port in the 20th century.

Figure 4-1: House prices by quartile in Weymouth, 2014-2023



Source: Land Registry PPD

4.4.4. Table 4-3 breaks down house prices by type, presenting the median within each type. It shows that the greatest price growth was in detached dwellings, at 51.8% growth, with this followed by terraced dwellings at 50.0%. Detached prices remained the greatest, with some year-on-year fluctuation in prices. Such annual fluctuations are generally due to the averages within each dwelling type being derived from smaller sample sizes than the overall average. This means that characteristics such as the size, location, or condition of the property can have a greater impact on price.

Table 4-3: Median house prices by type in Weymouth, 2014-2023

Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Growth
Detached	£279,950	£310,000	£319,625	£337,250	£345,000	£342,500	£354,500	£380,000	£425,000	£425,000	51.8%
Semi-detached	£220,000	£220,000	£232,500	£240,000	£260,000	£250,000	£254,250	£279,975	£300,000	£287,500	30.7%
Terraced	£170,000	£174,000	£185,000	£192,000	£202,000	£206,000	£212,000	£226,250	£250,000	£255,000	50.0%
Flats	£135,000	£154,975	£155,000	£145,500	£135,000	£145,000	£152,500	£160,000	£166,625	£185,000	37.0%
All Types	£195,000	£206,500	£210,000	£220,000	£227,250	£227,500	£238,000	£244,995	£270,000	£271,000	39.0%

Source: Land Registry PPD

Income

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

4.4.6. The first source is ONS’s estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The mean average total household income locally was £42,143 in 2020 (the most recent year for this dataset). As this is a mean average figure it may be affected by the incomes of small numbers of very high income households, skewing the figure higher than might be expected. Median incomes would be a better

measure to use but these are not available at localised levels from the ONS. Discussion about the area to which this data applies is provided in Appendix A.

- 4.4.7. The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual full time earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. Dorset Council's gross individual lower quartile annual earnings were £20,020 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £40,040. It is important to note that these earnings figures can vary by from year to year however the growth in earnings over the last 3 years (since the 2021 HNA) is broadly consistent with many other areas of the country.
- 4.4.8. It is clear from this data that there is a large gap between the spending power of average earning households and those earning the lowest 25% of incomes, particularly where the household in question has one earner only.

Affordability Thresholds

- 4.4.9. To gain a clearer understanding of local affordability, it is useful to understand what levels of income are required to afford different tenures. This is done using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.
- 4.4.10. AECOM has determined thresholds for the income required in Weymouth to buy a home in the open market (average and entry-level prices), and the income required to afford private rent and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in Appendix C.
- 4.4.11. The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it is worth noting here that we have assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken and a case can be made for alternatives. This is discussed in more detail at the start of Appendix C.
- 4.4.12. Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

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

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £42,143	Affordable on LQ earnings (single earner)? £20,020	Affordable on LQ earnings (2 earners)? £40,040
Market Housing						
Median House Price	£243,900	-	£69,686	No	No	No
NA New Build Entry-Level House Price	£177,880	-	£50,823	No	No	No
LQ/Entry-level House Price	£189,000	-	£54,000	No	No	No
LA New Build Median House Price	£333,000	-	£95,143	No	No	No
Average Market Rent	-	£13,740	£45,800	No	No	No
Entry-level Market Rent	-	£12,600	£42,000	Yes	No	No
Affordable Home Ownership						
First Homes (-30%)	£124,516	-	£35,576	Yes	No	Yes
First Homes (-40%)	£106,728	-	£30,494	Yes	No	Yes
First Homes (-50%)	£88,940	-	£25,411	Yes	No	Yes
Shared Ownership (50%)	£88,940	£2,471	£33,647	Yes	No	Yes
Shared Ownership (25%)	£44,470	£3,706	£25,058	Yes	No	Yes
Shared Ownership (10%)	£17,788	£4,447	£19,906	Yes	Yes	Yes
Affordable Rented Housing						
Affordable Rent	-	£7,222	£24,073	Yes	No	Yes
Social Rent	-	£5,209	£17,363	Yes	Yes	Yes

Source: AECOM Calculations

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

Market housing for purchase and rent

4.4.14. Thinking about housing for purchase on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. The median house price would require an annual income 65% higher than the current average.

4.4.15. Private renting is generally only affordable to higher earners. Households on mean incomes can only afford entry-level rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental

costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

- 4.4.16. There is a relatively large group of households in Weymouth who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £42,000 per year (at which point entry-level rents become affordable) and £54,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as First Homes and shared ownership.
- 4.4.17. First Homes are to be offered at a discount of at least 30% on equivalent market prices (i.e. new build, entry-level properties). Local authorities and neighbourhood plan qualifying bodies will have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.
- 4.4.18. This report has estimated the income required to afford First Homes and tested the implications of 30%, 40% and 50% discount levels. It is recommended that in Weymouth First Homes are delivered at a 30% discount, making the product affordable to households on mean incomes and with two lower quartile earners. Increasing the discount does not make First Homes accessible to households with one lower quartile earner and may cause challenges relating to viability.
- 4.4.19. It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. The question is whether demanding higher discount levels on First Homes will create a financial burden on developers that leads them to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be decreased. This could effectively sacrifice the provision of affordable rented housing to provide a more attractive First Homes product. The issue of development viability is a specialist matter involving analysis of land values and build costs that is outside the scope of this assessment. If the Steering Group intend to set a higher First Homes discount level than that set at local authority level, further discussions with the LPA are advised.
- 4.4.20. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with the exception of shared ownership at 10% equity, which is accessible to households with one lower quartile earner. If this is delivered in the NA, it will make shared ownership easier to access for more people. However, while the income threshold for a 10% equity shared ownership home is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares and First Homes) for those who can afford them.
- 4.4.21. Rent to Buy provides households with the option to rent at a discount whilst saving for a deposit to buy their property within a set period (usually within 7 years). The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount to *entry level* rents, this would expand

this route to home ownership to households on mean incomes but would be less affordable than both First Homes and shared ownership. Discounts on *average* rents would make Rent to Buy affordability, in terms of the household income required, considerably less accessible than First Homes and shared ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

4.4.22. These three affordable home ownership products need to be considered in relation to what they offer occupants in the long term beyond simply being affordable to access or not:

- First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to First Homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower earning households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay a significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy out a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefitting those with sufficient incomes but low savings. It is more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Affordable rented housing

4.4.23. Affordable rents set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are in practice below 80% of market levels. This appears to be the case in Weymouth.

4.4.24. Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average earning households are unlikely to be eligible). However, households with a single lower earner appear only able to afford social rented housing. Many such individuals will, if unable to secure a social rented dwelling require additional subsidy through Housing Benefit/Universal Credit to access housing.

4.4.25. The evidence in this chapter suggests that the affordable rented sector performs a vital function in Weymouth as the only option for a large segment of those in the greatest need. Social rents are cheaper and would therefore leave households on lower earnings better off and better able to afford their other living costs, such as food

and fuel etc. Where households are supported by housing benefit the difference in the cost of affordable and social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that households supported by housing benefit may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

4.5. Estimates of the need for Affordable Housing

4.5.1. This section seeks to quantify the long-term potential need for Affordable Housing, which should be considered separately for affordable rented housing and affordable routes to ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

Evidence in the Strategic Housing Market Assessment LHNA

4.5.2. An LHNA was undertaken for BCP and Dorset in 2021.¹⁰ This study estimates the need for affordable housing in the local authorities based on analysis of the Councils' housing waiting lists and analysis of other data sets in line with Planning Practice Guidance at the time.

4.5.3. The LHNA identifies the need for 950 affordable rented homes per annum across Dorset as a whole. Pro-rated to the NA based on its share of the population (14.1% of the local authority's population based on the 2021 Census) this equates to a need for 134 affordable rented homes per annum in Weymouth, or 1,876 over the Neighbourhood Plan period 2024-2038.

4.5.4. The LHNA also identifies the need for 767 affordable home ownership dwellings¹¹ per annum across Dorset. Pro-rated to the NA this equates to a need for 108 affordable home ownership dwellings per annum in Weymouth, or 1,512 over the plan period.

4.5.5. Pro rating district or market wide estimates of the need for Affordable Housing to neighbourhood areas can present problems in practice as characteristics vary across local authority areas. Given the larger share of social and private rented homes within Weymouth the pro rating of the LHNA figure is likely to represent a reasonable estimate for the NA.

Additional evidence of Affordable Housing needs

4.5.6. Housing Register data provided by Dorset Council shows that there are currently 513 households on the waiting list for social/affordable housing with a local connection to Weymouth. There are a further 653 households without a local connection but that have listed Weymouth as a preferred area to live, with the two groups combined totalling 1,166 households.

¹⁰ This is the latest evidence and updates the position following the SHMA 2014 which was drawn on in the previous HNA (2021).

¹¹ Based on relets being solely low cost home ownership dwellings

4.6. Affordable Housing policies in Neighbourhood Plans

- 4.6.1. This section outlines a common Neighbourhood Plan policy level around the tenure mix of affordable housing, provides a recommendation and summarises relevant considerations.

Application of Local Plan policies

- 4.6.2. Dorset Council's emerging policy on this subject HOU2 requires 25-35% of all new housing to be affordable. Given that Affordable Housing made up 18.9% of new housing in Weymouth between 2020/21 and 2023/24¹² according to Dorset Council completions figures, it is understood that this target is not usually met on sites in the NA. 2023/24 commitments data shows that 24.8% of upcoming development is expected to be delivered as Affordable Housing.
- 4.6.3. The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed.

Affordable Housing at Neighbourhood level

- 4.6.4. The HNA can provide more localised evidence and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Weymouth on the basis of identified housing need and a range of other considerations detailed in Appendix D.
- 4.6.5. AECOM suggests an indicative mix is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified here. In this context, affordable rented tenures should be prioritised, especially due to the significant backlog of households on the Housing Register with a local connection to Weymouth (513 households). The Local Plan guideline mix of 70% rented to 30% ownership appears to offer a suitable benchmark.
- 4.6.6. When looking specifically at affordable home ownership, it is recommended that First Homes are delivered as 25% of the Affordable Housing mix, in line with current national policy. However, this requirement is planned to be abandoned in the ongoing 2024 NPPF consultation. If this proposal goes forward there will be less prescriptive expectations nationally about the supply of affordable home ownership products, leaving local authorities more room to negotiate mixes in line with local evidence. It is recommended that the remaining 5% of affordable home ownership products are delivered as shared ownership in the interests of diversity and maximising choice,

¹² Completions data only recorded market vs affordable delivery from 2020/21

although this could be increased if the 25% First Homes requirement is removed. Rent to Buy does not feature in the mix as the least affordable tenure locally.

4.6.7. If the Steering Group wish to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures – it is important that they liaise with Dorset Council to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

Table 4-5: Indicative tenure split (Affordable Housing)

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

Source: AECOM calculations

4.7. Conclusions- Affordability and Affordable Housing

Current tenure profile

4.7.1. In 2021 a greater proportion of households in Weymouth owned their own home (65.3%) than nationally (61.3%), but the proportion was below that of Dorset as a whole (70.4%). Looking at Affordable Housing, the NA had the smallest proportion of households living in shared ownership dwellings and the proportion of households

living in social rented dwellings in both Weymouth and Dorset was well below national levels. The size of the private rented sector in Weymouth was in line with England, but larger than the local authority.

Affordability

- 4.7.2. House prices increased relatively steadily in Weymouth between 2013 and 2024. The median house price (the middle number when the data is sorted from smallest to largest) increased by 39.0% in this time, peaking in 2023 at £271,000. The lower quartile house price (the middle figure of the lowest 50% of prices and a good representation of entry-level housing) increased to a slightly lesser extent, by 37.3%, peaking in 2023 at £210,000. The median house price across Dorset in 2023 was £345,000, with a lower quartile price of £250,000.
- 4.7.3. Local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Private renting is generally only affordable to higher earners. Households on mean incomes can only afford entry-level rental affordability thresholds.
- 4.7.4. Turning to affordable home ownership, it is recommended that in Weymouth First Homes are delivered at a 30% discount, making the product affordable to households on mean incomes and with two lower quartile earners. Shared ownership appears to be slightly more affordable than First Homes but is broadly accessible to the same groups, with the exception of shared ownership at 10% equity, which is accessible to households with one lower quartile earner. Rent to Buy may offer a useful product to meet the needs of some households with little or no savings for a deposit.
- 4.7.5. Affordable rented housing is generally affordable to households with two lower earners, with households with a single lower earner only able to afford social rented housing.

The need for Affordable Housing

- 4.7.6. An LHNA was undertaken for BCP and Dorset in 2021. This study estimates the need for affordable housing in the local authorities. Pro-rated to the NA based on its share of the population the relevant estimate equates to a need for 134 affordable rented homes per annum in Weymouth, or 1,876 over the Neighbourhood Plan period 2024-2038. In addition, a further LHNA estimate translates to a need for 108 affordable home ownership dwellings per annum in Weymouth, or 1,512 over the plan period.
- 4.7.7. Housing Register data provided by Dorset Council shows that there are currently 513 households on the waiting list for social/affordable housing with a local connection to Weymouth. There are a further 653 households without a local connection but that have listed Weymouth as a preferred area to live.

Affordable Housing policy

- 4.7.8. AECOM suggests an indicative mix that is chiefly a response to the expectation that the delivery of Affordable Housing will be lower than the needs identified in Weymouth. AECOM suggests a mix of 70% affordable rented and 30% affordable home ownership dwellings. This is in line with the mix sought in the emerging Local Plan.

- 4.7.9. It is recommended that First Homes are delivered as 25% of the Affordable Housing mix, in line with current national policy. However, this requirement is planned to be abandoned in the ongoing 2024 NPPF consultation. It is recommended that the remaining 5% of affordable home ownership products are delivered as shared ownership in the interests of diversity and maximising choice, although this could be increased if the 25% First Homes requirement is removed. Rent to Buy does not feature in the mix as the least affordable tenure locally.
- 4.7.10. Table 4-6 summarises Weymouth’s position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Neighbourhood Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the neighbourhood plan (e.g. if the group plans for more housing (and therefore more affordable housing) than the local plan, or if the group decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-6: Estimated delivery of Affordable Housing in Weymouth

	Step in Estimation	Expected delivery
A	Housing requirement figure	3,225
B	Affordable housing quota (%) in LPA's Local Plan	25% - 35%
C	Potential total Affordable Housing in NA (A x B)	806 – 1,129
D	Rented % (e.g. social/ affordable rented)	70%
E	Rented number (C x D)	564 - 790
F	Affordable home ownership % (e.g. First Homes, Rent to Buy)	30%
G	Affordable home ownership number (C x F)	242 - 339

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

- 4.7.11. The expected level of delivery does not meet the quantity of demand identified in estimates of the need for Affordable Housing. It is therefore recommended that the policy requirement is met wherever possible, and for further avenues for delivering greater quantities of Affordable Housing (such as exception sites) are explored. The neighbourhood plan steering group is exploring opportunities to deliver more Affordable Housing and the evidence presented in this HNA would support this if such sites can be brought forward.
- 4.7.12. Affordable Housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However,

if the community wishes to boost the supply of Affordable Housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts are all ways of boosting the supply of Affordable Housing. The Weymouth CLT is looking for opportunities to secure land within Weymouth, including working with Dorset Council to find suitable sites.

5. Type and Size

5.1. Introduction

- 5.1.1. It is common for neighbourhood plans to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local people need.
- 5.1.2. This can be done using statistics to identify relevant trends and potential gaps in the market. That is the focus of this chapter of the HNA. The evidence gathered here can be used to justify planning policies either on its own or in combination with survey results expressing the specific wants and concerns of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the neighbourhood plan.
- 5.1.3. This chapter has three aims, each given its own sub-section:
- To establish what **mix** of housing exists in the NA at present;
 - To describe characteristics of the local **population** that are relevant to housing need; and
 - To look to the **future**, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.
- 5.1.4. It is important to keep in mind that housing need is not an exact science. To get from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home families tend to live in at different stages of life. However, a variety of other reasons sit behind people's housing choices that are less easy to predict, including wealth, accessibility requirements and personal preference. Some trends can also change rapidly over time, such as the increasing preference for home working.
- 5.1.5. The conclusions and recommendations given here are therefore not definitive. Rather, they are what the statistics suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to take into account other factors and evidence if desired.

Definitions

- **Dwelling type:** whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- **Dwelling size:** how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.
- **Household:** a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that are

vacant and second homes, so the number of dwellings and the number of households in an area is usually different.

- **Household composition:** the specific combination of adults and children who form a household. The Census offers a number of categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). ‘Other’ households in the Census include house-sharers, groups of students, and multi-family households.
- **Household life stage:** the age of the lead member of a household – usually the oldest adult, or what used to be called the ‘head of household’. Life stage is correlated with dwelling size as well as wealth.
- **Housing mix:** the range of home sizes and types in an area.
- **Over- and under-occupancy:** the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

5.2. The current housing mix

5.2.1. This section establishes the current housing mix of Weymouth, highlighting recent changes to it and comparing the mix to wider averages.

Dwelling type

5.2.2. Table 5-1 below shows that there was a fairly even split between the proportion of households living in detached, semi-detached, terraced, and flatted accommodation in Weymouth. The greatest proportion (26.2%) lived in detached dwellings, above the proportion across England (22.9%), but well below local authority levels (40.6%). The proportion of households living in semi-detached dwellings in both Weymouth and Dorset was below national levels. The NA had the greatest proportion of terraced dwellings and flats of the three geographies.

5.2.3. Unfortunately, Census data does not count bungalows as a separate category, instead counting them within other dwelling types (mainly detached and semi-detached). Valuation Office Agency (VOA) data, which does count bungalows, shows that 10.0% of dwellings in Weymouth were bungalows, compared to 19.2% across Dorset and 9.1% nationally.

Table 5-1: Accommodation type, Weymouth and comparator geographies, 2021

Type	Weymouth	Dorset	England
Detached	26.2%	40.6%	22.9%
Semi-detached	23.2%	23.4%	31.5%
Terrace	24.9%	19.3%	23.0%
Flat	25.6%	15.4%	22.2%

Source: Census 2021, AECOM Calculations

5.2.4. Table 5-2 looks at the change between the 2011 and 2021 Census in Weymouth. It shows that in this time there were slight increases in the proportion of households

living in detached and semi-detached dwellings over the decade, with slight decreases in the proportion of households living in terraced dwellings and flats. Broadly, the mix of housing remained stable over the 10 year period.

Table 5-2: Accommodation type, Weymouth, 2011-2021

Type	2011	%	2021	%
Detached	6,366	25.1%	6,456	26.2%
Semi-detached	5,505	21.7%	5,711	23.2%
Terrace	6,689	26.3%	6,131	24.9%
Flat	6,594	26.0%	6,317	25.6%
Total	25,389	-	24,642	-

Source: ONS 2021 and 2011, AECOM Calculations

Dwelling size

5.2.5. Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows that Weymouth had a greater proportion of smaller 1-2 bedroom dwellings (43.3%) than Dorset (35.9%) and England (38.9%). The greatest proportion of households in the NA lived in mid-sized 3-bedroom dwellings, in line with the trend across the local authority and country, although to a slightly lesser extent than the comparator geographies. Weymouth also had the smallest proportion of households living in larger 4+ bedroom dwellings, at 17.7% compared to 24.0% across Dorset.

Table 5-3: Dwelling size (bedrooms), Weymouth and comparator geographies, 2021

Number of bedrooms	Weymouth	Dorset	England
1	14.0%	8.8%	11.6%
2	29.3%	27.1%	27.3%
3	39.0%	40.2%	40.0%
4+	17.7%	24.0%	21.1%

Source: Census 2021, AECOM Calculations

5.2.6. Table 5-4 shows that between 2011 and 2021 there was very little change in the proportion of households living in different dwelling sizes. The greatest increase in the number of households living in a particular dwelling size was in households living in 3-bedroom dwellings (even though the proportion decreased), with an increase of 352 dwellings. This is likely a combination of completions and extensions to existing smaller dwellings.

Table 5-4: Dwelling size (bedrooms), Weymouth, 2011-2021

Number of bedrooms	2011	%	2021	%
1	3,148	13.5%	3,456	14.0%
2	6,908	29.6%	7,230	29.3%
3	9,252	39.6%	9,604	39.0%
4+	4,052	17.3%	4,351	17.7%
Total	23,360	-	24,641	-

Source: ONS 2021 and 2011, AECOM Calculations

5.3. Population characteristics

5.3.1. This section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

5.3.2. Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. This shows that in both 2011 and 2021 the greatest proportion of the population was aged 45-64 in Weymouth, increasing very slightly from 28.5% to 28.9% over the decade. The proportion of the population aged 65-84 in the NA increased from 18.8% to 23.4%, indicating an aging population, with the number of people aged 85 and over also increasing by 24.2%. The number and proportion of people 44 and under decreased between 2011 and 2021, perhaps indicative of a decrease in families with children and younger working age adults in the NA.

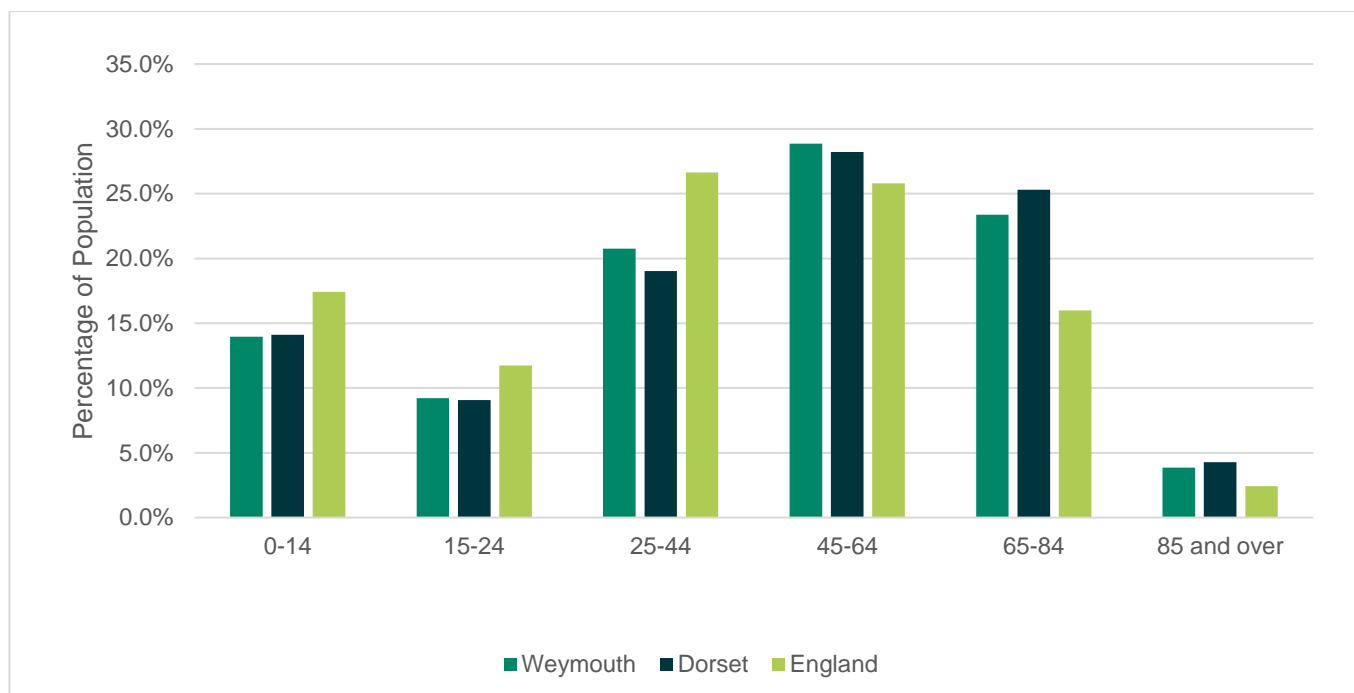
Table 5-5: Age structure of Weymouth, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	8,022	15.3%	7,452	14.0%	-7.1%
15-24	5,954	11.4%	4,921	9.2%	-17.3%
25-44	11,905	22.8%	11,086	20.8%	-6.9%
45-64	14,932	28.5%	15,422	28.9%	+3.3%
65-84	9,857	18.8%	12,483	23.4%	+26.6%
85 and over	1,653	3.2%	2,053	3.8%	+24.2%
Total	52,323	-	53,417	-	+2.1%

Source: ONS 2011, ONS 2021, AECOM Calculations

5.3.3. For context, it is useful to look at the NA population structure alongside that of the local authority and country. Figure 5-1 (using 2021 Census data) shows that whilst Weymouth had a greater proportion of the population aged 65+ than England, it had a smaller proportion than Dorset as a whole. The proportion of children and young adults was broadly similar across the NA and local authority but below national levels. The NA had the greatest proportion of the population aged 45-64 when considering the comparator geographies.

Figure 5-1: Age structure in Weymouth, 2021



Source: ONS 2021, AECOM Calculations

Household composition and occupancy

- 5.3.4. Household composition (the combination and relationships of adults and children in a dwelling) is an important factor in the kinds of housing needed over the Neighbourhood Plan period. Table 5-6 shows that Weymouth had a greater proportion of single person households (34.4%) than Dorset (30.6%) and England (30.1%) and so a smaller proportion of family households. Both the NA (17.1%) and local authority (16.0%) had a significantly greater proportion of families aged 66 and over than England as a whole (9.2%). Weymouth had the smallest proportion of households with dependent children, at 19.7% compared to 25.8% nationally.
- 5.3.5. It is also helpful to look at the changes in household composition between 2011 and 2021. Census data shows that in this time the number of family households aged 65/66¹³ and over in Weymouth increased by 67.5%, compared to increases of 25.2% across Dorset and 8.4% nationally, highlighting an aging population.

¹³ 2011 Census data counts households aged 65+ whilst 2021 Census data counts households aged 66+

Table 5-6: Household composition, Weymouth, 2021

Household composition		Weymouth	Dorset	England
One person household	Total	34.4%	30.6%	30.1%
	Aged 66 and over	17.1%	17.6%	12.8%
	Other	17.3%	13.0%	17.3%
One family only	Total	60.2%	64.9%	63.1%
	All aged 66 and over	17.1%	16.0%	9.2%
	With no children	17.7%	18.7%	16.8%
	With dependent children	19.7%	20.4%	25.8%
	With non-dependent children ¹⁴	9.5%	9.4%	10.5%
Other household types	Total	5.3%	4.5%	6.9%

Source: ONS 2021, AECOM Calculations

- 5.3.6. The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A person is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1 indicating at least one bedroom too few.
- 5.3.7. Under-occupancy is relatively common in Weymouth, with 70.2% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 66+ (95.7% under-occupancy) and families under 66 with no children (90.2% under-occupancy). Whilst not uncommon, this may suggest that larger housing in the NA is not necessarily occupied by households with the most family members, but by households with the most wealth or by older households that have chosen not to or been unable to move to smaller properties.
- 5.3.8. There is some over-occupancy (overcrowding) in Weymouth, with 7.0% of households with dependent children and 3.8% of households with adult children living in a dwelling with too few bedrooms based on their household size.

¹⁴ Refers to households containing children who are older than 18 e.g students or young working people living at home.

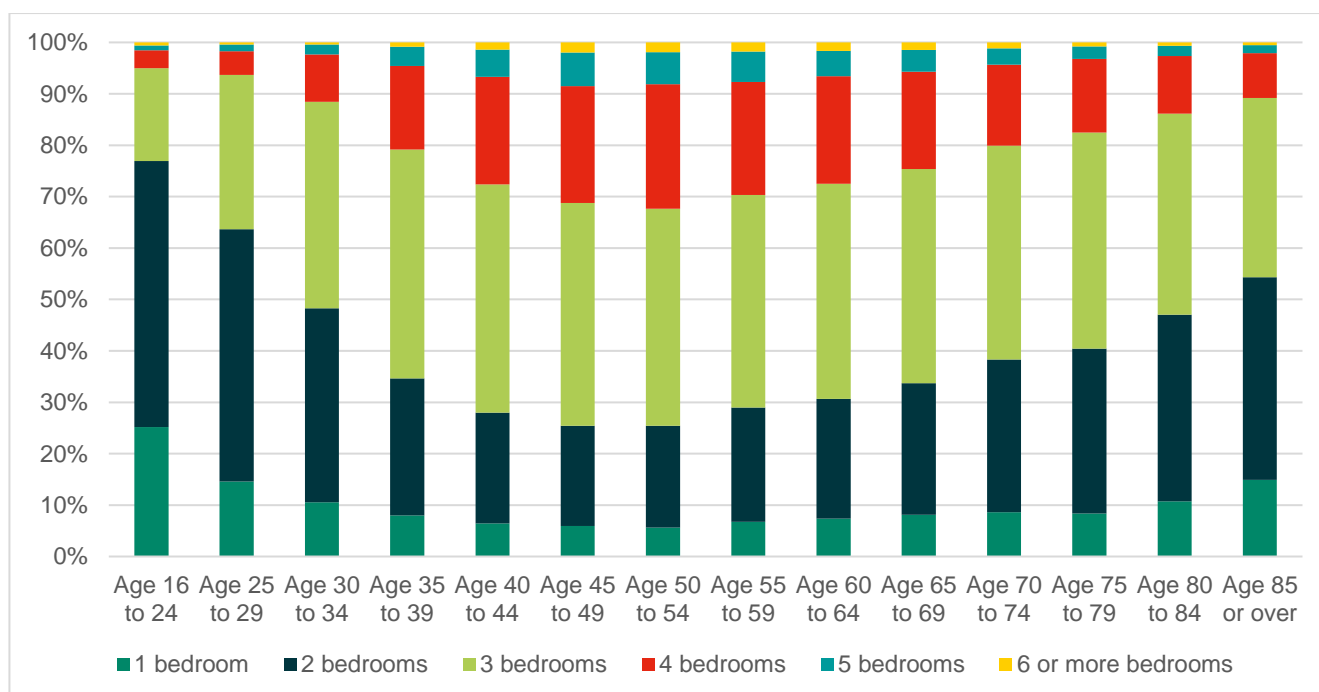
Table 5-7: Occupancy rating by age in Weymouth, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	68.9%	26.7%	4.3%	0.0%
Single person 66+	41.0%	35.5%	23.5%	0.0%
Family under 66 - no children	59.7%	30.5%	9.8%	0.0%
Family under 66 - dependent children	14.3%	35.6%	43.1%	7.0%
Family under 66 - adult children	19.6%	46.2%	30.3%	3.8%
Single person under 66	24.9%	33.3%	41.8%	0.0%
All households	36.4%	33.8%	27.2%	2.6%

Source: ONS 2021, AECOM Calculations

5.3.9. As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for Dorset in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in Dorset, 2011



Source: ONS 2011, AECOM Calculations

5.4. Future population and size needs

5.4.1. This section projects the future age profile of the population in Weymouth at the end of the Neighbourhood Plan period and then estimates the mix of dwelling sizes they may need.

Age

5.4.2. The result of applying Local Authority level household projections to the age profile of Weymouth households in 2011 is shown in Table 5-8. This makes clear that population

growth can be expected to be driven by the oldest households, with those with a household reference person aged 65 and over projected to increase by 67%. This group would then account for 46.5% of households by 2038, compared to 32.2% in 2011. There is also slight growth (+3%) projected in households with a reference person aged 55 to 64, but declines are projected in all of the younger categories.

5.4.3. Whilst it is important to keep in mind that these growth projections are based on expectations for the local authority as a whole and may not accurately reflect local nuances and characteristics, the broad expansion of the older population is likely to be replicated in Weymouth and so these estimates provide a reasonable starting point for thinking about changes in the population over the plan period.

Table 5-8: Projected age of households, Weymouth, 2011 - 2038

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	710	2,452	8,284	4,394	7,520
2038	523	2,372	7,025	4,523	12,565
% change 2011-2038	-26%	-3%	-15%	+3%	+67%

Source: AECOM Calculations

5.4.4. The demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

5.4.5. This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting neighbourhood plan policies.

5.4.6. The result of this exercise is presented in Table 5-9. It suggests that by the end of the plan period the number of 2 and 3-bedroom dwellings should remain relatively stable whilst the number of the smallest dwellings should decrease and the largest should increase. In order to reach the suggested mix by the end of the plan period modelling suggests a focus on mid-sized (3-bedroom, 38.9%) and larger (4+ bedroom, 43.4%) dwellings, with some delivery of 2-bedroom dwellings (17.6%) and no further delivery of the smallest 1-bedroom dwellings. Potential nuance to this mix is discussed further below.

Table 5-9: Suggested dwelling size mix to 2038, Weymouth

Number of bedrooms	Current mix (2021)	Suggested mix (2038)	Balance of new housing to reach suggested mix
1	14.0%	9.0%	0.0%
2	29.3%	29.0%	17.6%
3	39.0%	40.4%	38.9%
4+	17.7%	21.6%	43.4%

Source: AECOM Calculations

5.4.7. The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.

- As the largest settlement in the Dorset Council area, Weymouth likely functions slightly differently to most other neighbourhoods. It is likely that some of the need for smaller housing within the district is met in Weymouth, with more rural areas often having a greater skew towards larger dwellings. It may therefore be appropriate to reduce the suggested proportion of dwellings delivered as 4+ bedroom dwellings in Weymouth and increase the proportion of 1-bedroom dwellings, dependent on whether the Steering Group are looking to maintain their current role in the housing market of the district or move away from this. Indeed, discussions with the neighbourhood plan steering group indicate that there is some local concern about the provision of very large (executive) properties which are unaffordable to local residents.
- Dorset Council provided commitments data showing that upcoming development in Weymouth is expected to be delivered as 20.3% 1-bedroom, 35.3% 2-bedroom, 21.5% 3-bedroom, and 8.6% 4-bedroom, with 14.3% commitments unknown in terms of dwelling size. This may factor into the Steering Group’s decisions regarding the future mix of housing.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people’s requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households by widening choice in the type and size of homes available may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable. This also links to evidence in Section 6 which considers accessibility and adaptability standards in new homes and which may provide better choices for older people seeking to move.

Tenure

- 5.4.8. The recommendation discussed immediately above applies to all housing in the NA over the Neighbourhood Plan period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.
- 5.4.9. Generally speaking, the size mix needed within affordable tenures, particularly affordable and social rent, is smaller than the size mix of market housing. This is because there tend to be higher proportions of single people and couples in need of affordable rented housing, and they are likely to be eligible only for 1 or 2 bedroom properties. In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.
- 5.4.10. There are three key sources of information for thinking through the size needs of different categories. These are:
- The Dorset and BCP LHNA (2021) sets out the projected need by size within each tenure over the long-term. It highlights that the greatest need for market dwellings is mid-sized 3-bedroom dwellings (45%), with the focus on 2-bedroom dwellings when looking at affordable home ownership (40% 2-bedroom and 30% 3-bedroom). There is a further skew towards smaller dwellings when considering affordable rented dwellings (70% 1-2 bedroom dwellings).
 - The waiting list for affordable rented housing, kept by Dorset Council, provides a current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. Housing Register data for households with a local connection to Weymouth shows that 63.7% of households are eligible for a 1-bedroom dwelling, 21.2% a 2-bedroom dwelling, 12.3% a 3-bedroom dwelling, 2.1% 4-bedroom a dwelling, and 0.6% a 5-bedroom dwelling. Whilst the greatest need is clearly for smaller social/affordable rented dwellings, it is worth considering that the stock of social/affordable rented housing predominantly takes the form of smaller dwellings, with a greater number of relets available, meaning that although there are fewer households on the Housing Register for larger dwellings, demand pressure may be greater and the need may be more acute.
- 5.4.11. To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes while market homes focus on mid-sized homes and some larger options. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the neighbourhood planners to monitor.

Type

- 5.4.12. Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.
- 5.4.13. The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances. However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.
- 5.4.14. The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in Weymouth, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the Steering Group and community to consider.

5.5. Conclusions- Type and Size

The current housing mix

- 5.5.1. 2021 Census data shows that there was a relatively even split in the proportion of households living in detached, semi-detached, terraced, and flatted accommodation in Weymouth. The greatest proportion (26.2%) lived in detached dwellings, above the proportion across England (22.9%), but well below local authority levels (40.6%). The NA had the greatest proportion of terraced dwellings and flats of the three geographies. Broadly, the mix of housing remained stable between the 2011 and 2021 Census. 2023 VOA data shows that 10.0% of dwellings in Weymouth were bungalows, compared to 19.2% across Dorset and 9.1% nationally.
- 5.5.2. Turning to dwelling size, Weymouth had a greater proportion of smaller 1-2 bedroom dwellings (43.3%) than Dorset (35.9%) and England (38.9%). The greatest proportion of households in the NA lived in mid-sized 3-bedroom dwellings, in line with the trend across the local authority and country, although to a slightly lesser extent than the comparator geographies. Weymouth had the smallest proportion of households living in larger 4+ bedroom dwellings.

Population characteristics

- 5.5.3. In both 2011 and 2021 the greatest proportion of the population in Weymouth was aged 45-64, at 28.9% in 2021. The proportion of the population aged 65-84 increased from 18.8% to 23.4% over the decade, with the number of people aged 85 and over

increasing by 24.2%, indicating an aging population over the decade. The number and proportion of people 44 and under decreased over the 10 year period.

- 5.5.4. Whilst Weymouth had a greater proportion of the population aged 65+ than England in 2021, it had a smaller proportion than Dorset as a whole. The proportion of children and young adults was broadly similar across the NA and local authority but below national levels.
- 5.5.5. Looking at household composition, both Weymouth (17.1%) and Dorset (16.0%) had a significantly greater proportion of families aged 66 and over than England as a whole (9.2%). Between 2011 and 2021 the number of family households aged 65/66 and over in Weymouth increased by 67.5%, compared to increases of 25.2% across Dorset and 8.4% nationally, highlighting an aging population. In 2021 Weymouth had the smallest proportion of households with dependent children, at 19.7% compared to 25.8% nationally.
- 5.5.6. Under-occupancy is relatively common in Weymouth, with 70.2% of households living in a dwelling with at least one extra bedroom based on their household size. This is most common in family households aged 66+ and families under 66 with no children. There is some overcrowding in Weymouth, with 7.0% of households with dependent children and 3.8% of households with adult children living in a dwelling with too few bedrooms based on their household size.

Future population and size needs

- 5.5.7. Population growth can be expected to be driven by the oldest households, with those with a household reference person aged 65 and over projected to increase by 67%. There is also slight growth (+3%) projected in households with a reference person aged 55 to 64, but declines are projected in all of the younger categories.
- 5.5.8. The HNA modelling suggests that future delivery focusses on mid-sized (3-bedroom, 38.9%) and larger (4+ bedroom, 43.4%) dwellings, with some delivery of 2-bedroom dwellings (17.6%) and no further delivery of the smallest 1-bedroom dwellings. It is likely that some of the need for smaller housing within the district tends to met in Weymouth, with more rural areas often having a greater provision larger dwellings. It may therefore be appropriate to reduce the model's suggested proportion of dwellings delivered as 4+ bedroom dwellings in Weymouth and increase the proportion of smaller dwellings, depending on whether the Steering Group are looking to maintain the NA's current role in the housing market of the district or move away from this. The neighbourhood plan steering group have reflected local concerns that housing in Weymouth should be available for young people and families with the risk that these households move away in search of better jobs and more affordable housing. Continued provision of some smaller and Affordable Homes is likely to be key to retaining and attracting younger households to Weymouth.
- 5.5.9. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

6. Specialist housing for older people

6.1. Introduction

6.1.1. It is relatively common for neighbourhood plans in areas with aging populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in Weymouth. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

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

6.1.3. It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.¹⁵

6.1.4. This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹⁶ Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

6.1.5. The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

¹⁵ See Paragraph: 017 Reference ID: 2a-017-20190220, at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

¹⁶ For a full description of Planning Use Classes, please refer to https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

Definitions

- **Older people:** people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- **Specialist housing for older people:** a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- **Sheltered Housing¹⁷:** self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- **Extra Care Housing:** housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- **Category M4(2):** accessible and adaptable dwellings.
- **Category M4(3):** wheelchair user dwellings.

6.2. Specialist housing for older people

- 6.2.1. There are a total of 1,055 units of specialist accommodation in the NA at present, with 71.0% available for social rent for those in financial need, 24.5% offered for leasehold market purchase and the remaining 4.5% a combination of tenures. Details are provided in Appendix E.
- 6.2.2. There are also currently 575 care home bedspaces in the NA.
- 6.2.3. The 2021 Census indicates that at this time there were 6,842 individuals aged 75 or over in Weymouth. This suggests that current provision is in the region of 154 units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹⁸, so provision in the NA is slightly above the national average, likely

¹⁷ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

¹⁸ Table 22, 'More Choice Greater Voice' (2008), published by Housing LIN for CLG (now MHCLG) and the Care Services Improvement Partnership

due to Weymouth also meeting the needs of smaller surrounding settlements where specialist housing for older people is less viable.

Demographic characteristics

- 6.2.4. The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Weymouth is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for Dorset. The results are set out in Table 6-1. It shows that in 2021 there were 6,842 individuals aged 75 and over in Weymouth, accounting for 12.8% of the population. The proportion of the population aged 75+ in Weymouth is projected to increase to 18.4% by 2038, compared to 20.7% across Dorset.
- 6.2.5. A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Neighbourhood Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Weymouth by end of Plan period

Age group	2021		2038	
	Weymouth	Dorset	Weymouth	Dorset
All ages	53,417	379,579	56,617	402,320
75+	6,842	54,842	10,392	83,294
%	12.8%	14.4%	18.4%	20.7%

Source: ONS SNPP 2020, AECOM Calculations

- 6.2.6. The next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even where downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.
- 6.2.7. The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2038. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the majority of these households in Dorset owned their own home (81.9%), with the remaining 18.1% renting. The greatest proportion of renters lived in social rented dwellings, at 9.6% of the total tenure mix.
- 6.2.8. The expected growth in the 75+ population in the NA is 3,550 additional individuals by the end of the plan period. This can be converted into 2,522 households based on

the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55–75-year-olds occupying each tenure gives a breakdown of which tenures Weymouth households are likely to need in 2038 and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in Dorset (2011) and projected aged 75+ in Weymouth (2038)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
Dorset (2011 mix)	81.9%	59.9%	22.0%	18.1%	9.6%	7.4%	1.1%
Weymouth (2038 projection)	2,065	1510	554	457	242	186	29

Source: Census 2011

6.2.9. It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-2 in Appendix E presents this data for Weymouth from the 2011 Census.

Future needs for specialist accommodation and adaptations

6.2.10. Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 1,270.

6.2.11. AECOM’s modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

6.2.12. It is useful to look at the breakdown in need in relation to tenure and level of care. Table 6-3 identifies a much greater need for market specialist housing for older people (76.1%) than affordable provision (23.9%). Just over 70% of the current provision of specialist housing for older people in Weymouth is for social rent, meaning that a greater skew towards market specialist housing may be required than Table 6-3 suggests when looking at future provision. There is a more even split between the need for sheltered (54.7%) and extra-care (45.3%) housing. The greatest sub-

category of need is for market sheltered housing (43.8%). Some of this need is potentially able to be met through at home adaptations or ensuring that new housing is accessible and adaptable.

Table 6-3: AECOM estimate of specialist housing for older people need in Weymouth by the end of the Neighbourhood Plan period

Type	Affordable	Market	Total
Housing with care	164 (12.9%)	411 (32.4%)	575 (45.3%)
Adaptations, sheltered, or retirement living	139 (10.9%)	556 (43.8%)	695 (54.7%)
Total	303 (23.9%)	967 (76.1%)	1,270

Source: Census 2011, AECOM Calculations

6.2.13. It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. Table E-3 in Appendix E reproduces the key assumptions of HLIN’s Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of Weymouth results in a total of 891 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in Table 6-4.

Table 6-4: HLIN estimate of specialist housing for older people need in Weymouth by the end of the Neighbourhood Plan period

Type	Affordable	Market	Total
Housing with care	110 (12.3%)	142 (15.9%)	252 (28.3%)
Adaptations, sheltered, or retirement living	213 (23.9%)	426 (47.8%)	639 (71.7%)
Total	323 (36.3%)	568 (63.7%)	891

Source: Housing LIN, AECOM calculations

6.2.14. It is also helpful to consider the Dorset and BCP LHNA. This estimates the need for 4,422 units of specialist housing for older people (housing with support and housing with care) across Dorset between 2021 and 2038, or 260 per annum. Pro-rated to the NA, this suggests a need for 37 units of specialist housing for older people per annum in Weymouth, or 518 over the Neighbourhood Plan period 2024-2038. This is below AECOM’s estimates above, likely due to a number of factors including:

- It is likely that Weymouth will be required to meet the needs of surrounding smaller settlements that are not suitable for the delivery of specialist housing for older people, which pro-rating solely based on population does not take into account;

- AECOM's estimates, as discussed, could partially be satisfied through accessible market housing or at home adaptation.

The lower figure of AECOM's estimates (891) could therefore be an appropriate mid-point to aim for.

Further considerations

- 6.2.15. The above estimates suggest that potential need for specialist accommodation could be in the range of 891-1,270 units over the Neighbourhood Plan period. However, it may not be possible or appropriate to deliver this scale of new accommodation. It is proportionally high in relation to the overall housing delivery expectation in the NA, and therefore should not necessarily be prioritised to the exclusion of other groups, such as those in need of Affordable Housing.
- 6.2.16. In addition, specialist housing for older people should only be provided in sustainable, accessible locations that offer services and facilities, public transport options, and the necessary workforce of carers and others.
- 6.2.17. Alongside the need for specialist housing to be provided in accessible locations, another important requirement is for cost effectiveness and economies of scale. This can be achieved by serving the specialist older persons housing needs arising from a number of different locations and/or Neighbourhood Areas from a single, centralised point (i.e. what is sometimes referred to as a 'hub-and-spoke' model).
- 6.2.18. It is considered that Weymouth is, in broad terms, a suitable location for specialist accommodation on the basis of the accessibility criteria and the considerations of cost-effectiveness above. As such, there is potential for such accommodation to be provided within the Neighbourhood Area. There is no specific requirement or obligation to do so if there is potential to meet need arising from Weymouth in other suitable locations near to but outside the Plan area boundaries, however it is likely that this dynamic currently operates in the other direction – with Weymouth meeting some of the needs of the wider rural area.
- 6.2.19. It is also important to emphasise that the potential need for specialist housing for older people overlaps with the need for care home bedspaces and the need for adaptations to mainstream housing. These topics are considered in the sections below.

6.3. Care homes

- 6.3.1. Residential and nursing care homes are not defined as housing because they do not provide self-contained accommodation where an older person can live independently. Care home accommodation is defined as institutional accommodation rather than housing.
- 6.3.2. However, residents of care homes may be similar in terms of their care and support needs as those living in specialist housing, or even mainstream housing with appropriate care and support delivered in their homes. There may be some scope for older people who would otherwise have been accommodated in care homes to meet their needs within specialist or mainstream housing if sufficient appropriate accommodation can be provided. Nevertheless, there is likely to be continued need

for care home accommodation to meet more acute and severe needs, and to offer choice to some older people and their families about how they are cared for and supported.

- 6.3.3. Given the overlap between people who might enter care home accommodation and those who might take up specialist housing or care and support in their own home if available, estimates of the future need for care home accommodation, as with estimates of the need for specialist housing above, are uncertain and depend on both local and national policies, delivery, and the appetite of private developers.
- 6.3.4. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). This estimate applied the prevalence rates in the 'More Choice, Greater Voice' 2008 report which informed the development of the HLIN toolkit. This report suggested that 65 residential care beds per 1,000 people aged 75+ was an appropriate rate. For nursing care beds this is an extra 45 care beds per 1,000 people aged 75+. Based on these rates, applied to the growth in the older population for consistency with the calculations above, it is estimated that in 2038 there would be a need for an additional 231 residential care beds and 160 nursing care beds in the NA, an increase of 391 from present levels.
- 6.3.5. It is also helpful to consider the Dorset and BCP LHNA. This estimates the need for 2,769 care home bedspaces across Dorset between 2021 and 2038, or 163 per annum. Pro-rated to the NA, this suggests a need for 23 bedspaces per annum in Weymouth, or 322 over the Neighbourhood Plan period 2024-2038. This is broadly in line with AECOM's estimate above.
- 6.3.6. It is important to note that as these estimates relate to care homes (or the population in institutions) rather than independent housing, these figures are in addition to the overall need for housing in the NA. However, as discussed in this section, some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of the need will likely be met through the turnover in existing care bed spaces.

6.4. The Role of Mainstream Housing

- 6.4.1. The majority of older people live in mainstream housing and will continue to do so all of their lives. Based on the estimated number of older people and the tally of the existing stock in Appendix E, around 76% of the Weymouth population aged 75 and over is likely to live in the mainstream housing stock¹⁹.
- 6.4.2. It is not possible to be precise about how well older people are accommodated within mainstream housing, in terms of whether their accommodation is suitable to their needs and whether adequate care or support is provided within the home when they need.
- 6.4.3. However, given that there is unlikely to be a large volume of additional specialist supply during the Neighbourhood Plan period, another key avenue to addressing

¹⁹ 6,842 over 75s in 2021, of which 1,055 are accommodated in specialist housing and a further 575 in care homes, leaving 5,212 people living in mainstream housing. This is approximate since some people in specialist housing and care homes will be under the age of 75.

those with relevant needs is to discuss the standards of accessibility and adaptability in new development to be met in the Local Plan with Dorset Council.

- 6.4.4. It is relatively common for Local Plans to require that all or a majority of new housing meets Category M4(2) standards in response to the demographic shifts being observed nationwide. Government is considering mandating M4(2) on newly erected dwellings²⁰, although changes to Building Regulations have not yet been made.
- 6.4.5. The current emerging Local Plan policy HOU4 provides explicit encouragement for development to accommodate specific groups such as older people. Emerging policy HOU1 outlines that on major residential development sites, at least 20% of all dwellings across all tenures should be provided at the national standards for accessibility and adaptability (Category M4(2)). There are no requirements for wheelchair users (Category M4(3)). The evidence gathered here may justify the Steering Group approaching the LPA to discuss setting further requirements on accessibility and adaptability at local authority level. It is unclear whether Neighbourhood Plans can set their own requirements for the application of the national standards of adaptability and accessibility for new housing and so discussions with the LPA are advised if this is a key priority.
- 6.4.6. The proportion of new housing that might accommodate those using wheelchairs is harder to define at small scales. Typically, at Local Authority scale, this might be set with reference to the proportion of Affordable Housing applicants in the Local Authority area falling into this category or to wider data from surveys and other sources where available.
- 6.4.7. Table 6-5 sets out the proportion of wheelchair users in England as a whole, either using a wheelchair all of the time (0.6% of the population) or part of the time (3% of the population). As a crude estimate, these percentages are applied to the expected level of housing delivery for Weymouth to suggest the number that might be encouraged to be wheelchair friendly or adaptable. This would imply a potential need for 19-97 wheelchair accessible dwellings over the Neighbourhood Plan period. It is worth noting that these national figures are for all age categories, not just older persons, although it is likely that a significant proportion of households using a wheelchair will be older persons.

Table 6-5: Wheelchair use Nationally Applied to Weymouth

	Percentage in England	% applied to NA housing requirement figure (3,225 to end of plan period)
Households using wheelchair all the time	0.6%	19
Households using wheelchair either indoors or outdoors	3.0%	97

Source: Survey of English Housing 2018/19

²⁰ See [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes)

6.5. Conclusions- Specialist Housing for Older People

- 6.5.1. There are currently 1,055 units of specialist accommodation for older people in Weymouth, suggesting that current provision is in the region of 154 units per 1,000 of the 75+ population (a common measure of specialist housing supply). This is greater than the national average provision of 136 units per 1,000 of the 75+ population. There are also 575 care home bedspaces in the NA.
- 6.5.2. 2021 Census data shows that at this time there were 6,842 individuals aged 75+ in Weymouth. It is projected that by the end of the plan period this will increase to 10,392, with the 75+ population accounting for 18.4% of the population by 2038, compared to 20.7% across Dorset.

Specialist housing for older people

- 6.5.3. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research and assumptions.
- 6.5.4. These two methods of estimating the future need in Weymouth produce a range of 891 to 1,270 specialist accommodation units that might be required during the Neighbourhood Plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated. If this is found not to be the case, it would justify aspiring to exceed the range identified here.
- 6.5.5. It is also helpful to look at the breakdown in tenure and level of care within the need for specialist housing for older people. The HNA modelling identifies a much greater need for market (76.1%) than affordable provision (23.9%). Just over 70% of the current provision of specialist housing for older people in Weymouth is for social rent, meaning that a greater skew towards market specialist housing may be required than the modelling suggests when looking at future provision. There is a more even split between the need for sheltered (54.7%) and extra-care (45.3%) housing. The greatest sub-category of need is for market sheltered housing (43.8%), with some of this need potentially able to be met through at home adaptations or ensuring that new housing is accessible and adaptable.
- 6.5.6. It is considered that Weymouth is, in broad terms, a suitable location for specialist housing for older people. There is potential for such accommodation to be provided within the NA, although there is no specific requirement or obligation to do so if there is potential to meet need arising from Weymouth in other suitable locations near to but outside the Plan area boundary (although this dynamic may also operate in the other direction).

Care homes

- 6.5.7. AECOM has estimated the likely need for care home accommodation over the plan period, based on the HLIN SHOP toolkit prevalence rates for residential and nursing care homes for older people (aged 75+). Based on these rates, applied to the projected growth in the older population, it is estimated that in 2038 an additional 231

residential care beds and 160 nursing care beds may be required in Weymouth to meet the needs of this increase in older population. Some of the need for care home beds might be met by independent housing accommodation and vice versa. In addition, some of the need may be met through the turnover of existing care home beds.

Adaptable and accessible housing

- 6.5.8. Another key avenue to addressing those with relevant needs is to consider the standards of accessibility and adaptability in new development.
- 6.5.9. Emerging Local Plan policy HOU4 provides explicit encouragement for development to accommodate specific groups such as older people. Emerging policy HOU1 outlines that on major residential development sites, at least 20% of all dwellings across all tenures should be provided to national standards for accessibility and adaptability (Category M4(2)). There are no requirements for wheelchair users (Category M4(3)).
- 6.5.10. The evidence gathered here may justify the Steering Group approaching the LPA to discuss setting further requirements on accessibility and adaptability.

7. Second Homes

7.1. Introduction

- 7.1.1. Neighbourhood Plan policies controlling second home ownership are typically evidenced by demonstrating a high or rapidly increasing rate of second home ownership within a context of acute affordability challenges and/or serious constraints in the availability of overall housing.
- 7.1.2. The existence of second or holiday homes is not necessarily a problem in and of itself. It becomes a problem when it creates intense competition for local home buyers (or renters), inflates prices, or reduces the resident population to the extent that local services, employment, and community vitality are impacted.
- 7.1.3. This section of the HNA gathers the limited available data on the rate of second home ownership in Weymouth that may be used to support policy decisions in this area. The approach is as follows:
- To estimate the **current level** of second home ownership (including commercial holiday lets);
 - To estimate the **financial incentive** for home owners to use their properties for commercial holiday lets as opposed to long term private rentals; and
 - To discuss the potential **policy options** relating to second homes in the NA.

7.2. National Data

- 7.2.1. Before looking at second home ownership levels in the NA, it is important to understand levels of second home ownership, and specifically holiday lets, across the country. According to the English Housing Survey 2018-2019, 2.4 million households in England reported having at least 1 additional residence, with 772,000 of these second homes (including homes primarily used as holiday homes, holiday lets, or working away from home). It was also noted that 57% of second homes were in the UK. Therefore, it could be estimated in 2018/19 that there were at least 440,040 second homes in the UK from households in England, assuming each of 772,000 households above had just 1 additional home.
- 7.2.2. The impact of this nationally is more simply understood as a percentage of all dwellings. There were an estimated 28.9 million dwellings in the UK in 2019²¹, meaning that second homes (of which the households that owned them lived in England) in the UK accounted for around 1.5% of total dwellings. The UK second home ownership levels would of course be higher than this when also taking into account second homes owned by households in Wales, Scotland, and Northern Ireland.

²¹ Collated dwelling stock data from GOV.UK, GOV.WALES, National Records of Scotland, and Northern Ireland Department of Finance.

7.2.3. According to 2021 Census, 3,026,678 people in England had a second address (somewhere they stay for more than 30 days a year). 76.4% (2,311,039) of these people had a second address within the UK.

7.2.4. 14.2% (429,134) of the total second addresses were categorised as holiday homes. It should be noted that this data will not capture holiday homes that are occupied for less than 30 days a year, it includes people with holiday homes outside the UK, and as it is counted as people with a second address and not households, it may involve some double counting of holiday homes.

7.3. Second Homes and Holiday Lets in Weymouth

7.3.1. Turning to the NA specifically, Weymouth contained 23,360 households and 25,389 dwellings in 2011, implying that there were 2,029 dwellings (or ‘household spaces’) with no usual resident household. 8.0% of dwellings therefore had no usual residents. This compared to 6.0% in England as a whole. These dwellings include those that are empty because of a sale or letting, those that are being renovated or empty due to disrepair, as well as those that are second homes or holiday lets. In Weymouth it is likely that second homes and holiday lets account for the additional dwellings with no usual resident when compared to proportion in England as a whole.

7.3.2. Looking to 2021, at this time the NA contained 24,640 households and 26,828 dwellings, implying 2,188 dwellings (or ‘household spaces’) with no usual resident, accounting for 8.2% of all housing. This is a slight increase on the proportion of empty dwellings in Weymouth in 2011.

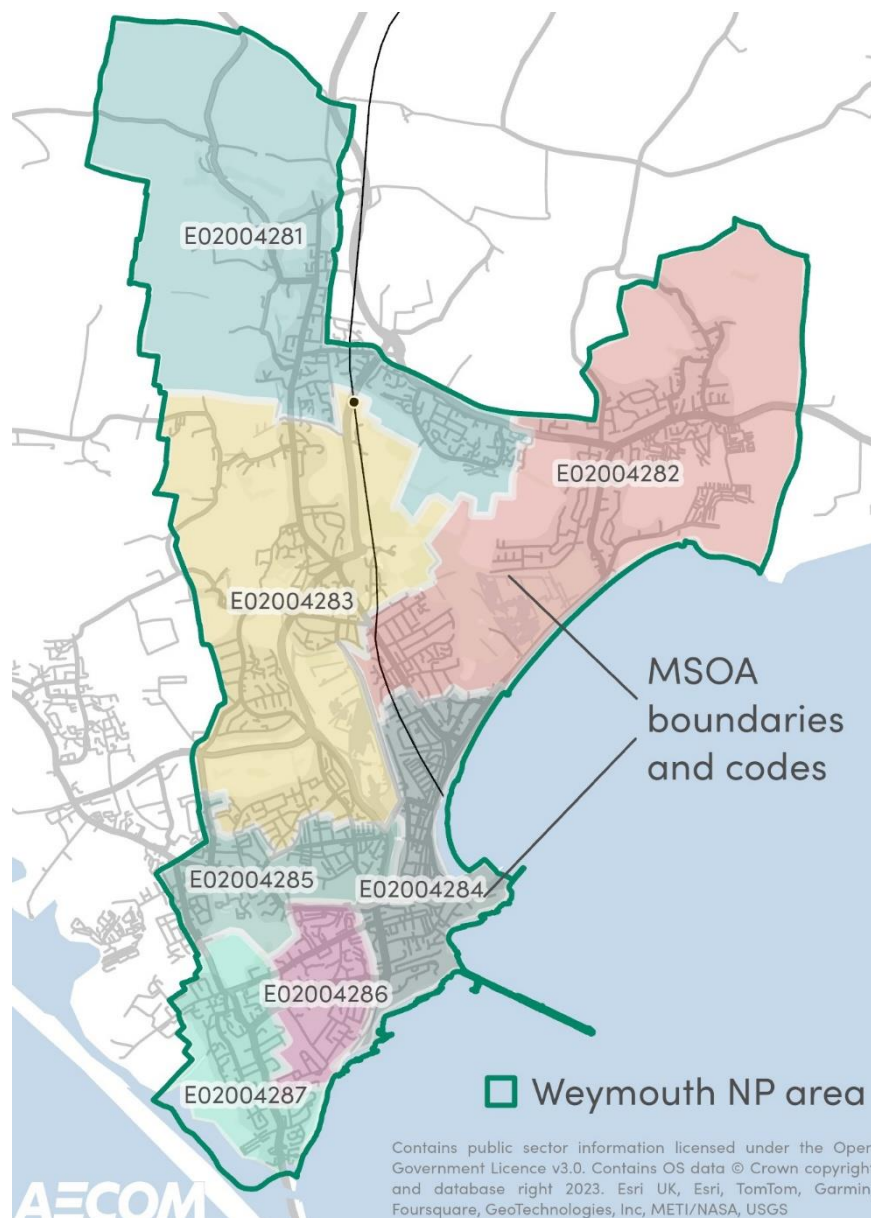
7.3.3. The Weymouth Neighbourhood Plan Steering Group identified that there are clear concentrations of second homes in certain areas of the NA. Table 7-1 below shows the proportion of empty dwellings in 2021 by MSOA (see Figure 7-1), showing that MSOA E02004284 has by far the greatest proportion of empty dwellings, at 18.0%, and therefore likely the greatest proportion of second homes/holiday lets.

Table 7-1: Proportion of empty dwellings, Weymouth MSOAs, 2021

Weymouth MSOA	Number of Empty Dwellings	Proportion of Empty Dwellings
E02004281	163	4.5%
E02004282	277	6.3%
E02004283	161	4.0%
E02004284	1,112	18.0%
E02004285	238	6.3%
E02004286	98	4.3%
E02004287	139	5.4%

Source: 2021 Census, AECOM calculations

Figure 7-1: Map of MSOA areas in Weymouth



- 7.3.4. For comparison, the rate of dwellings that had no usual residents across Dorset as a whole in 2021 was 7.8%, lower than Weymouth Neighbourhood Area, but greater than all of the individual MSOAs in Weymouth except for MSOA E02004284.
- 7.3.5. For England, the rate was 6.0%. It is worth noting that across the country (or even the local authority area), dwellings will be empty for different reasons (including being uninhabitable), not just second home ownership. Due to the location of the NA it is assumed that the majority of dwellings without usual residents are second homes, either for personal occupation or holiday lets.
- 7.3.6. Another way of gauging the number of holiday homes is to look at the number of properties paying business rates (instead of council tax) in that category. This data is correct to the time of writing but has a number of limitations:
- Most importantly, it only gives an indication of the number of commercially rented holiday homes. A holiday let needs to be available for rent 140 days of the year to

reach the threshold for business rates. So only the third subcategory of second/holiday homes below would be captured:

- Second homes that are never rented and only used by the owner;
 - Holiday homes used by the owner primarily, but also available to rent for part of the year (under 140 days) or rented out informally; and
 - Holiday homes with a stronger commercial purpose, available to rent more than 140 days per year.
- In January 2022 the Government tightened the rules on second homes and business rates. This means that as well as being available for rent for at least 140 days a year, from April 2023, second homeowners will have to prove that holiday lets are being rented out for a minimum of 70 days a year to access small business rates relief.²²
 - It is likely that the holiday homes counted in the business rates data would also be captured as dwellings with no usual residents in the Census, since owners of second homes, including those rented out for holiday lets, are obliged to fill in a Census return. This indicator is therefore only useful for context and to show the potential size of the tourist sector as opposed to personal-use second homes.

7.3.7. Data provided by Dorset Council shows that there are currently 403 dwellings registered for business rates and listed as holiday homes in Weymouth. In addition, Council Tax data shows that there were 857 second homes, 3.2% of 26,474 Council Tax banded properties. These total 1,260 dwellings eligible for business rates as holiday lets or registered as second homes, accounting for 4.7% of dwellings as per the 2021 Census count of dwellings.

7.3.8. High levels of empty homes can have an adverse effect on affordability for local people. It may be worth assessing here the difference in potential income between private landlords and holiday lets in Weymouth. In order to undertake this comparison, the number of whole property holiday lets available for a week rental in peak holiday season (June-August) 2025 was established from holiday rental site Airbnb²³. The average letting price was then determined, which could then be compared to the average rental price of private rented properties in Weymouth. This process is outlined below:

- Average nightly cost of Weymouth holiday let (June-August 2025) from Airbnb properties = £207
- Average weekly cost of above = £207 * 7 = £1,452
- Average monthly cost of above = £1,452 * 4 = £5,807
- Average monthly cost of private rented dwelling in the NA = £1,145

7.3.9. These calculations show that if a holiday let was rented back-to-back, as it could be in the summer months, the income (exclusive of any related costs) associated with the holiday let would be over 5x greater than associated with longer term private

²² Available here: <https://www.gov.uk/government/news/gove-closes-tax-loophole-on-second-homes>

²³ Search of properties as of 02/09/2024

rental. This may go some way to explain the dominance of holiday lets in the NA. The potential impact on the private rental sector in Weymouth can also be seen to an extent, with the number of households living in the private rental sector in the NA increasing by 11.4% between 2011 and 2021, compared to an increase of 20.3% nationally. However, the increase across Dorset was smaller still, at just 6.9% over the decade. This may demonstrate the increase in holiday rentals restricting the growth of private rented housing in the NA. This in turn would have a detrimental impact on affordability as demand may outweigh the available supply.

7.3.10. Although the potential income difference is clear to see above, there are other factors to be taken into consideration. These include the fact that holiday lets may not be occupied for the whole year, as well as running and maintenance costs (which would be associated with both holiday lets and private rentals), and the greater amount of work potentially required with holiday lets in terms of weekly cleaning and booking administration.

7.3.11. In the Spring 2024 budget it was announced that in April 2025 the Furnished Holiday Lettings (FHL) tax scheme will be abolished, removing the tax advantage for holiday lets over long-term residential lets. Although the impacts of this are currently unknown, it may lead to landlords converting furnished holiday lets into longer term residential lets or selling properties.

7.4. Policy Considerations

7.4.1. It is not only Weymouth that has housing challenges relating to second home ownership, with a number of Neighbourhood Plans²⁴ including principal residence policies to ensure that new housing that comes forward has restrictions to ensure that first and future occupation is solely for occupation as a principal residence. Some Local Plans also include policies relating to principal residence. Purbeck Local Plan (adopted 2024) introduces a policy (H14)²⁵ which restricts new housing in the Dorset national Landscape to homes provided as a principal residence. This does not apply to homes which are commercially let for holidays or to replacement dwellings. The aim is to manage the number of new homes which are built as second homes.

7.4.2. Another example is the Northumberland Local Plan²⁶ (Policy HOU10), which requires at least 20% of household spaces to have no usual resident in order for the policy to apply. Based on this threshold Weymouth NA is not close to meeting the criteria Northumberland Council sets, with MSOA E02004284 (18.0%) empty dwellings also falling below the threshold – although it is close. Dorset Council's emerging Local Plan does not propose a principal residence policy at this time and based on Weymouth's proportion of empty dwellings (8.2%), it is unlikely that the Neighbourhood Plan could successfully bring forward a Weymouth wide principal residence policy. It is not clear whether the Neighbourhood Plan could set a sub-area level principal residence policy

²⁴ E.g. Southwold (East Suffolk) and Burnham Market (King's Lynn & West Norfolk), and St Ives (Cornwall).

²⁵ [Purbeck Local Plan \(2018 - 2034\) Adopted 2024](#)

²⁶ <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Local%20Plan/Northumberland-Local-Plan-Adopted-March-2022.pdf>

applying to MSOA E02004282, and this is something that should be discussed in further detail with Dorset Council if desired.

7.5. Conclusions- Second homes

- 7.5.1. This section of the HNA considers the extent of second home ownership in Weymouth and related trends.
- 7.5.2. In 2021 Weymouth contained 24,640 households and 26,828 dwellings, implying that there were 2,188 dwellings with no resident household. This means that 8.2% of dwellings had no usual residents, compared to 7.8% across Dorset, and around 6.0% nationally. This represents a slight increase on the 2011 figure of 8.0%.
- 7.5.3. The Weymouth Neighbourhood Plan Steering Group identified clear concentrations of second homes in certain areas of the NA. MSOA E02004284 had by far the greatest proportion of empty dwellings at the time of the 2021 Census, at 18.0%, and therefore likely the greatest proportion of second homes/holiday lets.
- 7.5.4. Data provided by Dorset Council shows that there are currently 403 dwellings registered for business rates and listed as holiday homes in Weymouth. In addition, Council Tax data shows that there were 857 second homes, 3.2% of 26,474 Council Tax banded properties. These total 1,260 dwellings eligible for business rates as holiday lets or registered as second homes, accounting for 4.7% of dwellings as per the 2021 Census count of dwellings. This analysis could not be repeated for the MSOA sub-areas.
- 7.5.5. The demand for second home ownership in the NA is likely to have an adverse impact on affordability for local people. There is a clear difference in the potential income for owners between the private rented sector and holiday lets identified in the NA. The calculated average monthly cost of a holiday let in Weymouth is £5,807 compared to the average monthly cost of a private rented dwelling of £1,145. If a holiday let was rented back-to-back, as it could be in the summer months, the income (exclusive of any related costs) associated with the holiday let could be over 5x greater than associated with longer term private rental.
- 7.5.6. It is not only Weymouth that has housing challenges relating to second home ownership, with a number of Neighbourhood Plans including principal residence policies. Northumberland Local Plan²⁷ (Policy HOU10), requires at least 20% of household spaces to have no usual resident in order for the policy to apply. Weymouth NA is not close to meeting the criteria Northumberland Council (as an example) sets, with MSOA E02004284 (18.0% empty dwellings) also falling below the threshold. It is not clear whether the Neighbourhood Plan could set a sub-area level principal residence policy, and this is something that should be discussed in further detail with Dorset Council.

²⁷ <https://www.northumberland.gov.uk/NorthumberlandCountyCouncil/media/Planning-and-Building/planning%20policy/Local%20Plan/Northumberland-Local-Plan-Adopted-March-2022.pdf>

8. Houses in Multiple Occupation

- 8.1.1. Weymouth Neighbourhood Plan Steering Group are aware of challenges in the NA relating to Houses in Multiple Occupation (HMOs), with particular concerns around concentrations of this form of housing in the town centre, the standard of the properties, and the impacts on the wider character of the area.
- 8.1.2. This chapter considers the potential scale of HMOs in the NA. The approach is as follows:
- To estimate the **current level** of HMOs in Weymouth;
 - To discuss the **potential impacts** of HMOs on the housing market; and
 - To discuss the potential **policy options** relating to HMOs at local authority level.

What are HMOs?

- 8.1.3. Government defines HMOs as “a property rented out by at least 3 people who are not from 1 household but share facilities like the bathroom and kitchen”²⁸.
- 8.1.4. The classification of HMOs within the planning system differs slightly, with HMOs classified as a different Use Class to standard residential dwellings (which are Use Class C3). HMOs fall within Use Class C4 and are defined as “small, shared houses occupied by between 3 and 6 unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom”²⁹. When HMOs house more than 6 unrelated individuals, they are considered ‘sui generis’ in planning terms, excluded from classification.
- 8.1.5. In England and Wales HMOs of a certain size must be licensed. Large HMOs, with 5 or more people, forming more than 1 household, with shared facilities such as a kitchen or bathroom, must be licensed by local authorities. Although this captures a significant number of HMOs, which are then required to meet certain standards, these controls do not apply to all HMOs. Most notably, smaller HMOs, with 3 or 4 individuals from more than 1 household, are not required to be licenced (although some local authorities impose stricter licensing requirements on HMOs and the wider private rented sector).
- 8.1.6. Another type of (often) unlicensed HMO defined in the 2004 Housing Act is Section 257 HMOs, formed from the conversion of a block of flats. These self-contained flats are considered HMOs where less than two thirds are owner occupied³⁰ and the building work undertaken in connection with the conversion did not comply with the appropriate building standards³¹ (and still does not comply).

²⁸ <https://www.gov.uk/house-in-multiple-occupation-licence>

²⁹ Planning Portal Use Classes (updated 01/09/2020)

³⁰ A flat is considered “owner-occupied” in these circumstances if it is occupied by a person who has a lease of the flat which has been granted for a term of more than 21 years, by a person who has the freehold estate in the converted block of flats, or by a member of the household of these people.

³¹ The “appropriate building standards” in the case of a converted block of flats means on which building work was completed before 1st June 1992 or which is dealt with by Regulation 20 of the Building Regulations 1991. In the case of any other converted block of flats, the requirements imposed at the time in relation to it by regulations under Section 1 of the Building Act 1984.

Stock of HMOs in Weymouth

- 8.1.7. It is important to understand the scale of HMO supply in the NA. This is a complex topic and without detailed further research it is not possible to determine the exact number of HMOs in Weymouth. A number of sources are reviewed here to try to understand the current stock of HMOs in the NA.
- 8.1.8. 2021 Census data records the number of HMOs at local authority level. These are categorised in the Census as either 'small HMOs' which had 3 or 4 unrelated tenants and 'large HMOs' which had 5+ unrelated tenants. The former would be unlicensed, and the latter licensed. It shows that across Dorset in 2021 there were 169 HMOs (0.1% of all dwellings). Of these, 119 were small HMOs and 50 were large HMOs, showing that smaller unlicensed dwellings clearly exist in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate. It is not possible to determine the potential increase over time as this data was not recorded in the 2011 Census.
- 8.1.9. Looking at England as a whole, there were 175,661 HMOs recorded in the 2021 Census (130,733 small HMOs and 44,928 large HMOs). HMOs therefore accounted for 0.7% of dwellings in the country. This is greater than the proportion of HMOs in Dorset (0.1%).
- 8.1.10. An alternative source of information on HMOs locally is the Dorset HMO Register, which shows licensed HMOs across the local authority area. These HMOs contain at least 5 individuals from at least 2 different households. As of April 2024 the Register shows 93 licensed HMOs across Dorset, considerably more than the 50 'large HMOs' noted by the Census. Of the 93 licensed HMOs in Dorset, 57 had addresses in Weymouth. This would mean that approximately 0.2% of dwellings in Weymouth are licensed HMOs, with 61.3% of all licensed HMOs in Dorset located in Weymouth.
- 8.1.11. Table 8-1 shows the breakdown of licensed HMOs in Weymouth in terms of the number of bedrooms. The greatest proportion (31.6%) had 6 bedrooms. When combined these licensed HMOs have a total of 390 bedrooms.

Figure 8-1: Licensed HMOs in Weymouth by number of bedrooms

Number of Bedrooms	Number of HMOs	Percentage
4-bedrooms	1	1.8%
5-bedrooms	16	28.1%
6-bedrooms	18	31.6%
7-bedrooms	7	12.3%
8-bedrooms	5	8.8%
9-bedrooms	2	3.5%
10-bedrooms	1	1.8%
11-bedrooms	1	1.8%
12-bedroom	3	5.3%
13-bedrooms	0	0.0%
14-bedrooms	0	0.0%
15-bedrooms	0	0.0%
16-bedrooms	1	1.8%
17-bedrooms	0	0.0%
18-bedrooms	1	1.8%
Unknown	2	3.5%

Source: Dorset Council, AECOM calculations

8.1.12. Without significant additional work outside the scope of a neighbourhood Housing Needs Assessment it is not possible to estimate the number of smaller HMOs that are unlicensed in Weymouth. The Steering Group and local authority may wish to undertake further research on this topic through other avenues, such as household surveys, either at a neighbourhood or local authority scale.

8.1.13. As of September 2024 there were 3 rooms available for rent on Rightmove.co.uk in Weymouth. This does not indicate a large market of HMOs, although rooms may be advertised via alternative means (e.g. word of mouth, social media, solely through letting agents). The average monthly rent of the 3 advertised rooms was £548, compared to an average market rent of £1,145 and average entry-level market rent of £1,050 per month. Whilst this is a small sample it is consistent with rental prices for rooms in Dorset as a whole (mean average £570 pcm and lower quartile rent of £500 pcm) and suggests the Weymouth figures are a reasonable estimate. This highlights the role HMOs are playing in the private rented sector in Weymouth, as the only housing option available to some lower earning households (primarily those composed of a single individual).

Potential impacts of HMOs

- 8.1.14. There are a variety of potential impacts to communities and residents relating to HMOs. An important distinction to make when discussing HMOs is the difference between HMOs that students and young professionals occupy, and HMOs used to house those in need of urgent accommodation or due to constrained housing choices³². Students and young professionals sometimes make a financially driven choice to live in shared housing, often with people they already know, leading to a greater sense of community, though the absence of Higher Education facilities within Weymouth limit the student population. The impacts of these HMOs can differ from those housing individuals on low incomes with few other housing choices (e.g. due to local housing allowance rates only covering room rates for under 35s), including individuals referred from the local authority or linked services (e.g. homelessness, probation, addiction services, refugee charities). It is assumed that the majority of HMOs in Weymouth fall into the latter category due to the town not being close enough to a university or large residential student population to experience significant demand for student accommodation.
- 8.1.15. Research into HMOs in coastal towns reveals that these areas face challenges often attributed to rural areas³³, which increase dependence on HMOs due to low incomes and social exclusion. A greater proportion of seaside HMOs were also classified as non-decent to live in compared to England as a whole³⁴, with the House of Lords Select Committee on Regenerating Seaside Towns and Communities outlining that coastal towns suffer disproportionately from high levels of poor-quality housing, even more so when HMOs occupy a high percentage of the housing stock³⁵.
- 8.1.16. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. Generally framed as negative, these impacts can relate both to the residents of HMOs and to the wider community. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector.
- 8.1.17. Existing work undertaken by the Melcombe Board identifies evidence of concentrations of HMOs and private rented properties within Melcombe Regis and draws together evidence of impacts of these concentrations on higher incidences of anti social behaviour, crime and poor health outcomes. These impacts were particularly noticeable during the Covid 19 Pandemic when additional homeless people were placed in two hotels within the town centre in the area with already existing high concentrations of HMOs.
- 8.1.18. However, it is also important to note that HMOs provide an essential role in the private rented sector for households with limited housing options. They tend to provide a cheaper alternative to traditional private renting, especially for households unable to access social or affordable rented housing through the local authority or an RP.

³² Barratt C and Green G. (2017). Making a Housing in Multiple Occupation a Home: Using Visual Ethnography to Explore Issues of Identity and Well-Being in the Experience of Creating a Home Amongst HMO Tenants. *Sociological Research Online*. 22:1.

³³ Ward K. (2015). Geographies of exclusion: Seaside towns and Houses in Multiple Occupancy. *Journal of Rural Studies*. 37. Pp. 96-107.

³⁴ Ward K. (2015). Geographies of exclusion: Seaside towns and Houses in Multiple Occupancy. *Journal of Rural Studies*. 37. Pp. 96-107.

³⁵ House of Lords Select Committee on Regenerating Seaside Towns and Communities – ‘The Future of Seaside Towns’ – 2017-2019.

Occupants able only to afford this kind of accommodation may be relied upon to staff essential local services.

8.1.19. Challenges tend to arise when HMOs are poorly managed or where there are high concentrations of HMOs in particular geographic areas. Determining the condition or management conditions of HMOs would require further research to be undertaken by the Steering Group or Dorset Council as it is outside the scope of a Housing Needs Assessment.

HMO Mitigation and Management Options

8.1.20. The options available to the Steering Group for managing HMOs in Weymouth via the Neighbourhood Plan are likely to be limited. However, the evidence in this Chapter may be useful in influencing local authority level policies or management options (although additional evidence is likely required). Some of the management options available to local authorities are outlined in brief below:

- **Mandatory Licensing** – the main form of oversight, as discussed above, is mandatory licensing. It is a national requirement that HMOs rented to 5 or more individuals from 1 or more household, with some shared facilities, are licensed. This requires HMOs to meet certain standards in order to be licensed. However, this does not cover all HMOs (e.g. smaller HMOs). Licensing regimes can be expanded or strengthened to cover a larger number of properties.
- **Additional Licensing** – local authorities have the discretion to implement additional licensing requirements to capture smaller HMOs that do not fall under mandatory licensing. This can require all HMOs (regardless of size, although sometimes with exceptions) to be licensed in certain geographies.
- **Selective Licensing** – similar to additional licensing, this allows local authorities to require all privately rented properties within a specific area to be licensed by the Council, not just HMOs.
- **Planning Policy** – local authorities can implement policies in their Local Plan that restrict the granting of planning permission for HMOs in certain areas.
- **Article 4** – currently a change of use from Class C3 (dwelling house) to Class C4 (HMO) falls under Permitted Development and therefore does not require planning permission. For large HMOs (containing more than 6 unrelated individuals) that fall within 'sui generis', planning permission is required. Article 4 Directions can be implemented by local planning authorities to remove existing Permitted Development rights that allow the change of use from Class C3 to Class C4, meaning planning permission would be required for houses to become HMOs (occupied by between 3 and 6 unrelated individuals).
- **Support Services** – some of the challenges HMO landlords and wider communities face with tenant management could potentially be addressed through providing support to vulnerable residents. This can include local authorities providing support or landlords signposting residents to appropriate services.

8.1.21. Although the Steering Group may be in favour of increasing planning controls in relation to high concentrations of HMOs in parts of Weymouth, it also recognises the need to strike the right balance to ensure this does not further limit the housing options for people that already have very few choices in the market. Any management options for HMOs must take into consideration the overall strategy to tackle homelessness, empty properties, and residents with potential multiple complex needs (e.g. addiction, mental health problems, care leavers, referrals from the probation service).

Conclusions – Houses in Multiple Occupation

8.1.22. HMOs are a complex topic, especially at a neighbourhood scale. A number of sources are reviewed here to try to understand the current stock of HMOs in the NA.

8.1.23. Census data for Dorset shows that in 2021 there were 169 HMOs (0.1% of all dwellings compared to 0.7% nationally). Of these, 119 were small HMOs and 50 were large HMOs, showing that smaller unlicensed dwellings clearly exist in the local authority area. AECOM are also aware, based on other research, that the Census information on HMOs is likely to be an under-estimate.

8.1.24. The Dorset HMO Register showed 93 licensed HMOs across Dorset in April 2024, considerably more than the 50 'large HMOs' noted by the Census. Of the 93 licensed HMOs in Dorset, 57 had addresses in Weymouth. This would mean that approximately 0.2% of dwellings in Weymouth are licensed HMOs, with 61.3% of Dorset's licensed HMOs located in Weymouth.

8.1.25. As of September 2024 there were 3 rooms available for rent on Rightmove.co.uk in Weymouth. The average monthly rent of the 3 advertised rooms was £548, compared to an average market rent of £1,145 and average entry-level market rent of £1,050 per month. This highlights the role HMOs are playing in the private rented sector in Weymouth, as the only housing option available to some lower income individuals or households.

8.1.26. Low incomes and social exclusion, both issues in some coastal communities, can increase dependence on HMOs. A greater proportion of seaside HMOs were classified as non-decent to live in compared to England as a whole, with the House of Lords Select Committee on Regenerating Seaside Towns and Communities outlining that coastal towns suffer disproportionately from high levels of poor-quality housing, even more so when HMOs occupy a high percentage of the housing stock .

8.1.27. There are a variety of potential impacts associated with high concentrations of HMOs and their prevalence in some coastal areas especially. These may include noise and anti-social behaviour, issues with the general streetscape (e.g. vandalism, litter, parking issues), pressure on services (e.g. social care), and reduced community cohesion due to higher population churn than in the mainstream private rented sector.

8.1.28. The options available to the Steering Group for managing HMOs in Weymouth via the Neighbourhood Plan are likely to be limited. However, the full chapter outlines the management options available to local authorities.

8.1.29. Increased planning controls must be balanced to ensure not too strict a control approach is taken which could further limit the housing options for people that already

have very few choices in the market. Any management options for HMOs must take into consideration the overall strategy to tackle homelessness, empty properties, and residents with potential multiple complex needs (e.g. addiction, mental health problems, care leavers, referrals from the probation service).

9. Next Steps

9.1. Recommendations for next steps

- 9.1.1. This Neighbourhood Plan housing needs assessment aims to provide Weymouth Neighbourhood Plan Steering Group with evidence on a range of housing trends and issues from a range of relevant sources. We recommend that the neighbourhood planners should continue to liaise with Dorset Council with a view to agreeing and formulating draft housing policies, bearing the following in mind:
- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
 - The views of Dorset Council;
 - The views of local residents;
 - The views of other relevant local stakeholders, including housing developers and estate agents; and
 - The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by Dorset Council.
- 9.1.2. This assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.
- 9.1.3. Bearing this in mind, it is recommended that the Steering Group should monitor carefully strategies and documents with an impact on housing policy produced by the Government, Dorset Council or any other relevant party and review the Neighbourhood Plan accordingly to ensure that general conformity is maintained.
- 9.1.4. At the same time, monitoring on-going demographic or other trends over the Neighbourhood Plan period will help ensure the continued relevance and credibility of its policies.

Appendix A : Assessment geography

A.1 For Census purposes, the whole of England is divided into statistical units of similar population size called Output Areas (OAs) and their larger equivalents. OAs are the smallest units. They make up Lower Layer Super Output Areas (LSOAs), which in turn make up Middle Layer Super Output Areas (MSOAs). The NA equates to the following combination of MSOAs:

- MSOA E02004281;
- MSOA E02004282;
- MSOA E02004283;
- MSOA E02004284;
- MSOA E02004285;
- MSOA E02004286; and
- MSOA E02004287.

Appendix B : Local Plan context

Policies in the adopted local plan

B.1 Table B-1 below summarises adopted Local Plan policies that are relevant to housing need and delivery in Weymouth.

Table B-1: Summary of relevant adopted policies in the West Dorset, Weymouth and Portland Local Plan 2011-2031

Policy	Provisions
HOUS1 – Affordable Housing	<p>Where open market housing is proposed affordable housing will be sought, unless the proposal is for replacement or subdivision of an existing home.</p> <p>The level of affordable housing required in Weymouth and West Dorset is 35%.</p> <p>Within any affordable housing provision, the councils will seek the inclusion of a minimum of 70% social/affordable rent and a maximum of 30% intermediate affordable housing, unless identified local needs indicate that alternative provision would be appropriate.</p> <p>The type, size, and mix of affordable housing will be expected to address the identified and prioritised housing needs of the area and should be proportionate to the scale and mix of market housing, resulting in a balanced community of housing and/or flats that are ‘tenure blind’.</p> <p>Where there is an identified local need for specially designed affordable housing to cater for disabled people with particular needs, or affordable housing that can be easily adapted to meet a variety of such needs, developments should prioritise provision of this accommodation.</p>
HOUS2 – Affordable Housing Exception Sites	<p>Small scale sites for affordable housing adjoining settlements may be permitted provided that:</p> <ul style="list-style-type: none"> - The council is satisfied that the proposal is capable of meeting an identified, current, local need within the town, local parish or group of parishes, which cannot otherwise be met; - The scheme is of a character, scale, and design appropriate to the location; - There are secure arrangements to ensure that the benefits of affordable housing will be enjoyed by subsequent as well as initial occupiers.

Policy	Provisions
HOUS3 – Open Market Housing Mix	Wherever possible, residential developments should include a mix in the size, type, and affordability of dwellings proposed, taking into account the current range of house types and sizes and likely demand in view of the changing demographics in that locality.

Source: Dorset Council

Policies in the emerging local plan

B.2 Table B-2 below summarises emerging Local Plan policies that are relevant to housing need and delivery in Weymouth.

Table B-2: Summary of relevant emerging policies in the emerging Dorset Council Local Plan, Consultation January 2021

Policy	Provisions
DEV1 – The housing requirement and need for employment land in Dorset	In the period 2021 to 2038 provision is to be made for a deliverable supply of housing land to accommodate a minimum of 30,481 dwellings, which will be delivered at a minimum average annual rate of 1,793 dwellings per annum.
DEV3 – Growth in the central Dorset functional area	In the central Dorset functional area housing growth will be delivered at the major coastal resort of Weymouth, including through town centre regeneration and a major urban extension at Littlemoor.
DEV9 – Neighbourhood plans	Neighbourhood plans should be prepared: <ul style="list-style-type: none"> i) To positively contribute to the local plan vision and strategic priorities and be in general conformity with its strategic policies; ii) To identify the infrastructure needed to support development; and iii) To ensure that the policies and proposals are deliverable. <p>Where provision is made for housing, the housing requirement figure for a neighbourhood plan area should be met and where possible exceeded.</p>
HOUS1 – Housing mix	New residential developments of all tenures should contribute towards achieving sustainable and balanced communities through an appropriate mix of homes of different sizes, types, and affordability. <p>On major residential development sites, at least 20% of all dwellings across all tenures should be provided at the Accessible and Adaptable Dwellings standard as established through building regulations unless</p>

Policy	Provisions
	<p>robust justification if provided to explain why this cannot be achieved on site.</p> <p>Where specific need for a certain mix of different sizes, types, and affordability of homes has been identified through a neighbourhood plan, development proposals should look to meet this need.</p>
HOUS2 – Affordable housing	<p>Housing on major sites will contribute to the provision of affordable housing.</p> <p>Such developments should contribute to the provision of affordable housing in the following proportions:</p> <ul style="list-style-type: none"> - 40% of the total number of dwellings on sites in Zone 1; - 35% of the total number of dwellings on sites in Zone 2 (assumed to be Weymouth outside of the Town Centre); and - 25% of the total number of dwellings on sites in Zone 3 (including Weymouth Town Centre). <p>The affordable homes should be provided at:</p> <ul style="list-style-type: none"> - A maximum of 30% (but not less than 10%) affordable home ownership products; - A minimum of 30% social rent; and - A minimum of 40% affordable rent. <p>The type, size, and mix of affordable housing on a development site should help to address the identified and prioritised affordable housing needs in the local area, resulting in a balanced community of housing and/or flats that are ‘tenure blind’.</p>
HOUS3 – Affordable housing exception sites	<p>An affordable housing exception scheme will be permitted if:</p> <ol style="list-style-type: none"> i) It is adjoining an existing settlement; ii) The proposal is capable of meeting an identified local need for affordable housing within the settlement, parish or group of parishes where the scheme is located, including within the Green Belt, which cannot otherwise be met; iii) The character, scale, and design of the scheme is appropriate to the location and size of the existing settlement; and iv) There are secure arrangements to ensure the homes remain affordable in perpetuity.
HOUS4 – Specialist purpose built accommodation	<p>Proposals for specialist purpose built accommodation will be supported where they:</p> <ul style="list-style-type: none"> - Respond to an identified need in the immediate area; and

Policy	Provisions
	<p>- Provide a range of tenures.</p>
<p>HOUS6 – Self-build and custom-build housing</p>	<p>Self-build and custom-build housing schemes may be permitted on sites within development boundaries or on strategic housing allocations.</p> <p>Outside development boundaries self-build and custom housebuilding schemes may be permitted in line with the full policy.</p> <p>A scheme for more than 5 self-build or custom-build dwellings on any site should be developed in accordance with an agreed design code.</p>
<p>WEY4 – Station area and Swannery car park</p>	<p>The station area will be developed as a transport hub, including a mix of retail, commercial businesses, and residential uses.</p>
<p>WEY7 – Ferry peninsula</p>	<p>The ferry peninsula should be redeveloped to include leisure/tourist-related uses, supported by complementary town centre uses and which may include housing.</p> <p>Outside of policy it is noted that the Peninsular forms part of Weymouth Harbourside Regeneration Levelling Up Funding granted in Nov 2023.</p>
<p>WEY8 – Westwey Road and North Quay area</p>	<p>The Westwey Road and North Quay area will be redeveloped for mixed uses which may include residential, hotel, commercial, and small-scale retail development so as to create an active street and water front.</p> <p>Outside of policy it is noted that the former Council Offices at North Quay were demolished in Feb 2024 and that the site forms part of Weymouth Harbourside Regeneration Levelling Up Funding granted in Nov 2023.</p>
<p>WEY10 – Bincleaves Cove</p>	<p>The redevelopment of this former employment site is supported. This may either be through an alternative employment use appropriate to a maritime location or through the comprehensive mixed-use redevelopment of the site to provide community benefits.</p> <p><i>Outside of policy it is noted that in 2023 planning permission P/OUT/2022/0085 was granted for Outline Application for mixed use development comprising up to 141 dwellings (Use Class C3) and 60 bed care home (Use Class C2), with up to 340 sqm associated leisure floorspace comprising gym, swimming pool / spa (Sui Generis); up to 1,186 sqm office /light industrial floorspace (Use Class E(g)); up to 328 sqm restaurant floorspace (Class E(b)); with associated car parking, public open space, public realm, cliff stabilisation & sea defence works, with vehicular and pedestrian access from Newton's</i></p>

Policy	Provisions
	<i>Road & associated infrastructure - some matters reserved (appearance & landscaping)</i>
WEY11 – Littlemoor urban extension	<p>Land to the north of Littlemoor will be developed as an urban extension to include new homes, at least 8.0 hectares of employment land, an extended local service centre, public open space, and land for a new primary school.</p> <p><i>Outside of policy it is noted that the Littlemoor area has the potential to make a significant contribution to supporting the local economy through making land available for employment uses and the delivery of around 600 new homes. This site is outside the Weymouth NP Area.</i></p>
WEY12 – Land off Louviers Road	<p>Land off Louviers Road is allocated for residential development.</p> <p><i>Outside of policy it is noted that there was outline planning permission in 2013 for approximately 100 new homes but this has since lapsed.</i></p>
WEY13 – Land at Wey Valley	<p>Land at Wey Valley is allocated for residential development.</p> <p><i>Outside of policy it is noted that land west of the A354 Dorchester Road and to the south of Nottingham Land in the Wey Valley has planning permission to deliver up to 350 new homes.</i></p>
WEY14 – Land south of Wey Valley	<p>Land south of Wey Valley is allocated for residential development.</p> <p><i>Outside of policy it is noted that as an extension of the Wey Valley site, land south of Wey Valley is allocated for residential development to deliver around 150 new homes.</i></p>
WEY15 – Land west of Southill	<p>Land west of Southill is allocated for residential development, a care home, open space, and strategic landscaping.</p> <p><i>Outside of policy it is noted that this site has the potential to deliver around 325 new homes and an extra-care facility for around 75 units. This site is outside the Weymouth NP area.</i></p>
WEY16 – Land at Markham and Little Francis	<p>Land at Markham and Little Francis is allocated for residential development and public open space and may include an element of employment use appropriate to a residential neighbourhood.</p> <p><i>Outside of policy it is noted that planning permission was granted in 2014 for the first phase of development comprising retail and commercial units and approximately 180 homes. In 2016, planning permission was granted for a further 500 homes.</i></p>
Appendix 2 – Neighbourhood	<p>The housing requirement figures for designated neighbourhood plan areas is the sum of completions since the beginning of the plan period, extant planning permissions, adopted housing allocations, capacity on</p>

Policy	Provisions
Plan Housing Requirement	<p>major sites within development boundaries as evidenced through the SHLAA, and a windfall allowance on minor sites. The proposed housing allocations within the draft Local Plan are also included.</p> <p>The figures should be viewed as a minimum requirement figure and, therefore, can be exceeded.</p> <p>Weymouth neighbourhood plan area has a minimum requirement of 3,225 dwellings over the plan period 2021 to 2038.</p>

Source: Dorset Council³⁶

³⁶ <https://www.dorsetcouncil.gov.uk/documents/35024/285538/DCLP-Jan-2021-DorsetCouncilLocalPlan-vol1.pdf/7e0ff0f0-426f-523d-bd45-cc1fe4d60fac>
<https://www.dorsetcouncil.gov.uk/documents/35024/285538/DCLP-jan-2021-vol-2-central-dorset.pdf/e80498e5-b868-3b20-2882-8d00ddb46e1>
<https://www.dorsetcouncil.gov.uk/documents/35024/285538/DCLP-Jan-2021-appendices-1-5.pdf/50747301-c2cd-2667-aece-e91248c2bb0d>

Appendix C : Affordability calculations

- C.1 This section outlines how the affordability thresholds discussed in the Affordability and Affordable Housing Chapter have been calculated.

Market housing

- C.2 Market housing is not subsidised and tends to be primarily accessible to people on higher incomes.

Market sales

- C.3 The starting point for calculating the affordability of a dwelling for sale from the perspective of a specific household is the loan to income ratio which most mortgage companies are prepared to agree. This ratio is conservatively estimated to be 3.5. In practice this can be highly variable. Multipliers up to 4.5 or even above 5 times income increasingly available, although the actual average in practice tends to be lower, particularly where applicants are dual earning. The Financial Conduct Authority uses 3.5 or more as its standard assumption for single applicants and 2.75 or more for dual applicants.
- C.4 To produce a more accurate assessment of affordability, the savings required for a deposit should be taken into account in addition to the costs of servicing a mortgage. However, unlike for incomes, data is not available for the savings available to households in Weymouth, and the precise deposit a mortgage provider will require of any buyer will be determined by their individual circumstances and the state of the mortgage market. An assumption is therefore made that a 10% purchase deposit is required and is available to the prospective buyer. In reality it is possible that the cost of the deposit is a greater barrier to home ownership than the mortgage costs.
- C.5 The calculation for the purchase threshold for market housing is as follows:
- Value of a median NA house price (2023) = £271,000;
 - Purchase deposit at 10% of value = £27,100;
 - Value of dwelling for mortgage purposes = £243,900;
 - Divided by loan to income ratio of 3.5 = purchase threshold of £69,686.
- C.6 The purchase threshold for an entry-level dwelling is a better representation of affordability to those with lower incomes or savings, such as first-time buyers. To determine this threshold, the same calculation is repeated but with reference to the lower quartile rather than the median house price. The lower quartile average in 2023 was £210,000, and the purchase threshold is therefore £54,000.
- C.7 It is also worth assessing the purchase threshold for new build homes, since this most closely represents the cost of the new housing that will come forward in future. Land Registry records 36 sales of new build properties in the NA in 2023. The 2023 lower

quartile new build house price in the NA is £197,644, with a purchase threshold of £50,823.

- C.8 In order to provide a comparison with the wider local authority area, it is helpful to also look at the cost of new build housing across Dorset in 2023. The median cost of new build dwellings in Dorset was £370,000, with a purchase threshold of £95,143.

Private Rented Sector (PRS)

- C.9 It is assumed here that rented housing is affordable if the annual rent does not exceed 30% of the household's gross annual income. The percentage of income to be spent on rent before the property is considered affordable varies considerably for individuals, and it is increasingly common for households to dedicate a larger proportion of their earnings to rent. When considering affordability it is considered good practice to be conservative, and the 30% benchmark is used as ONS's current standard assumption.
- C.10 This is an important assumption because it is possible that a household will be able to afford tenures that are deemed not affordable in this report if they are willing or able to dedicate a higher proportion of their income to housing costs. It is becoming increasingly necessary for households to do so. However, for the purpose of planning it is considered more appropriate to use this conservative lower benchmark for affordability on the understanding that additional households may be willing or able to access housing this way than to use a higher benchmark which assumes that all households can afford to do so when their individual circumstances may well prevent it.
- C.11 The property website Home.co.uk shows rental values for property in the Neighbourhood Area. According to home.co.uk, there were 37 properties for rent at the time of search in August 2024, with an average monthly rent of £1,145. There were 12 two-bedroom properties listed, with an average price of £1,050 per calendar month.
- C.12 The calculation for the private rent income threshold for entry-level (2-bedroom) dwellings is as follows:
- Annual rent = £1,050 x 12 = £12,600;
 - Multiplied by 3.33 (so that no more than 30% of income is spent on rent) = income threshold of £42,000.
- C.13 The calculation is repeated for the overall average to give an income threshold of £45,800.

Affordable Housing

- C.14 There are a range of tenures that constitute the definition of Affordable Housing within the NPPF 2023: social rent and affordable rent, discounted market sales housing, and other affordable routes to home ownership. The new First Homes was introduced in 2021 but is not yet included in the NPPF. Each of the affordable housing tenures are considered below.

Social rent

- C.15 Rents in socially rented properties reflect a formula based on property values and average earnings in each area, resulting in substantial discounts to market rents. As such, this tenure is suitable for the needs of those on the lowest incomes and is subject to strict eligibility criteria.
- C.16 To determine social rent levels, 2021 data and statistical return from Homes England is used. This data is only available at Local Authority scale so must act as a proxy for Dorset. This data provides information about rents and the size and type of stock owned and managed by private registered providers and local authorities and is presented for Dorset in Table C-1.
- C.17 To determine the income needed, it is assumed that no more than 30% of income should be spent on rent. This is an assumption only for what might generally make housing affordable or unaffordable – it is unrelated to the eligibility criteria of Affordable Housing policy at Local Authority level. The overall average across all property sizes is taken forward as the income threshold for social rent.

Table C-1: Social rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average social rent per week	£82.01	£96.47	£110.63	£120.91	£100.17
Annual average	£4,265	£5,016	£5,753	£6,287	£5,209
Income needed	£14,215	£16,721	£19,176	£20,958	£17,363

Source: Homes England, AECOM Calculations

Affordable rent

- C.18 Affordable rent is controlled at no more than 80% of the local market rent. However, registered providers who own and manage affordable rented housing may also apply a cap to the rent to ensure that it is affordable to those on housing benefit (where under Universal Credit the total received in all benefits to working age households is £20,000).
- C.19 Even a 20% discount on the market rent may not be sufficient to ensure that households can afford this tenure, particularly when they are dependent on benefits. Registered Providers in some areas have applied caps to larger properties where the higher rents would make them unaffordable to families under Universal Credit. This may mean that the rents are actually 50-60% of market levels rather than 80%.
- C.20 Data on the most realistic local affordable rent costs is obtained from the same source as social rent levels for Dorset. Again it is assumed that no more than 30% of income should be spent on rent, and the overall average is taken forward.
- C.21 Comparing this result with the average 2-bedroom annual private rent above indicates that affordable rents in the NA are actually closer to 55% of market rates than the maximum of 80%, a feature that is necessary to make them achievable to those in need.

Table C-2: Affordable rent levels (£)

Size	1 bed	2 beds	3 beds	4 beds	All
Average affordable rent per week	£111.51	£136.56	£161.51	£195.08	£138.88
Annual average	£5,799	£7,101	£8,399	£10,144	£7,222
Income needed	£19,328	£23,670	£27,995	£33,814	£24,073

Source: Homes England, AECOM Calculations

Affordable home ownership

C.22 Affordable home ownership tenures include products for sale and rent provided at a cost above social rent, but below market levels. The three most widely available are discounted market housing (a subset of which is the new First Homes product), shared ownership, and Rent to Buy. These are considered in turn below.

C.23 In paragraph 66 of the NPPF 2023, the Government introduces a recommendation that “where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership.” There are exemptions to this requirement, including where:

- The provision would exceed the level of affordable housing required in an area;
- The provision would significantly prejudice the ability to meet the identified affordable housing needs of specific groups;
- A proposed development provides solely Build to Rent homes;
- A proposed development provides specialist accommodation for a group of people with specific needs (such as purpose built accommodation for students or the elderly);
- The development is proposed to be developed by people who wish to build or commission their own homes; or
- The proposed development is exclusively for affordable housing, a community-led development exception site, or a rural exception site.
- Note that the ongoing 2024 consultation on changes to the NPPF and wider planning system proposes dropping this minimum 10% requirement.

First Homes

C.24 Because First Homes are a new tenure product, it is worth explaining some of their key features:

- First Homes should be available to buy with a minimum discount of 30% below their full market value (i.e. the value of an equivalent new home);
- The discount level can be set higher than 30% – at 40% or 50% – where this can be suitably evidenced. The setting and justifying of discount levels can happen at neighbourhood as well as local authority scale;

- After the discount is applied the initial sale price must not exceed £250,000 (or £420,000 in Greater London), and lower caps can be set locally;
- Purchasers must be first-time buyers with an income less than £80,000 (or £90,000 in Greater London), and First Homes can be prioritised for local people and/or key workers;
- They will be subject to legal restrictions ensuring the discount is retained for future occupants, and renting out or sub-letting will not normally be permitted;
- In addition to setting the discount level, local authorities and neighbourhood planning groups can apply additional criteria, such as a lower income cap, local connection test or prioritisation for key workers through adopted plans, emerging policy or Supplementary Planning Documents.
- 25% of all homes delivered through section 106 developer contributions on sites enabled through the planning process should be sold as First Homes. In simpler terms, 25% of all subsidised Affordable Housing on mainstream housing developments should be First Homes. This is likely to mean that First Homes will take the place of shared ownership housing in many circumstances, and in some cases may also displace social or affordable rented homes. However, the ongoing 2024 consultation on changes to the planning system proposes abandoning this minimum requirement.

C.25 The starting point for considering whether First Homes are affordable is the estimated cost of new build entry-level housing in the NA noted above of £197,644.

C.26 For the minimum discount of 30% the purchase threshold can be calculated as follows:

- Value of a new home (NA new build entry-level) = £197,644;
- Discounted by 30% = £138,351;
- Purchase deposit at 10% of value = £13,835;
- Value of dwelling for mortgage purposes = £124,516;
- Divided by loan to income ratio of 3.5 = purchase threshold of £35,576.

C.27 The income thresholds analysis in the Affordability and Affordable Housing chapter also compares local incomes with the costs of a 40% and 50% discounted First Home. This would require an income threshold of £30,494 and £25,411 respectively.

C.28 All of the income thresholds calculated here for First Homes are below the cap of £80,000 above which households are not eligible. All of the discounted prices are below the £250,000 cap.

C.29 Note that discounted market sale homes may be unviable to develop if the discounted price is close to (or below) build costs. Build costs vary across the country but as an illustration, the build cost for a 2 bedroom home (assuming 70 sq. m and a build cost

of £1,750 per sq. m³⁷) would be around £122,500. This cost excludes any land value or developer profit. This would appear to be an issue in Weymouth with First Homes at a 40% and 50% discount.

C.30 Table C-3 shows the discount required for First Homes to be affordable to the three income groups. The cost of a typical First Home is calculated using an estimate for new build entry-level housing in the NA. However, it is worth thinking about First Homes in relation to the cost of new build prices in the wider area, as well as median and entry-level existing prices locally to get a more complete picture. The discount levels required for these alternative benchmarks are given below.

Table C-3: Discount on sale price required for households to afford First Homes

House price benchmark	Mean household income	Single LQ earner	Dual LQ earning household
NA median house price	40%	71%	43%
NA new build entry-level house price	17%	61%	21%
NA entry-level house price	22%	63%	26%
LA median new build house price	56%	79%	58%

Source: Land Registry PPD; ONS MSOA total household income

Shared ownership

C.31 Shared ownership involves the purchaser buying an initial share in a property, typically of between 25% and 75% (but now set at a minimum of 10%), and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rent payable on the share retained by the provider. Both of these are variable. The share owned by the occupant can be increased over time through a process known as 'staircasing'.

C.32 In exceptional circumstances (for example, as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own. Shared equity is available to first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose annual household income does not exceed £80,000.

C.33 To determine the affordability of shared ownership, calculations are again based on the estimated costs of new build housing as discussed above. The deposit available to the prospective purchaser is assumed to be 10% of the value of the dwelling, and the standard loan to income ratio of 3.5 is used to calculate the income required to obtain a mortgage. The rental component is estimated at 2.5% of the value of the remaining (unsold) portion of the price. The income required to cover the rental component of the dwelling is based on the assumption that a household spends no more than 30% of the income on rent (as for the income threshold for the private rental sector).

³⁷ It is estimated that in 2022, build costs for a house are between £1,750 and £3,000 per square metre - <https://urbanistarchitecture.co.uk/cost-to-build-a-house-uk/>

- C.34 The affordability threshold for a 25% equity share is calculated as follows:
- A 25% equity share of £197,644 is £49,411;
 - A 10% deposit of £4,941 is deducted, leaving a mortgage value of £44,470;
 - This is divided by the loan to value ratio of 3.5 to give a purchase threshold of £12,706;
 - Rent is charged on the remaining 75% shared ownership equity, i.e. the unsold value of £148,233;
 - The estimated annual rent at 2.5% of the unsold value is £3,706;
 - This requires an income of £12,353 (annual rent multiplied by 3.33 so that no more than 30% of income is spent on rent).
 - The total income required is £25,058.
- C.35 The same calculation is repeated for equity shares of 10% and 50% producing affordability thresholds of £19,906 and £33,647 respectively.
- C.36 All of the income thresholds are below the £80,000 cap for eligible households.

Rent to Buy

- C.37 Rent to Buy is a relatively new and less common tenure, which through subsidy allows the occupant to save a portion of their rent, which is intended to be used to build up a deposit to eventually purchase the home. It is therefore estimated to cost the same as private rents – the difference being that the occupant builds up savings with a portion of the rent.

Appendix D : Affordable Housing need and policy

Affordable housing policy

D.1 The following table reviews the relevant factors in developing a policy on the Affordable Housing tenure mix, which inform the recommendation given in the main body of the report.

Table D-1: Wider considerations in developing Affordable Housing mix policy

Consideration	Local Evidence
<p>A. Evidence of need for Affordable Housing:</p> <p>The need for affordable rent and affordable home ownership is not directly equivalent: the former expresses the identified need of a group with acute needs and no alternative options; the latter expresses potential demand from a group who are generally adequately housed in rented accommodation and may not be able to afford the deposit to transition to ownership.</p>	<p>This HNA suggests that the NA requires around 1,876 units of affordable rented housing and 1,512 affordable home ownership homes over the Neighbourhood Plan period. Both forms of Affordable Housing appear to be valuable in meeting the needs of people on various incomes.</p> <p>The relationship between these figures suggests that affordable rented housing should be prioritised over affordable home ownership.</p>
<p>B. Can Affordable Housing needs be met in full?</p> <p>How far the more urgently needed affordable rented housing should be prioritised in the tenure mix depends on the quantity of overall housing delivery expected.</p>	<p>If the Local Plan target of 25-35% were achieved on every site, assuming the delivery of the NA's housing requirement for 3,225 homes overall, up to 806-1,129 affordable homes might be expected in the NA over Neighbourhood Plan period.</p> <p>This level of potential affordable housing delivery would not be sufficient to meet all of the need identified. In this circumstance the more urgent and acute need for rented housing should be prioritised.</p>
<p>C. Government policy (e.g. NPPF) requirements:</p> <p>Current NPPF policy requires 10% of all homes to be delivered for affordable home ownership. There can be exceptions to this requirement if it would prevent the delivery of other forms of Affordable Housing.</p>	<p>For 10% of all housing to be affordable ownership in Weymouth, where 25-35% of all housing should be affordable, 29-40% of Affordable Housing should be for affordable ownership. This complies with the guideline tenure split sought in the Local Plan (which seeks a maximum of 30% affordable home ownership).</p>

<p>The ongoing 2024 consultation on changes to the NPPF and wider planning system proposes abandoning this target. This may impact on the Local Authority’s approach to the affordable housing tenure mix.</p>	
<p>D. Local Plan policy:</p>	<p>The emerging Local Plan seeks a tenure split of at least 70% affordable rent and 10-30% affordable home ownership (dependent upon the proportion of affordable rent).</p>
<p>E. First Homes policy:</p> <p>The Government recently concluded a consultation on the introduction of First Homes (to provide at least 30% discount on new build home prices). The proposals have now been enacted through a ministerial statement. A minimum of 25% of all Affordable Housing secured through developer contributions are now required to be First Homes.</p> <p>After the 25% First Homes requirement has been met, the remaining 75% of Affordable Housing units should as a first priority protect the provision for social rent set out in the Local Plan. The remaining units should then be allocated to other tenure products in the relative proportions set out in the Local Plan.</p> <p>AECOM is aware that some Local Planning Authorities are considering ‘top slicing’ their affordable housing quota to provide 25% First Homes and then allocating the remaining proportion according to their existing policy tenure split. Some LPAs are considering this approach because of the existing business models of registered providers which have relied on shared ownership to cross subsidise affordable rented housing and uncertainty over whether First Homes could replace this model.</p> <p>However, the ongoing 2024 consultation on changes to the planning system also proposes abandoning this requirement, leaving the proportion of First Homes to be sought on new developments as a matter for</p>	<p>This new minimum requirement may have the effect of displacing other products in any established tenure mix and will reduce the amount of social or affordable rent if this was proposed to be more than 75% of Affordable Housing. This would not appear to be an issue in Dorset based on the current Affordable Housing mix.</p> <p>However, as noted above, this minimum requirement may be abandoned following the ongoing consultation on the NPPF. This would allow for greater flexibility to boost the number of affordable rented homes and/or other affordable home ownership products, subject to Dorset Council’s decision-making in this policy area.</p>

<p>each LPA to consider in light of local evidence.</p>	
<p>F. Viability:</p>	<p>HNAs cannot take into consideration the factors which affect viability in the neighbourhood area or at the site-specific level. Viability issues are recognised in the Local Plan and it is acknowledged that this may affect the provision of affordable housing, the mix of tenures provided and the discounts that can be sought on First Homes properties.</p>
<p>G. Funding:</p> <p>The availability of funding to support the delivery of different forms of Affordable Housing may also influence what it is appropriate to provide at a particular point in time or on any one site.</p>	<p>The Steering Group may wish to keep this in mind so that it can take up any opportunities to secure funding if they become available.</p>
<p>H. Existing tenure mix in Weymouth:</p> <p>The current stock of homes in an area, in terms of balance between ownership, rented and affordable provision may be a consideration in the mix of tenures provided on new development sites.</p>	<p>2021 Census data shows that at this time 14.4% of households lived in Affordable Housing in Weymouth (13.6% social renting and 0.8% living in shared ownership dwellings). This is just above the share of households living in Affordable Housing at local authority level (13.3%) and the national average (18.1%). The greatest discrepancy is in the proportion of households social renting, at 13.6% in the NA compared to 17.1% across England. Therefore, affordable rented tenures should be prioritised in future delivery to move toward correcting this imbalance.</p>
<p>I. Views of registered providers:</p>	<p>It is not within the scope of this HNA to investigate whether it would be viable for housing associations (registered providers) to deliver and manage affordable rented homes in the NA. The funding arrangements available to housing associations will determine rent levels.</p>
<p>J. Wider policy objectives:</p>	<p>The Steering Group may wish to take account of broader policy objectives for Weymouth and/or the wider local authority. These could include, but are not restricted to, policies to</p>

	<p>attract younger households, families or working age people to the NA. These wider considerations may influence the mix of Affordable Housing provided.</p>
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Appendix E : Specialist housing for older people

Background data tables

Table E-1: Existing specialist housing supply, Weymouth

	Name	Description	Dwellings	Tenure	Type
1	Beachview Close	1-bedroom and 2-bedroom bungalows.	70	Rent (social landlord)	Retirement housing
2	Bincombe Court	1-bedroom flats and bungalows.	118	Rent (social landlord)	Retirement housing
3	Bishops Close / Back Street	1-bedroom and 2-bedroom flats, bungalows, and houses.	12	Rent (social landlord)	Retirement housing
4	Compton Lodge	1-bedroom and 2-bedroom flats.	16	Leasehold	Age exclusive housing
5	Devenish Close	2-bedroom flats and bungalows.	25	Rent (social landlord)	Age exclusive housing
6	Dorset Close	1-bedroom and 2-bedroom flats and bungalows.	61	Rent (social landlord)	Retirement housing
7	Fairfield	1-bedroom and 2-bedroom flats.	32	Rent (social landlord)	Retirement housing
8	Fiveways	1-bedroom and 2-bedroom bungalows.	122	Rent (social landlord)	Retirement housing
9	George Thorne House	Studios and 1-bedroom flats.	23	Rent (social landlord)	Retirement housing
10	Hampton	2-bedroom bungalows.	10	Rent (social landlord)	Retirement housing
11	Harbour Lights Court	1-bedroom and 2-bedroom flats.	43	Leasehold	Retirement housing
12	Hardys Court	1-bedroom and 2-bedroom flats.	38	Leasehold	Age exclusive housing

13	Holly Court	Studios and 1-bedroom flats.	34	Rent (social landlord)	Retirement housing
14	Jenner Court	1-bedroom and 2-bedroom flats.	47	Leasehold and rent (social landlord)	Retirement housing
15	Jonathan & Rebecca Edwards Charity	1-bedroom bungalows.	11	Rent (social landlord)	Age exclusive housing
16	Lawrance Court	1-bedroom flats.	24	Rent (social landlord)	Retirement housing
17	Macpherson House	Studios and 1-bedroom flats.	10	Rent (social landlord)	Retirement housing
18	Marshallsay Court	2-bedroom flats.	24	Rent (social landlord)	Retirement housing
19	Marshallsay Road / Australia Road	1-bedroom and 2-bedroom bungalows.	33	Rent (social landlord)	Retirement housing
20	Nightingale Court	Flats	42	Leasehold	Retirement housing
21	Rochester Court	Studios and 1-bedroom flats.	12	Rent (social landlord)	Retirement housing
22	Ryan Court	1-bedroom and 2-bedroom flats.	18	Leasehold	Retirement housing
23	Sedgefield Close	1-bedroom and 2-bedroom flats and bungalows.	74	Rent (social landlord)	Retirement housing
24	Swannery Court	1-bedroom and 2-bedroom flats.	69	Leasehold	Retirement housing
25	The Anchorage	1-bedroom flats.	33	Leasehold	Retirement housing
26	Westhaven House	1-bedroom and 2-bedroom flats.	54	Rent (social landlord)	Housing with care
Name		Bedspaces			
1	Agincourt Care Home		31		
2	Anning House		70		
3	Bosworth		22		

4	Buxton House	64
5	Chestnuts Residential Home	13
6	Crecy Care Home	40
7	Danmor Lodge	27
8	Friary House	16
9	Goldcrest	26
10	Ingleside	17
11	Kingsley Court	19
12	Legh House	17
13	Primrose Lodge	38
14	Queen Charlotte Care Home	51
15	Rodlands	21
16	The Lawns	42
17	Trafalgar Care Home	26
18	Weymouth Care Home	35

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

Table E-2: Tenure and mobility limitations of those aged 65+ in Weymouth, 2011 (65+ is the closest proxy for 75+ in this data)

Tenure	Day-to-day activities limited a lot		Day-to-day activities limited a little		Day-to-day activities not limited	
All categories	2,497	22.6%	3,037	27.5%	5,507	49.9%
Owned Total	1,826	19.9%	2,469	26.9%	4,878	53.2%
Owned outright	1,557	19.3%	2,210	27.3%	4,318	53.4%
Owned (mortgage) or shared ownership	269	24.7%	259	23.8%	560	51.5%
Rented Total	671	35.9%	568	30.4%	629	33.7%
Social rented	449	39.9%	351	31.2%	324	28.8%
Private rented or living rent free	222	29.8%	217	29.2%	305	41.0%

Source: DC3408EW Health status

HLIN calculations

Table E-3: Recommended provision of specialist housing for older people from the HLIN SHOP toolkit

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

Source: Housing LIN SHOP Toolkit

E.1 As Table 6-1 in the main report shows, Weymouth is forecast to see an increase of 3,550 individuals aged 75+ by the end of the Neighbourhood Plan period. According to the HLIN tool, this translates into need as follows:

- Conventional sheltered housing to rent = $60 \times 3.55 = 213$
- Leasehold sheltered housing = $120 \times 3.55 = 426$
- Enhanced sheltered housing (divided 50:50 between that for rent and that for sale) = $20 \times 3.55 = 71$
- Extra care housing for rent = $15 \times 3.55 = 53$
- Extra care housing for sale = $30 \times 3.55 = 106$
- Housing based provision for dementia = $6 \times 3.55 = 21$

Appendix F : Housing Needs Assessment

Glossary

Adoption

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

Affordability

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

Affordability Ratio

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

Affordable Housing (NPPF Definition)

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

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

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

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

the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.

Affordable rented housing

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable). The national rent regime is the regime under which the social rents of tenants of social housing are set, with particular reference to the Guide to Social Rent Reforms (March 2001) and the Rent Influencing Regime Guidance (October 2001). Local market rents are calculated using the Royal Institution for Chartered Surveyors (RICS) approved valuation methods³⁸.

Age-Restricted General Market Housing

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

Annual Monitoring Report

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

Basic Conditions

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

Backlog need

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

Bedroom Standard³⁹

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

³⁸ The Tenant Services Authority has issued an explanatory note on these methods at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

³⁹ See <https://www.gov.uk/government/statistics/english-housing-survey-2011-to-2012-household-report>

Co-living

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

Community-led developments (NPPF definition)

A development instigated and taken forward by a not-for-profit organisation set up and run primarily for the purpose of meeting the housing needs of its members and the wider local community, rather than being a primarily commercial enterprise. The organisation is created, managed, and democratically controlled by its members. It may take any one of the various legal forms including a community land trust, housing co-operative, and community benefit society. Membership of the organisation is open to all beneficiaries and prospective beneficiaries of that organisation. The organisation should own, manage, or steward the homes in a manner consistent with its purpose, for example through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the specified community should be clearly defined and consideration given to how these benefits can be protected over time, including in the event of the organisation being wound up.

Community Right to Build Order⁴⁰

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

Concealed Families (Census definition)⁴¹

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

Equity Loans/Shared Equity

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

⁴⁰ See <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>

⁴¹ See http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

Extra Care Housing or Housing-With-Care

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

Fair Share

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

First Homes

First Homes is another form of discounted market housing which will provide a discount of at least 30% on the price of new homes, introduced in 2021. These homes are available to first time buyers as a priority but other households will be eligible depending on agreed criteria. New developments will be required to provide 25% of Affordable Housing as First Homes. A more detailed explanation of First Homes and its implications is provided in the main body of the HNA.

Habitable Rooms

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

Household Reference Person (HRP)

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

Housing Market Area

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

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

Housing Needs

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

Housing Needs Assessment

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

Housing Products

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

Housing Size (Census Definition)

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

Housing Type (Census Definition)

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

Housing Tenure (Census Definition)

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

Income Threshold

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

Intercensal Period

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

Intermediate Housing

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

Life Stage modelling

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

Life-time Homes

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

Life-time Neighbourhoods

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

Local Development Order

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

Local Enterprise Partnership

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

Local housing need (NPPF definition)

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

Local Planning Authority

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

Local Plan

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

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as an entry level price and is the recommended level used to evaluate affordability; for example for first time buyers.

Lower Quartile Affordability Ratio

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

Market Housing

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

Mean (Average)

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

Median

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

Median Affordability Ratio

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

Mortgage Ratio

The mortgage ratio is the ratio of mortgage value to income which is typically deemed acceptable by banks. Approximately 75% of all mortgage lending ratios fell below 4 in recent years⁴², i.e. the total value of the mortgage was less than 4 times the annual income of the person who was granted the mortgage.

Neighbourhood Development Order (NDO)

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

Neighbourhood plan

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

Older People

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

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

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

Overcrowding

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

⁴² See <https://www.which.co.uk/news/2017/08/how-your-income-affects-your-mortgage-chances/>

Planning Condition

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

Planning Obligation

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

Purchase Threshold

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

Proportionate and Robust Evidence

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

Private Rented

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

Retirement Living or Sheltered Housing

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

Residential Care Homes and Nursing Homes

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

Rightsizing

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

Rural Exception Sites

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

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75% (though this was lowered in 2021 to a minimum of 10%), and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share in order to save/increase the deposit level

Sheltered Housing⁴³

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

⁴³ See <http://www.housingcare.org/jargon-sheltered-housing.aspx>

Strategic Housing Land Availability Assessment

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

Strategic Housing Market Assessment (NPPF Definition)

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

Specialist Housing for Older People

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

Social Rented Housing

Social rented housing is owned by local authorities and private registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008.). Guideline target rents for this tenure are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England.⁴⁴

⁴⁴ See <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

