

**Urban Vision Enterprise CIC
Housing Needs Assessment
Kings Langley
June 2020**

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1. Introduction

1.1 Purpose of the Report

This report is a housing needs assessment. It is intended to inform the preparation of the Kings Langley Neighbourhood Plan. The Parish Council intends to include policies based on an assessment of local need.

The questions raised by the neighbourhood planning body are:

- The level of housing need;
- The type, size and mix tenures of housing required in the parish; and
- The need for affordability housing in the parish

1.2 Scope of the Report

This document has been prepared on behalf of Locality and is for use by the qualifying body for the neighbourhood plan. UVE is not responsible for the accuracy of information provided by third parties.

This report forms part of the evidence base for the neighbourhood plan, but has no status as actual policy. The qualifying body may take it into account in formulating policy. The report reflects the situation at the present time and will gradually become superseded by more recent data.

If landowners or other interested parties disagree with the report's findings, they may make representations and present evidence to the qualifying body before or at formal consultation and publicity stages. It is for the qualifying body to consider such representations and evidence.

1.3 Authorship

Author/housing analysis: James Beale, BSc (Hons) PgDip MCIH

Author/checker: Dave Chetwyn, MA, MRTPI, IHBC, FInstLM, FRSA

2. Context

2.1 Background

Kings Langley Parish Council is preparing a neighbourhood plan. It is the intention to use this report to inform the housing policies.

The Parish Council wishes to ensure that any future growth plans positively for current and future community needs in the area. This housing needs assessment will form part of the evidence base to support the policies in the neighbourhood plan.

2.2 Strategic Context

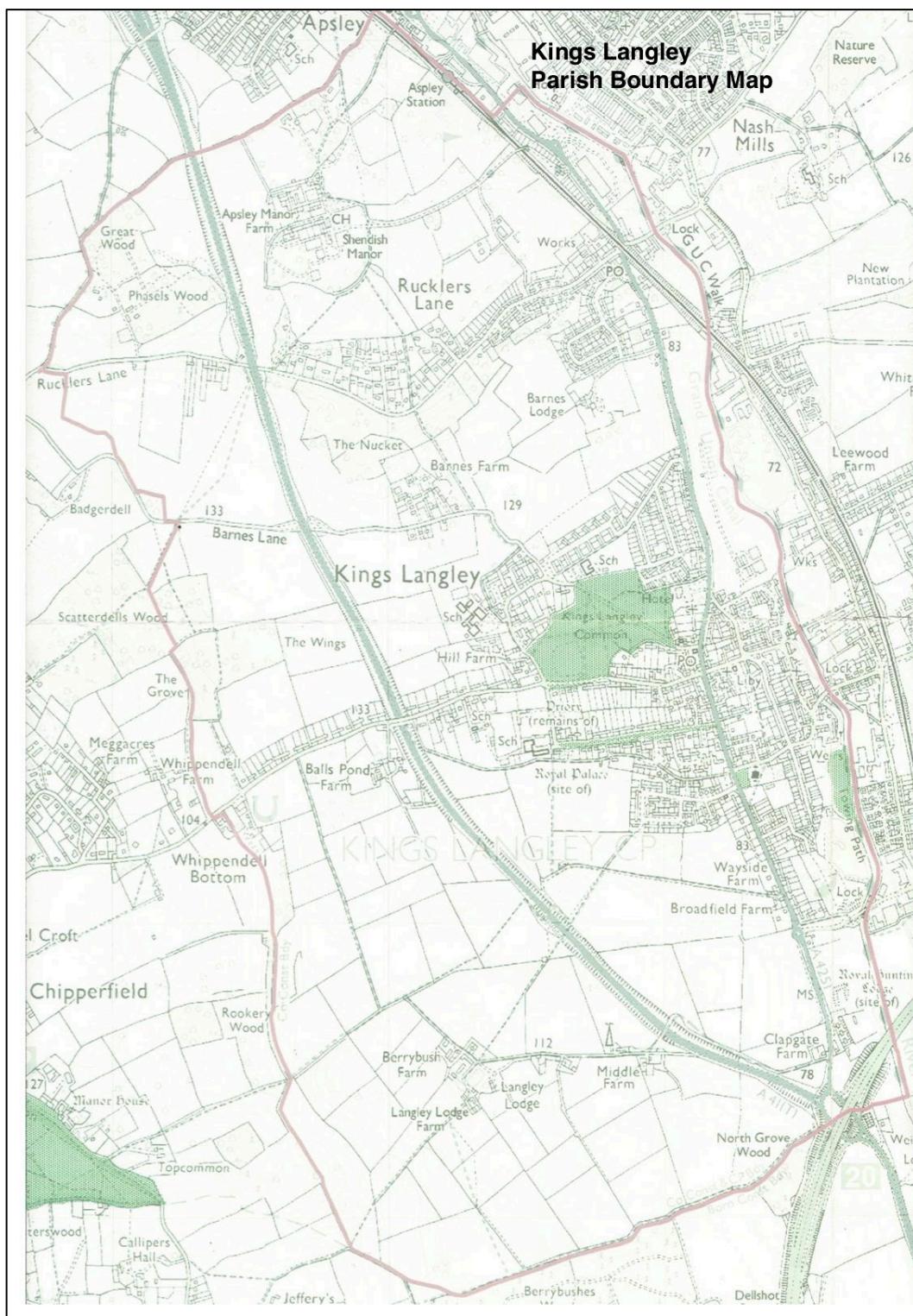
Kings Langley is a small rural parish located within Dacorum Borough. The main settlement of Kings Langley is located approximately 4 miles south of Hemel Hempstead and just north of Abbots Langley. The southern parish boundary encompasses junction 20 of the M25, which is the London Orbital motorway.

The Dacorum Borough Core Strategy, adopted September 2013, identifies Kings Langley as a ‘Large Village’ together with Markyate and Bovingdon, where limited development is appropriate to ensure population stability.

2.3 The Neighbourhood Area

The neighbourhood area, which coincides with the parish boundary, was designated by Dacorum Borough Council on 28th October 2019, illustrated on the following plan.

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(Source:
http://www.dacorum.gov.uk/docs/default-source/strategic-planning/kings-langley-parish-boundary-map---submitted.pdf?sfvrsn=4dc90a9e_4)

3. Planning Policy and Guidance

3.1 National Policy and Practice Guidance

National Planning Policy Framework

Chapter 5 of National Planning Policy Framework (NPPF) deals with housing. Paragraph 65 sets out that strategic policies should set out a housing requirement for designated neighbourhood areas. Paragraph 66 requires Local Planning Authorities (LPA) to provide an indicative figure, where it is not possible to provide a requirement figure for a neighbourhood area. Paragraph 69 states that neighbourhood planning groups should consider opportunities for allocating small and medium-sized sites suitable for housing in their area.

More detailed references to the NPPF are made throughout this report.

Planning Practice Guidance

Paragraph 103 of the Government's Planning Practice Guidance (PPG) states:

'Where neighbourhood planning bodies have decided to make provision for housing in their plan, the housing requirement figure and its origin are expected to be set out in the neighbourhood plan as a basis for their housing policies and any allocations that they wish to make'.

More detailed references to the PPG are made throughout this report.

3.2 Strategic and Local Policy

3.2.1 The Statutory Development Plan

The current Development Plan consists of:

- The Dacorum Borough Council Core Strategy 2006-2031
- Site Allocations, adopted 2017

3.2.2 Core Strategy

The Dacorum Borough Council Core Strategy 2006-2031 was adopted in September 2013. Over the course of the Plan, 430 new homes were committed to annually.

Within the context of focusing new development in the most sustainable locations, the settlement hierarchy was formulated. Kings Langley sits within the third tier of the settlement hierarchy, known as "Large Villages". The Core Strategy states, "the

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following villages have been identified as areas where limited development is appropriate to ensure population stability. The allocation of new homes for Kings Langley was “around 110 new homes”.

The Local Plan sets out a number of policies to inform the delivery of future housing in the borough. These are discussed further in the report in the context of housing need.

The key policies are as follows:

- NP1 Supporting Development
- CS1 Distribution of Development
- CS2 Selection of Development Sites
- CS3 Managing Selected Development Sites
- CS4 The Towns and Large Villages
- CS5 Green Belt
- CS7 Rural Area
- CS10 Quality of Settlement Design
- CS11 Quality of Neighbourhood Design
- CS17 New Housing
- CS18 Mix of Housing
- CS19 Affordable Housing
- CS20 Rural Sites for Affordable Homes
- CS21 Existing Accommodation for Travelling Communities
- CS22 New Accommodation for Gypsies and Travellers

3.2.3 General Conformity

One of the Basic Conditions that neighbourhood plans must meet is the need to be in general conformity with strategic local policy. This will be tested against the strategic local policies in the adopted Local Plan, at the time of the examination. At present, this would be the 2013 Local Plan.

3.2.4 Emerging Local Plan

The Council’s emerging Local Plan has been in part triggered by a commitment within the Core Strategy to partially review that document. This has incorporated the revised household projections. There is a requirement to undertake an update of local housing needs assessment in light of the updated Planning Practice Guidance (PPG) on ‘Housing and economic needs assessment’ (HENa) where the Local Plan is submitted on or after 24 January 2019.

The Council started work on its new Local Plan, with an Issues and Options document published for consultation in November/December 2017. This includes a draft Schedule of Site Appraisals, which includes 3 sites bordering Kings Langley and a site within the parish boundary bordering the south of Hemel Hempstead. This latter site is considered within the Hemel Hempstead site options.

Following consideration of the consultation responses and the completion of further evidence gathering, the Council states that it “will move to Pre-Submission Draft Consultation during 2020.” The new Dacorum Local Plan forms a single comprehensive document, containing “site allocations and development management policies in addition to strategic policies covering the development of the Borough of Dacorum.”.

It is proposed that the new Local Plan will operate from 2018 to 2036 (18 years) in order to reflect the guidance of the National Planning Policy Framework (NPPF).

3.2.5 Housing and economic needs assessment

In February 2019, the Ministry of Housing, Communities and Local Government published the outcome of the ‘Technical consultation on updates to national planning policy and guidance’. The Government’s policies were incorporated within an updated version of the Planning Practice Guidance (PPG) on ‘Housing and economic needs assessment’.

Any Local Plans submitted for examination on or after the 24 January 2019, which is the case with the Council’s emerging Local Plan, will be examined in accordance with the 2018 NPPF (updated February 2019). This requires the Local Planning Authority (LPA) to assess local housing need in accordance with the guidance in the PPG on how to conduct a HENA, known as the “Standard Method”. This updated guidance clarifies that the 2014-based household projections should be used to set the baseline for Step 1 of the Standard Method.

Chapter 5 sets out the methodology for calculating the local housing need figure at the local authority level.

4. Method and Study Area

4.1 Core Questions

Kings Langley Parish Council has commissioned a Housing Needs Assessment for the parish. The Parish Council “qualifying body” has requested that the assessment focus upon three topic areas, also known as ‘Core Questions (CQ)’. These are as follows:

Core Question 1. The adopted Local Plan provides for 110 new homes for Kings Langley. The local authority is in the process of reviewing this figure in light of the new methodology set out in PPG. This will provide an updated number in summer 2020. A housing need figure would help the parish understand the level of growth required and housing need over the neighbourhood plan period.

Core Question 2. The current need for type and size of housing based on the parish profile.

Core Question 3. The level of affordable housing need, including an assessment of affordable tenure mix.

4.2 Structure of the Study

The assessment part of the report will be structured as follows:

Chapter 5 Housing Quantity: This chapter provides a response to Core Question 1. It examines the implications of the borough’s local housing need allocation through the Standard Method set out in the HENA.

Chapter 6 House Type, Size and Mix: The neighbourhood profile considers current housing, household and population profiles in the parish. It provides comparative data with broader geographies i.e. borough, region and England. It looks at future trends both in terms population growth and population demographics. Conclusions are drawn about suitability of the current housing stock in meeting the long term needs of current households. This chapter is presented in a similar vein to profiles set out within the Strategic Housing Market Assessment (SHMA), although it focused predominantly at the parish level, which of course the SHMA is not. This chapter provides a response to Core Question 2.

Chapter 7 Affordability and future tenure type: This chapter addresses Core Question 3. It considers the affordable needs assessment data provided by the SHMA. It undertakes a more up to date analysis of earnings and house prices to estimate the affordability of housing within the parish and the tenure type suitable to meet its needs.

4.3 Data Sources

Core Question 1. The data sources informing CQ1 will be drawn from the Publication Local Plan, emerging Local Plan and the evidence that supports it.

Core Question 2. CQ2 will be informed by Census data, and the population and household projections provided by the Office for National Statistics.

Core Question 3. The data informing CQ3 is sourced from Strategic Housing Market Assessment (SHMA) and the Land Registry. In respect of Land Registry data this includes reference to both the House Price Index (HPI) and actual transactional sales value and volume. Earnings are drawn from data provided by the Office for National Statistics (ONS).

5. Housing Quantity

5.1 Methodology

The Planning Practice Guidance (“PPG”) on Housing and Economic Needs Assessments sets out the calculation that Local Planning Authorities should follow in order to calculate local housing need for the purposes of the housing number determined through Local Plans submitted for examination on or after 24 January 2019. This should be calculated using the following three steps:

- 1) Setting the baseline using the 2014-based household projections to calculate the average annual household growth over a 10-year period.
- 2) Applying an adjustment to take account of affordability using the median workplace-based affordability ratio; and
- 3) Capping the level of increase at 40% above the higher of the projected household growth over the 10-year period or the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists)

The Issues and Options consultation indicates the updated local housing needs figure is between 1,000 to 1,100 dpa. We provide our own assessment as an indicative exercise. However, it should be noted that this is for illustrative purposes only. The steps in calculating the local housing needs figure over a 10-year period from 2020 are illustrated in the table below:

Table 5.1 PPG HENA local housing need calculation

Household Growth	Dacorum BC
i. 2014-based Household Growth (p.a.) 2020-2030	730
ii. Median Workplace-Based earnings Affordability Ratio, 2018	12.28
iii. Adjustment Factor	1.5175
	$12.28-4=8.28; 8.28/4=2.07;$ $2.07 \times 0.25 = 0.5175; 0.5175+1=1.5175$
<i>Step Two Housing Need</i>	<i>1,107.775</i>
iv. Is the Local Plan over 5 Years Old?	Yes
v. Housing Requirement in Local Plan	430
vi. Cap 40% above Household Growth	1022
vii. Cap 40% above Local Plan	602
<i>Higher Figure</i>	<i>1,022</i>
<u>Minimum LHN</u>	<u>1,022</u>

Source: PPG HENA 2019

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The Council has appointed consultants to assess the local housing need for the emerging Local Plan. We reiterate that it is not part of this commission to assess the local housing needs of the Borough and further to that, we are not sighted on any strategic approach that the Council and their neighbouring boroughs are taking.

However the result of our indicative assessment above falls within the numeric range set out within the Council's Issues and Options consultation.

5.2 Implications for Kings Langley

The implications for Kings Langley are not clear at this stage and as such, it is not possible to provide a response to Core Question 1.

The Council, as the Local Planning Authority, through its emerging Local Plan will need to ensure that it has enough allocated housing sites to meet its local housing need and maintain a five year land supply of specific deliverable sites and appropriate buffer in accordance with paragraph 73 of the NPPF.

The Local Plan Issues and Options consultation (November 2017) proposes no significant change to the settlement hierarchy set out in the current Core Strategy.

The Council commissioned a Stage 1 Green Belt Review in 2013 supported by a further Stage 2 Green Belt Review and Landscape Appraisal in 2016.

The draft Schedule of Site Appraisals published in October 2017 has identified strategic sites for consideration. Within the Kings Langley parish, four strategic Green Belt sites have been identified. Of these, three are adjacent to the settlement boundary of Kings Langley and the fourth, although predominantly sitting within the parish boundary, adjoins the southern boundary of Hemel Hempstead. The latter site is known as Land at Shendish, London Road and is to be considered in terms of its relationship to Hemel Hempstead. It should be noted that site capacity is very provisional as detailed assessments have yet to take place. We have assumed a capacity of 30 dwellings per hectare (dph) where an estimate has not been provided. The dph assumptions include related housing infrastructure and facilities but not other land use classes. These are as follows:

Table 5.2: Large greenfield sites, Kings Langley

Site	Ref.	Gross area	Potential housing capacity
Land at Hill Farm, Love Lane	KL-h1	9ha	150- 300 homes
Land at Rectory Farm, Hempstead Road	KL-h2	8ha	Not stated. Circa 240 suggested^
Land to the east of A41 and Wayside Farm, Watford Road	KL-h3	60ha	To be confirmed. Circa 1800 suggested^

Source: Schedule of Site Appraisals 2017, Dacorum Borough Council

^assumed up to 30 dwellings pa

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The sites that border the settlement of Kings Langley will be considered in the broader context of the Borough's overall local housing need.

Nonetheless any allocated sites adjoining the settlement will impact in terms of infrastructure and services upon the settlement. There were 2,190 household spaces (residents and non-residents) in the parish at the time of the last Census.

Table 5.3 sets out a crude estimated net increase in local housing need provision from the OAN figure within the Local Plan, compared to the figure we have estimated using the Standard Method. Proportionally, Kings Langley would see an increase of 206 dwellings (on top of the Core Strategy allocation) over a 10-year period from 2020. This is an annual requirement of just over 20 dwellings and, extrapolated over the emerging Local Plan period on a pro-rata basis, totals an additional c371 dwellings in the parish.

It should be noted that allocation of sites through the emerging Local Plan is not based on proportionate allocation, as it assesses needs of the whole Borough as well as site suitability and deliverability. The proportionate impact on the Parish should be viewed in respect of the sustainability of existing services and infrastructure and any consequent intervention and remediation that may be required.

Table 5.3: Proportionate increase in dwellings Standard Method: Dacorum, Kings Langley 2020-2030

	Dacorum	King Langley
Stage 1: % increase in household spaces 2011		
2011 household spaces	61,969	2,160
%	100	3.486
Local Plan requirement per annum	430	
HENA Standard Method	1,022	
Annual increase in housing need		
Additional impact of the Standard Method (2020-2030) No. & (%).	592) *10 = 5,920 (8.84%)	
Application of % increase 2020-2030.	5,920 x 3.486%	206
Increase in annual HN number 2020-2030	592	20.6
Increase in annual HN number Extrapolated over timeline of the emerging Local Plan	10,656	371

Source: Census 2011

The Kings Langley Parish Plan Village Survey was published in June 2019. Theme 6 is entitled 'Future Development'. Residents surveyed were opposed to the principle of new development within the Parish. 95% would support residential development on brownfield land. Respondents were concerned however about any incursion into the Green Belt and were keen to maintain the Green Belt buffer with other settlements.

6. House Type, Size and Mix

6.1 Overview

This chapter develops a base dataset for the Parish and will specifically provide the data response to Core Question 2. The neighbourhood profile will look at the housing stock, population and household profiles for the Parish. The structure and content are similar to the Strategic Housing Market Assessment (SHMA), although naturally the focus is on the smaller geography of the parish. The base set of information will be drawn from the Census 2011 as with the SHMA. However, we are able to use more recent projections than the SHMA.

At the time of the Census 2011, Kings Langley contained 2,190 household spaces, which we can define as dwellings. Of these dwellings 2,135 were usually occupied, so this equates to the number of households within the Census based analysis. Resident households were formed from a population of 5,214 persons.

Table 6.1 Household spaces and population.

Total household spaces	2,190
Of which usual resident	2,135
Resident population	5,214

Source: Census 2011 (Nomisweb)

6.2 Housing profile

6.2.1 Tenure

Definition

The tenure of housing refers to the legal status of the occupier in relation to the property in which they reside. For example, an owner occupier owns the property they live in, albeit that property may be mortgaged and hence the mortgage company will also have a legal interest in the property. A tenant on the other hand rents their property and, although they have rights of occupation bestowed by the tenancy agreement, they do not own the property in which they live.

The key tenures for the purpose of this analysis are:

Owner Occupation	where the occupier owns the property on a freehold or long leasehold basis with or without a mortgage.
Private rent	where the tenant rents the property from a private individual or organisation usually at a rent dictated by market conditions, but in any event free from statutory or other regulatory rent controls.
Affordable Housing for Rent	where the tenant rents the property from a registered provider of social housing (Registered Provider) and the property is let at a below market level rent and controlled by statute or other regulatory power. A Registered Provider

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	is usually a local authority landlord or housing association.
Affordable Housing for Sale	where the occupier owns or part owns the property and has received some form of subsidy in order to do so. The property will usually be bound by some form of condition or covenant that ensures that the subsidy remains vested in the property.

Affordable housing, which is commonly known as social housing, is defined in national planning policy terms. It does not strictly refer simply to the affordability of the housing. For example, an individual may rent a property they own to another person at 50% of the normal market value, which may in fact be cheaper than some affordable housing for rent. However, it will not be defined as affordable housing as the owner is not a Registered Provider.

What qualifies as an affordable housing tenure is constantly redefined at the margins by national policy guidance. There has been a greater emphasis since the Coalition administration came to power in 2010 on Affordable Housing for Sale, often referred to as ‘intermediate housing’, which is predominantly aimed at first time buyers in employment and is viewed as an initiative to enable market access. Intermediate housing includes tenures such as shared ownership and discounted market housing.

Initiatives such as Help to Buy confusingly fall outside the definition of affordable housing, but nonetheless follow the principle enabling access to the housing market.

The current definition of ‘affordable housing’ is set out within the NPPF Annex 2 (revised February 2019) and is excerpted below:

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

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).

Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

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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.

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.”

First Homes

The Government has recently issued a consultation on First Homes. First Homes is proposed as a form of discounted market housing. The consultation on First Homes proposes that the minimum discount is 30% off the market sale value, as opposed to the 20% minimum required of discounted market homes. The MHCLG consultation paper February 2020 (para. 18) states that “Local Authorities have the discretion to set higher discounts on properties on a site-by-site basis, and we expect them to seriously consider this when determining local discounts”.

It is also proposed that LAs set criteria for eligibility, which enables them to prioritise local residents and essential workers, though this shall be time limited. It is anticipated the First Homes product will, in effect, replace Starter Homes product.

6.2.2 Current Tenure Profile

The table below (6.2) sets out the tenure profile within the Study Area at the time of the Census. Home ownership, whether owned outright or with a mortgage, is proportionally higher in Kings Langley than the comparative geographies.

Affordable (social) rented housing whether from the Council or a Registered Provider is proportionally lower within the parish than the borough as a whole. However the comparative proportion of social (affordable) rented housing is not out of step with that of the region and at the national level.

The proportion of private rental homes in the parish is slightly lower than the Borough as a whole, and lower still than the regional and national proportions.

Table 6.2: Current tenure 2011.

	Kings Langley	Kings Langley	Dacorum BC	East of England	England
	No.	%	%	%	%
Owned outright	797	37.3	29.1	32.9	30.6
Owned with mortgage	793	37.1	35.7	34.7	32.8

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Shared ownership	5	0.2	0.6	0.7	0.8
Rented from the council	279	13.1	17.4	7.8	9.4
Rented from other social landlord	23	1.1	4.4	7.9	8.3
Rented from private sector	218	10.2	11.9	14.7	16.8
Living rent free	20	0.9	0.9	1.3	1.3
Total	6,380	100	100	100	100

Source: Census 2011 (Nomisweb)

Tenure change over the period 2001 to 2011 is set out in Table 6.3. During this time, Kings Langley has not seen a significant change in the tenure profile of its housing stock. The owner-occupied stock has reduced slightly as a proportion of all stock. Private rental stock has seen the biggest proportionate increase. Social rented housing as a proportion of all stock has decreased very slightly from 2001 to 2011.

In essence the Parish has seen a small reduction in owner occupation which has predominantly been replaced by an increase in the private rental sector (PRS). It is accepted that the increases in the PRS are driven by affordability issues with aspirational first-time buyers having to rent for a longer period. This is not dissimilar to the Borough and wider geographies. All geographies have seen an increase in the private rental sector and a reduction in the owner-occupied sector. There has also been a slight reduction in the social rental sector across all comparative geographies.

Table 6.3- Tenure change 2001 to 2011

	2011	2001	2011	2001	2011	2001
	All ownership % (inc. shared ownership)		All social (affordable) rent %		All private rent & rent free (other in 2001) %	
Kings Langley	74.7	77.6	14.1	15.0	11.1	7.5
Dacorum BC	65.4	70.3	21.8	22.4	12.8	6.8
East of England	68.2	72.7	15.7	16.5	16.0	10.8
England	64.2	68.8	17.7	19.3	18.1	12.0

Source: Census 2001, Census 2011 (Nomisweb)

6.2.3 Housing Type

Table 6.3 below sets out the housing mix in the Parish and comparative geographies at the time of the last Census. Kings Langley has a significantly higher proportion of detached and semi-detached housing in comparison to the Borough of Dacorum as a whole. These differences are less marked in comparison with the wider geographies.

Kings Langley has a lower proportion of terraced housing in comparison to the Borough as the whole. However, the Borough has a higher proportion of terraced housing than the wider comparative geographies.

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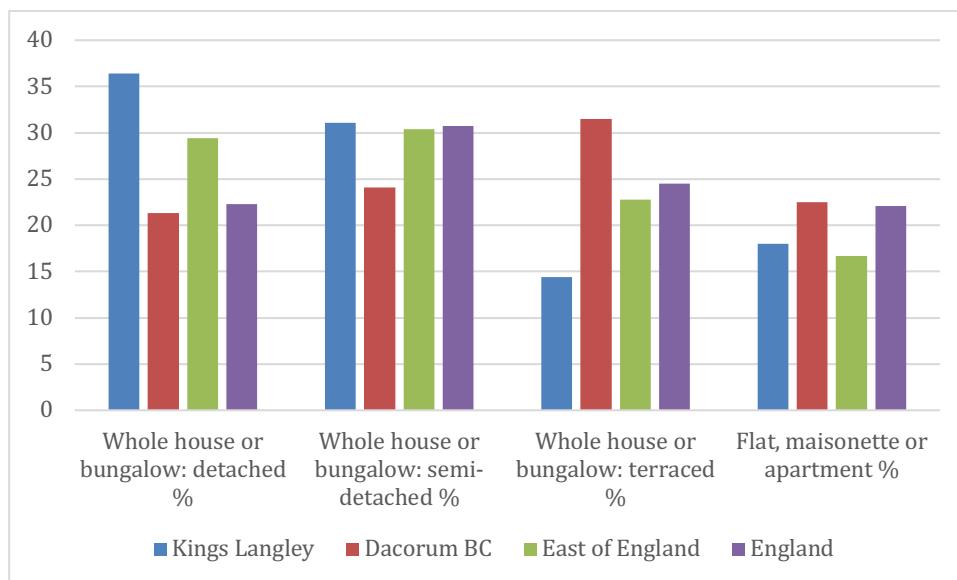
The proportion of flats (including apartments and maisonettes) in the Parish is lower than the Borough, but not significantly. In fact, the Parish contains a higher proportion of flats than the region as a whole.

Table 6.5 – Accommodation type

Area	All categories: Household spaces	Whole house or bungalow: det'd %	Whole house or bungalow: semi-det %	Whole house or bungalow: terraced %	Flat, apt or maisonette %	Mobile home %
Kings Langley	2,190	36.4	31.1	14.4	18.0	0.0
Dacorum BC	61,696	21.3	24.1	31.5	22.5	0.6
East of England	2,531k	29.4	30.4	22.8	16.7	0.8
England	22,976k	22.3	30.7	24.5	22.1	1.4

Source: Census 2011 (Nomisweb)

Figure 6.1 House types: Kings Langley and wider geographies



Source: Census 2011 (Nomisweb)

Table 6.6 sets out the proportion of dwellings by number of bedrooms in Kings Langley and respective geographies. As might be expected in an area with relatively high levels of detached and semi-detached accommodation, Kings Langley has a high proportion of dwellings with 3 or 4+ bedrooms (c70%). However, although the proportion of 4+ bedroom accommodation is higher than comparative geographies, the proportion of 3-bedroom accommodation is actually on a par.

The proportion of two-bedroom dwellings (c20%) is lower than comparative geographies, as is one-bedroom dwellings though to a lower degree. Dwelling sizes in the Parish are weighted toward larger dwelling sizes in comparison to the wider geographies. However, this is not as marked as more isolated rural settlements.

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Table 6.6 – Household dwellings by number of bedrooms

	Kings Langley no.	Kings Langley %	Dacorum %	East of England %	England %
1 bed dwellings	208	9.7	12.6	10.6	12.0
2 bed dwellings	436	20.4	24.3	26.2	27.9
3 bed dwellings	859	40.2	39.7	41.4	41.2
4+ bed dwellings	632	29.6	23.5	21.9	19.0
Total	2,135				

Source: Census 2011 (Nomisweb)

Table 6.7 sets out the dwellings by number of bedrooms across the Parish by tenure at the time of the Census 2011. Both social rented and private rented sectors (PRS) have a significantly higher proportion of 1 bedroom dwellings (c29% and c21% respectively) compared to 4.4% of owner-occupied dwellings. Given the significantly higher number of owner-occupied dwellings, the difference across tenures is less marked. In fact there are more 1-bed owner occupied dwellings than PRS dwellings.

The proportion of 2-bed dwellings in the social and private rental sectors is over twice that of owner-occupied dwellings at c32% and c39% respectively compared to c15% in the owner-occupied sector. The actual number of 2-bed dwellings in the owner-occupied sector is approximately 2.5 times greater than the other tenures.

3 bedroom dwellings form the highest proportion of dwellings in both owner-occupied and social rented sectors. Larger dwellings (4+ dwellings) make up 37.4% of the owner-occupied sector. In contrast, larger dwellings make up only 2.3% of social rented dwellings which infers that the larger or extended lower income families will struggle to find accommodation in the Parish.

Table 6.7 – Tenure by number of bedrooms

	All ownership (incl. shared ownership) no. & %	Social rented no. & %	Private rented & rent free no. & %
1 bed dwellings	70 4.4%	87 28.8%	51 21.4%
2 bed dwellings	246 15.4%	96 31.8%	94 39.5%
3 bed dwellings	681 42.7%	112 37.1%	66 27.7%
4+ bed dwellings	598 37.4%	7 2.3%	27 11.3%
Total	1,595	302	238

Source: Census 2011 (Nomisweb)

6.3 Household and Population Profile

Having considered the housing stock, we now look at household and population profile in order to assess the suitability of the stock in meeting the current and future needs of current and future Parish residents.

6.3.1 Age Structure

In 2011, the resident population count for the Parish of Kings Langley was 5,214 persons, with a mean age of 41.7 and a median age of 43. These averages are a little higher than the surrounding geographies.

Table 6.7 Population and average age of population in 2011

	Kings Langley	Dacorum	East of England	England
Pop.	5,214	145k	5,846k	53M
Mean age	41.7	39.4	40.2	39.3
Median age	43.0	40.0	40.0	39.0

Source: Census 2011 (Nomisweb 2020)

Table 6.8 below considers relative proportion of the population by age cohort at the time of the Census in 2011.

The younger age profile by cohort of Kings Langley is similar to that of comparative geographies. However, we see a higher proportion of residents within the older cohorts. The comparison with the Borough as a whole is interesting. The proportion of under 16s is effectively the same, but a difference transpires in the 25 to 44 and 45 to 64 cohorts, where the proportion is higher in Dacorum in the former cohort and higher in Kings Langley in the latter cohort. This could indicate a slightly older profile of families in the Parish.

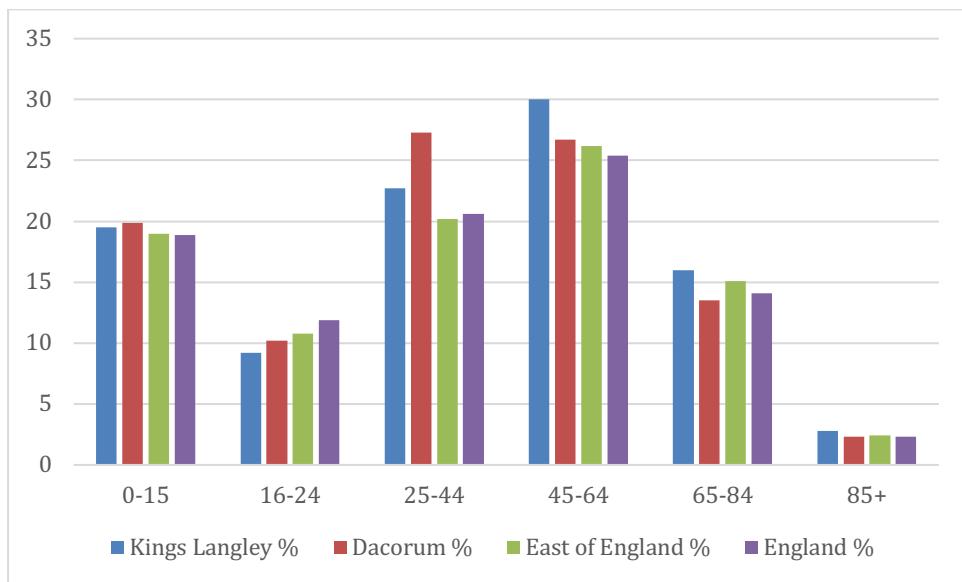
Table 6.8 Age cohort as a percentage of the population in 2011

Age cohort	Kings Langley no.	Kings Langley %	Dacorum %	East of England %	England %
0-15	1,017	19.5	19.9	19.0	18.9
16-24	482	9.2	10.2	10.8	11.9
25-44	1,185	22.7	27.3	20.2	20.6
45-64	1,548	30.0	26.7	26.2	25.4
65-84	835	16.0	13.5	15.1	14.1
85+	147	2.8	2.3	2.4	2.3

Source: Census 2011 (Nomisweb)

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Figure 6.2: Age structure (cohorts), 2011



Source: Census 2011 (Nomisweb)

Table 6.9 below considers the change in proportion of the resident population within the different age cohorts from 2001 to 2011. Over the ten year period, there has been a proportionate increase in the older cohorts (45-54, 65-64, 65-84 & 85+). This is particularly marked in the 85+ age cohort.

In respect of other cohorts the 16-24 age cohort increases as a proportion of the whole population. However the 0-15 and 25-44 age cohort have decreased proportionally. This may reflect the natural ageing of the resident population over the ten year period.

Table 6.9: % of the population by age cohort 2001 & 2011

Age group	Kings Langley 2001 %	Kings Langley 2011 %	Dacorum 2001 %	Dacorum 2011 %
0-15	20.7	19.5	21.0	19.9
16-24	7.9	9.2	9.6	10.2
25-44	28.3	22.7	30.5	27.3
45-64	25.6	30.0	23.9	26.7
65-84	14.9	16.0	13.4	13.5
85 and over	2.5	2.8	1.7	2.3

Source: Census 2001-2011 (Nomisweb)

To complement the proportionate rate of change by age cohort, it is useful to consider the numbers within cohort and how these have changed over the period. The total populations resident in Kings Langley and Dacorum have increased by 142 persons (2.8%) and c7,000 (5.1%) respectively.

Numerically the 0-15 age cohort has slightly decreased in Kings Langley and remained relatively constant in the Borough. The 25-44 age cohort has decreased in both Kings Langley and Dacorum while the population in the age cohort (45-64) has increased. This cohort has numerically seen the greatest increase in population. These changes infer a natural ageing of the resident population which has not been significantly impacted demographically by in or outflows of the population over the period.

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In tune with that inference, we see an increase in all older population cohorts. Although the overall numbers are lower than other cohorts, housing and care needs of the older generation, particularly the 85 and over cohort, merit attention in policy planning, due to the higher demand and need for specialised housing and support for that cohort.

Table 6.10: Rate of change by no. by age cohort, 2001-2011

Age group	Kings Langley 2001	Kings Langley 2011	Dacorum 2001 (‘000s)	Dacorum 2011 (‘000s)
0-15	1,053	1,017	28.9	28.9
16-24	400	482	13.2	14.8
25-44	1,435	1,185	41.9	39.6
45-64	1,300	1,548	32.9	38.7
65-84	756	835	18.4	19.5
85 and over	128	147	2.4	3.4
Total	5,072	5,214	137.8	144.8

Source: Census 2001-2011 (Nomisweb)

6.3.2 Population Projections

The table (6.11) and graph (Figure 6.3) below set out the Office for National Statistics (ONS) population projections for Dacorum. Projections are not available at a parish level geography. However, the projections at a borough-wide level will give an indication of likely increases or decreases in population-age cohorts. This will be relevant at the Parish level. The most recent population projections start from a base year estimate of 2016. However, we have taken the projected rate of increase in 2021, 2031 and 2041 from 2011, the Census population figures.

The greatest projected population increases occur in residents aged 65 and older. In the Borough, residents aged 85 and over are predicted to more than double by 2041.

In comparison, population increase in younger age cohorts is less marked. In fact, the 15-24 age cohort is projected to reduce in numbers over the 10-year period to 2021.

The population cohorts, 15-24 & 25-44 are the only seeing a proportionate increase in single figures of 3.44% and 6.26% respectively over the period 2011-41. The youngest age cohort (0-14) sees significant initial increase from 2011-21 of 13.56%. However, the increase in this cohort is projected to effectively cease over the period 2021 to 2041.

Table 6.11: Projected in/decrease across population cohorts: Dacorum 2011/2041.

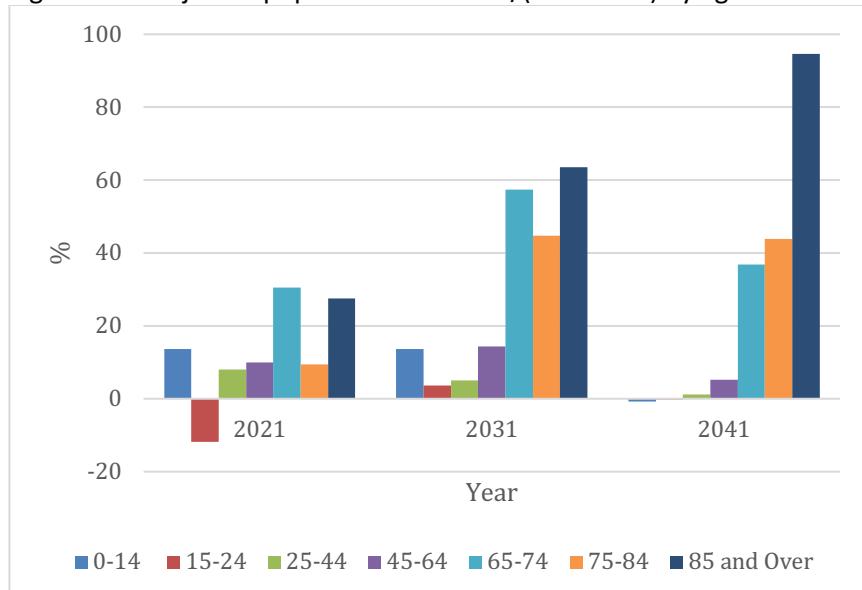
Age cohort/	0-14	15-24	25-44	45-64	65-74	75-84	85+	All
2021 (incr. from 2011) %	13.56	(11.78)	8.03	9.95	30.54	9.49	27.47	9.59
2031 (incr. from 2011) %	13.61	3.55	5.05	14.38	57.39	44.67	63.61	16.6 7
2031 (incr. from 2021) %	0.05	15.33	(2.98)	4.43	26.85	35.18	36.14	7.08
2041 (incr. from 2021) %	12.90	3.44	6.26	19.56	63.64	79.09	130.81	22.2 3

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2041 (incr. from 2031) %	(0.71)	(0.11)	1.21	5.18	36.79	43.91	94.67	5.56
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Source: ONS Population Projections mid-2016 (Nomisweb)

Figure 6.1: Projected population increases/(decreases) by age cohort 2011 to 2041



Source: ONS Population Projections mid-2016 (Nomisweb)

6.3.3 Household Composition

Household composition is a fundamental factor driving the size of housing needed in the Parish in the future. At the time of the Census 2011, the table (6.12) below shows us that Kings Langley has a smaller proportion of one person households than the wider geographies. Nonetheless Kings Langley has a higher proportion of one person households aged 65+ meaning the proportion of single person households under 65 years is proportionally much lower than surrounding geographies.

Kings Langley has a slightly higher proportion of one family households, unsurprisingly given the slightly lower proportion of one person households. However the breakdown within the one family household grouping do not present any significant deviations.

Table 6.12: Household composition by age

Household group		Kings Langley %	Dacorum %	East of England %	England %
One person household	Total	26.9	28.8	28.5	30.2
	Aged 65 and over	14.5	12.0	12.7	12.4
	Other	12.5	16.8	15.8	19.9
One family only	Total	68.0	65.5	65.1	61.7
	All aged 65 and over	10.0	8.3	9.4	8.1

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	With no children	18.1	18.3	18.9	17.6
	With dependent children	29.6	29.1	27.2	26.4
	All children Non-Dependent	10.4	9.8	9.6	9.6
Other household types	Total	5.1	5.7	6.5	8.0

Source: Census 2011 (Nomisweb)

Table 6.13 considers rates of change of household composition from 2001 to 2011 in Kings Langley. The highest increase in household group is with 'Other' households and one person households who are not pensioners at 32% and 25% respectively. 'Other household types' category is a catch all that picks up sharers, extended families and so on. This contrasts with overall household growth of only 1.9%.

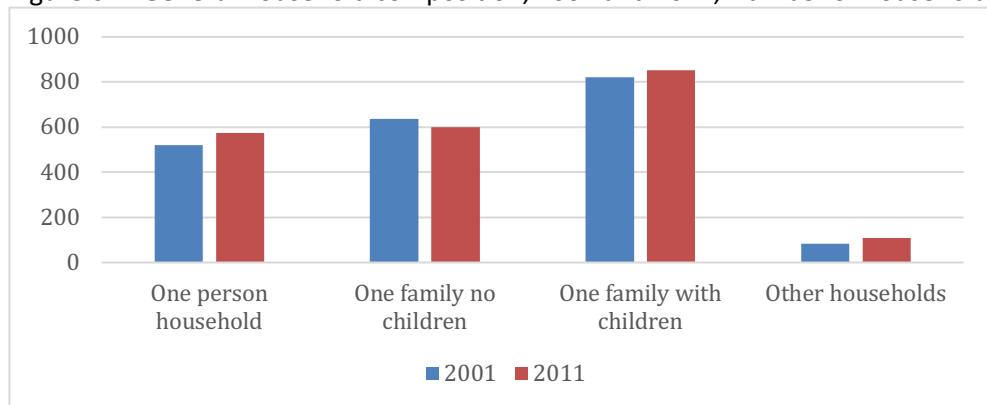
The Parish has seen a decrease in all pensioner households and single childless families. Overall, pensioner-only households have seen a slight decrease which is interesting given the increase in the higher age cohorts over the same period.

Table 6.13: Rate of change of household composition 2001-2011 in Kings Langley

	2001	2011	In/decrease from 2001 %
All households	2,063	2,135	1.9
One-person household – Pensioner	309	309	0
One-person household – non-pensioner	212	266	25
One family and no others - All pensioners	234	213	-9
One family and no others - no children	404	386	-4.5
One family and no others - with dependent children	621	633	1.9
One family and no others - all children non-dependent	201	220	9.5
Other households	82	108	32

Source: Census 2001:2011 (Nomisweb)

Figure 6.2: General household composition, 2001 and 2011, Number of households



Source: Census 2001: 2011 (Nomisweb).

6.3.4 Household Occupancy Rates

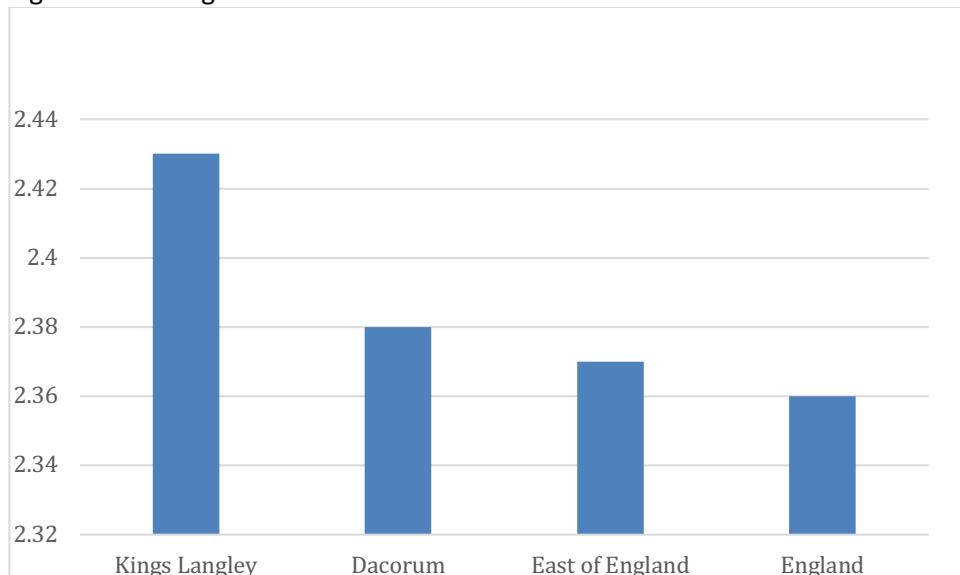
We have looked at the profile of the Parish in respect of the type, tenure and size of housing, and in terms of its population and households. In order to assess whether the housing profile is balanced with the needs of the households who live within it, as well as considering the needs of emerging households who will need their own housing, we need to now match these respective elements. To do this, we consider household occupancy rates.

Statistically, the larger the household size in relation to rooms/bedrooms available (to that household), the greater the probability of overcrowding. Conversely the smaller the household size in relation to the number of rooms/bedrooms available the greater the probability of under-occupation.

Clearly over-crowding is not desirable. It has significant impacts on the households' health and well-being. Some households, particularly as the adult children leave the family home, may choose to under-occupy the family home. It is their legal right to do so, although there may be some financial penalty if a working age household is receiving some form of housing benefit. Under-occupation is nonetheless not the most efficient use of the housing stock, particularly given the demands from new forming households. If under-occupation is a result of the lack of suitable accommodation for smaller households, then this is a matter that any strategic plan should seek to address.

The Figure 6.3 below illustrates the average household size for Kings Langley and comparative geographies at the time of the Census 2011. It can be seen that the average household in Kings Langley at 2.43 occupants is slightly higher than that for wider geographies, which sit within the range of 2.36 to 2.38.

Figure 6.3 Average household size



Source: Census 2011 (Nomisweb)

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Table 6.15 considers the occupancy rating for household dwellings within Kings Langley and surrounding geographies. Occupancy rating gives us an opportunity to look more deeply into over-occupation (over-crowding) and under-occupation.

The table below provides the occupancy ratings across the Kings Langley Parish and the wider geographical areas. 44% of households in Kings Langley are under-occupying their household dwelling by 2 or more bedrooms. This is proportionally higher than surrounding geographies which range between c34% to c38% and also has to be viewed within the context that the average household size in Kings Langley is slightly larger than comparative geographies.

In contrast, Kings Langley has a low proportion of dwellings with an undersupply of bedrooms (2.4%), which is half the level in England as a whole (4.6%), and lower than the Borough of Dacorum as a whole at 3.2%.

There is significant household under-occupation in terms of number of bedrooms within dwellings across the Parish. As we have noted previously, under-occupation is not always an issue for the household. However, if under-occupation is a result of the lack of suitable accommodation for smaller households, then this is a matter that any strategic plan should seek to address.

Table 6.15: number of over/ undersupply of bedrooms by household size

Under-occupation (+) / overcrowding (-) by no. of bedrooms	+2 or more	+1	0	-1	-2 or less
Kings Langley	940	708	436	47	4
Kings Langley %	44.0	33.2	20.4	2.2	0.2
Dacorum %	37.6	32.3	26.9	2.9	0.3
East of England %	37.7	34.5	24.4	3.0	0.4
England %	34.3	34.4	26.7	3.9	0.7

Source: Census 2011 (Nomisweb)

7. Affordability and Future Tenure Type

7.1 Overview

Core Question 3 requires assessment of the affordable housing need for the Parish.

Given the small nature of the settlement and therefore the limited supply of transactions, the approach we are using is to assess secondary data at the borough-wide spatial level. Observations can then be made at the parish-level based upon the transactional information we do have and consultation with local agents.

The chapter begins by summarising the SHMA findings in respect of affordability in 7.2. The remaining sections of the chapter review affordability in relation to more up to date house price data and earnings. Again, this is provided at the borough level.

7.2 SHMA Findings for Dacorum Borough

The South West Hertfordshire Strategic Housing Market Assessment (SHMA) was published in January 2016. The Housing Market Area consists of Dacorum Borough Council, Hertsmere Borough Council, St. Albans City and District Council, Three Rivers District Council and Watford Borough Council. However, St. Albans did not take part in the Commission.

The Planning Practice Guidance sets out a standard approach for assessing affordable housing need consistent with the methodology advocated in the 2007 SHMA Guidance which has been adopted for this SHMA. This is known as the Basic Needs Assessment Model.

The analysis is based on secondary data sources. It draws on a number of sources of information including 2011 Census data, demographic projections, house prices/rents and income information. The SHMA estimates affordable housing need (annual and total) for the period 2013 to 2036.

Table 39 of the SHMA sets out estimated affordable need on an annual basis for the constituent local authorities. The outcome for Dacorum is set out in the table below.

Table 7.1: Estimated affordable housing need Dacorum (2013 to 2036)

	Per annum	23 years (2013 to 2036)
Current need	30	690
New forming households	609	14,007
Existing households falling into need	308	7,084
Total need	947	21,781
Supply	(581)	(13,363)
Net need	366	8,418

Source: South West Hertfordshire Strategic Housing Market Assessment 2016

The SHMA is a few years old now and the base data collected a few years prior to that. It should be noted that ratio of lower quartile house prices to lower quartile earnings reported in the SHMA is 9.4 based on 2013 data and the median house price to earnings ratio is 8.7. This is less than the 2018 affordability ratios at both the median and lower quartile levels which are 12.28 and 13.48 respectively.

We will consider in the next few sections how house prices have outstripped income growth in the last few years and as such, affordability ratios have increased since the SHMA was published.

However conversely, increased affordable housing need also needs to be viewed within the context of the increased housing need figure generated by the Standard Method. As the Borough's annual local housing need figure will increase significantly, it should also lead to an increased supply of affordable housing.

7.3 Affordable housing tenure type

Table 7.2: Estimated affordable housing tenure

	Social/affordable rented	Intermediate
Total need	823	124
Supply	563	16
Net need	258	108
% of total	70.5%	29.5%

Source: South West Hertfordshire Strategic Housing Market Assessment 2016

The table above sets out the estimated need for the differing affordable housing tenure types. In combination with overall affordable housing need and the viability of site delivery, this information has informed the Council's planning policies in respect of affordable housing.

The Council's current affordable housing policy is outlined in Policy CS19 of the existing Core Strategy and the Affordable Housing Supplementary Planning Document (SPD) adopted in 2013. The SPD states that "35% affordable housing is expected on sites of a minimum size 0.3ha or 10 dwellings (and larger) in Hemel Hempstead; and of 0.16ha or 5 dwellings (and larger) elsewhere. A financial contribution is expected from smaller sites. As a guide to the mix of affordable housing, the Council currently seeks 75% affordable rented housing and 25% shared ownership homes."

7.4 Affordability assessment

This next section considers the affordability of the Borough's housing in relation to earnings.

In line with planning policy guidance, we have assessed affordability by looking at the relationship between lower quartile house prices and lower quartile earnings, and the median price earnings ratio. We will consider earnings first.

7.4.1 Earnings

When assessing affordability, we are considering the ratio of workplace earnings to house prices. We have used the Annual Survey of Hours and Earnings (ASHE) provided by the Office for National Statistics (ONS) via the Nomisweb public access website to provide the workplace-based earnings element of the affordability assessment. ASHE data provides earnings data at the local authority level as the smallest spatial level. This is a component of the Standard Method local housing needs assessment.

The table below considers median and local quartile workplace earnings progressively over key timeline dates.

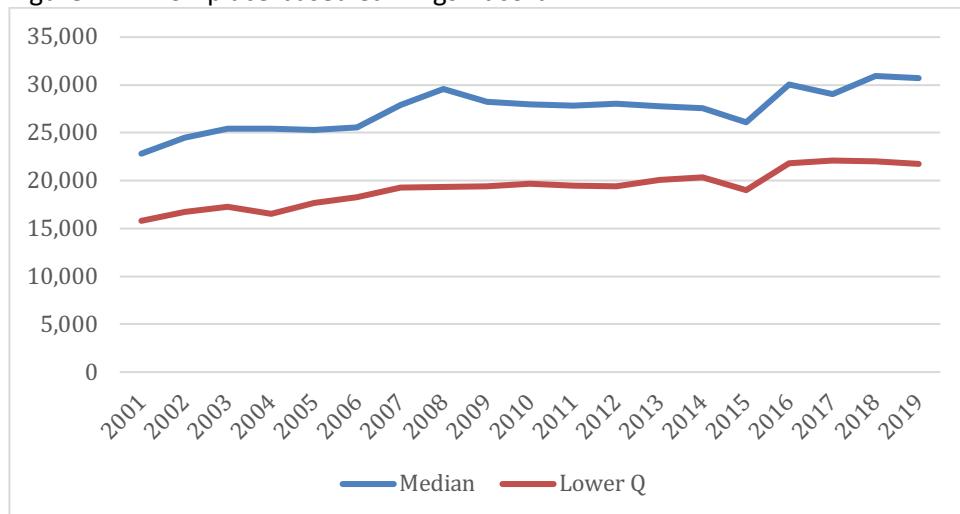
Table 7.3: Workplace-based earnings Dacorum

Year	Median earnings (£)	Lower quartile earnings (£)	Timeline
2001	22,823	15,803	Census 2001
2011	27,812	19,498	Census 2011
2013	27,754	22,000	SHMA 2016
2018	30,941	21,764	Standard Method
2019	30,723	21,764	Most recent

Source: ASHE (ONS 2020)

The graph below represents the comparative increases in the lower quartile and median incomes over the period. Both trajectories follow a fairly consistent pattern, although it should be noted that the gap in 2019 is at the higher end of the range.

Figure 7.1: Workplace-based earnings Dacorum



Source: ASHE (ONS 2020)

The assessments of affordability and local housing need are based upon workplace earnings. ONS also produces residents' median annual earnings through the ASHE. The difference between the two sets of data is that not all residents work within the Borough and not all workers live within the Borough. Sometimes the differences can be stark if many residents are commuting out of Borough, while the workforce is coming into the area to fill jobs, predominantly in the service sector. This can be

characteristic of some areas of the London commuter belt. Median resident annual earnings are higher than for the workforce and comparatively so when considering the national position. However, this is not significant and clearly there will be an employment draw towards London given Dacorum's location.

Table 7.4: Comparative resident and workplace median earnings 2019

	Annual earnings- residents (£)	Annual earnings- workplace (£)
Dacorum BC	32,914	30,723
East of England	31,878	30,345
England	30,661	30,667

Source: ASHE (ONS 2020)

7.5 House Prices

In order to calculate affordability thresholds, we also need to consider house prices. As with earnings data, in order to do so we need to consider average house prices across a wider geography than the Study Area. The Land Registry House Price Index is only available down to local authority level. In any event the parish area does not provide the volume of transactions to draw robust conclusions on house prices. As such we will examine house prices across the local authority (LA), county, region and England.

Furthermore, those households currently residing in Kings Langley who wish to move or to form a new household and can afford to do so may wish to search beyond the parish. We do however consider price paid data within the Parish in section 7.5.

7.5.1 Land Registry House Price Index

The Land Registry House Price Index (HPI) uses indexed sales data to assess the average house price across a number of geographies, the lowest geography being at the local authority level. An index is a more sophisticated methodology than simply analysing actual sales, as only a small proportion of dwellings are sold within any year. The Land Registry HPI uses a methodology that tracks house sales data over time and enables a qualified assessment of average values. This is a consistent approach to the commercial house price indexes provided by Halifax and Nationwide, although all the methodologies do differ slightly. We do also report actual sales data to assess lower quartile, mean and median sales price data for Kings Langley in 7.5 as mentioned.

Table 7.5 below sets out average house prices as determined by the HPI across these four geographical areas in January 2020. It can be seen that the average house prices in both Dacorum and Hertfordshire are higher than the East of England and England as a whole.

Given that median earnings in Dacorum are not significantly out of line with the regional and national average, it stands to reason that affordability is more an issue in Dacorum than surrounding geographies. We illustrate this within the next section.

Table 7.5: Average house prices across LA, County, Region and England (Jan 2020)

	Flat (£)	Terrace (£)	Semi (£)	Detached (£)	All (£)
Dacorum	254,713	346,739	456,197	822,825	400,431
Hertfordshire	246,251	346,511	467,628	793,837	394,507
East of England	185,039	243,168	296,330	427,928	286,999
England	221,053	201,669	235,441	371,605	247,355

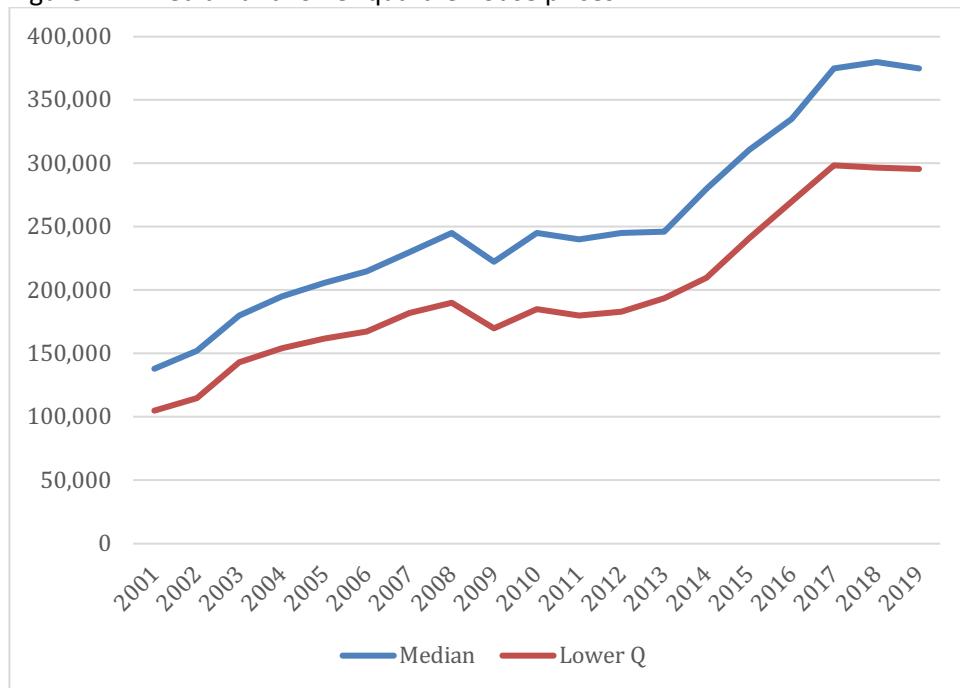
Source: Land Registry HPI (Jan 2020).

7.5.2 Affordability ratio

The previous sections illustrated that average house prices are higher in Dacorum than surrounding geographies at regional and national level, while workplace earnings remained consistent with wider geographies.

Figure 7.2 below illustrates house price growth at the median and lower quartile levels. It should be noted that the data point for the SHMA was 2013. The graph below illustrates a sharp increase in house prices between 2013 and 2017, although this has levelled off over the last few years.

Figure 7.2: Median and lower quartile house prices



Source: ONS, Land Registry 2020.

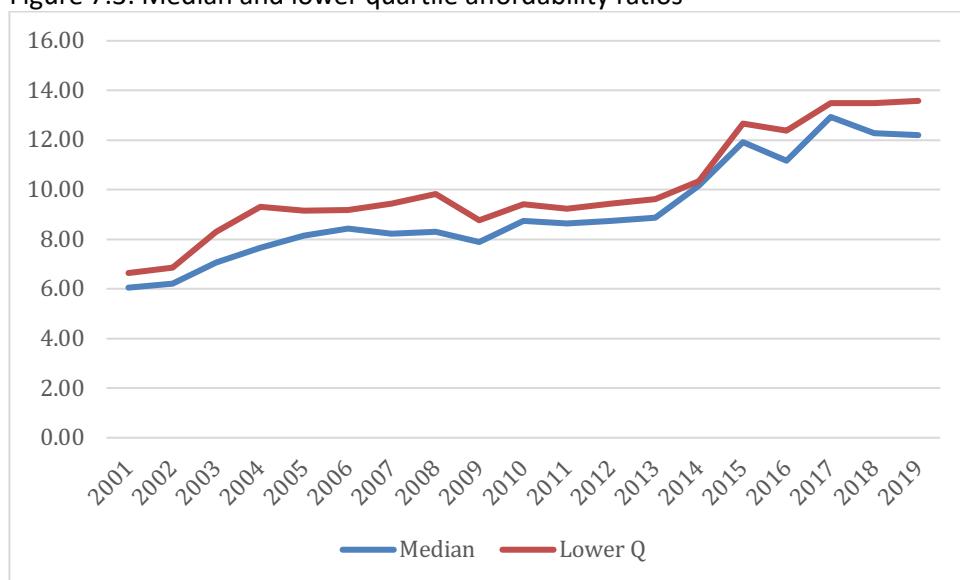
Figure 7.3 below illustrates the affordability ratios at lower quartile workplace earnings to lower quartile house prices and median workplace earnings to median house prices respectively.

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What the ratio demonstrates, taking 2018 as the example year, is that the median house prices in 2018 were 12.28 times median workplace earnings in that year. Similarly lower quartile house prices were 13.48 times lower quartile workplace earnings in 2018. Given that historic mortgage lending is based upon 3.5 to 4 times earnings, it highlights the difficulty for first time buyers and for households in moving to a larger property without significant capital support.

Clearly some first and second time buyers will have parental and other family support. Likewise the Government's Help to Buy scheme has assisted many into home ownership.

Figure 7.3: Median and lower quartile affordability ratios



Source: ONS, Land Registry 2020.

7.6 Kings Langley price paid data

This section compares Kings Langley with its wider Borough in order to draw conclusions about affordability more specifically relating to the Parish. We are able to access price paid data from the Land Registry at the Parish level as well as the Borough level. We have explained in 7.4.1 that this is not indexed data which forms the basis of published house price analysis.

The table 7.6 below provides price paid data from January 2018 to November 2019 inclusive. Over this period there were 4,072 house sales in the Borough as a whole, compared to 127 sales in Kings Langley.

So we need to be cautious about the conclusions we draw from the Kings Langley data. Across all sales, the mean, median and lower quartile price paid results are notably higher for Kings Langley. However, as we will recall from Chapter 6, Kings Langley exhibits a higher proportion of larger dwellings (4+ bedrooms) and detached and semi-detached dwellings than Dacorum. These dwellings will command a higher

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average sales price than smaller terraced dwellings and apartments. This can be evidenced by the profile of house sales in Kings Langley compared to Dacorum.

If we consider the comparative average sales value of terraces and flats, we see that price paid data converges, although again we caution awareness of the small volume of transactions in Kings Langley. That said, lower quartile price paid data for Kings Langley and Dacorum is £395,000 and £305,000 respectively for terraced houses, and £225,000 and £197,000 respectively for flats.

It does appear from the data we have that there is a degree of premium paid for property in Kings Langley, which will have an adverse effect on new households looking to purchase in the Parish.

Table 7.6 Price paid data Kings Langley (KL), Dacorum (D) - (Jan 2018 to Nov 2019)

		Count	Average (Mean)	Median	Lower Quartile
All	KL	127	619,488	567,500	425,625
	D	4072	444,976	370,000	292,500
Detached	KL	33	870,769	845,000	670,000
	D	785	778,794	675,000	534,950
Semi-detached	KL	44	532,668	536,000	467,500
	D	867	619,855	445,000	372,250
Terraced	KL	29	451,776	430,000	395,000
	D	1447	371,344	343,000	305,000
Flat	KL	21	267,191	257,500	225,000
	D	973	257,561	240,000	197,000

7.6.2 Agent advice

Given the current Coronavirus situation, we were not able to obtain agent advice. We can revisit this section at a later date.

7.7 Affordability of Market Housing

For this purpose, we use the latest workplace earnings figures and indexed house price data from 2019.

The affordability threshold for market sales is determined as the level at which lower quartile income households can acquire lower quartile properties on the open market without subsidy. Certain assumptions are made about mortgage multiples and deposit. Household mortgage multiples have been assumed at 3.5 times household salary and deposits of 5% and 10% of the mortgage available have been assumed. We also assess the ability of median earner households to access the housing market.

It can be seen from the table below that, given the assumptions we have made, neither lower quartile nor median earning households can access the housing market at the lower quartile level without further assistance. That assistance may be

forthcoming from parents or other relatives. It also needs to be highlighted that some first-time buyers will be on higher salaries, given the proximity of the Borough to London. However, this does starkly illustrate the affordability issue within the Borough. Given that house prices appear to command a slight premium in Kings Langley, the implications for residents and workers in the Parish are likely to be even more stark.

Table 7.7 Affordability thresholds Dacorum 2019

	Lower quartile 1x earner household	Median 1x earner household	Lower quartile 2x earner household	Median 2x earner household
Earnings	£21,764	£30,941	£43,528	£61,882
Mortgage available	£76,174	£108,294	£130,584	£185,646
Assumed deposit (5%) (1)	£3,809	£5,415	£6,529	£9,282
Assumed deposit (10%) (2)	£7,617	£10,829	£13,058	£18,564
Price payable less fees^ (1)	£78,483	£112,209	£135,613	£193,428
Price payable less fees^ (2)	£82,291	£117,623	£142,142	£202,710
Affordability gap				
Lower quartile (£295,000) price gap 5% deposit	(216,517)	(182,791)	(159,387)	(101,572)
Lower quartile (£295,000) price gap 10% deposit	(212,709)	(177,377)	(152,858)	(92,290)

Source: Land Registry price paid data (Jan 2020).

[^]fees assumed at £1,500; SDLT relief assumed

7.8 Affordability of Intermediate Housing

The next section considers the affordability of intermediate housing or ‘Affordable Housing for Sale’ as it is now referred to. As mentioned, the latest definition of affordable housing is defined in Annex 2 of the NPPF 2018 (updated Feb 2019). This is set out in Chapter 6 (section 6.1.1).

We elaborate on the key affordable housing for sale tenures below:

- Starter Homes are sold at 80% of the market value of the dwelling to qualifying first time buyers up to the age of 40. After 5 years of occupation the unowned equity is gifted to the owner. The Starter Homes programme requires secondary legislation to be enacted before the programme can begin. This has yet to happen. It also appears that First Homes will in effect replace Starter Homes as the key government initiative to help first time buyers.

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- Discounted market sales housing, similar to Starter Homes, are dwellings sold at up to 80% of their market value. However this tenure differs to Starter Homes in that dwellings can be sold at less than 80% of their value. Buyers are not restricted by age and they are not discounted if they have purchased a property before, although they cannot continue to own another property. Unlike Starter Homes the discounted element remains in perpetuity.
- Shared ownership housing is the most common form of Affordable Housing for Sale. The buyer acquires a share of the dwelling of between 25% and 75% and pays a subsidised rent (usually 2.5% to 2.75%) of the unowned value of the dwelling. Buyers usually have the option to acquire the unowned proportion after a period of occupation. This is known as stacrcasing.

Also in 6.1.1, we mention that the Government has recently issued a consultation on First Homes. First Homes is proposed as a form of discounted market housing. The consultation on First Homes proposes that the minimum discount is 30% off the market sale value, as opposed to the 20% minimum required of discounted market homes. The MHCLG consultation paper February 2020 (para. 18) states that “Local Authorities have the discretion to set higher discounts on properties on a site-by-site basis, and we expect them to seriously consider this when determining local discounts”.

It is also proposed that Local Authorities (LAs) also set criteria for eligibility, which enables LAs to prioritise local residents and essential workers, although this shall be time limited.

As mentioned, it is anticipated that the Starter Homes programme will be effectively disbanded and that First Homes will become the Government’s flagship affordable home ownership tenure. As such, for purposes of the analysis we will consider shared ownership and discounted market housing, the latter at discount levels proposed within the First Homes consultation.

Table 7.8 below considers the affordability thresholds for two Affordable Housing for Sale tenures described above. This analysis will contribute towards the response to Core Question 3. We have assumed the same salary multiples as the previous section.

For shared ownership housing, we have assumed a 50% and 25% purchase value for the shared ownership dwellings. This is £147,500 and £73,750 respectively. We have capitalised the rental payments which are not due on the other tenures. This adds a further £40,563 and £60,844 to the purchase price respectively.

For discounted market housing (to mirror the First Homes consultation) we have applied the 30% minimum discount and a 50% discount to reflect the high affordability ratio within the Borough.

It can be seen from the table 7.8, with the current assumptions, that a two lower quartile earner household can only afford shared ownership at lowest ownership level (25%). Lower median earning two person households can afford discounted

market at 50% ownership and in fact higher but not 70%, and shared ownership at 50% ownership.

Single person households will struggle to access Affordable Housing for Sale unless they earn mean or above the mean salaries.

There are in fact no end of variables to assess affordability, but ultimately the bigger picture demonstrated by the data is that market housing is unaffordable to most new forming households. Affordable Housing for Sale does provide an access route to the market for some new forming households or first-time buyers. Affordable housing for rent is there to meet the needs of those who cannot access intermediate or market housing. Reflecting upon the First Homes consultation paper, we have indicated the % discount required for the respective earner cohorts to access discounted housing products.

Table 7.8 Affordability thresholds 'Affordable Housing for Sale' Dacorum

	Lower quartile 1 earner household	Median 1 earner household	Lower quartile 2 earner household	Median 2 earner household
Earnings	£21,764	£30,941	£43,528	£61,882
Mortgage available	£76,174	£108,294	£130,584	£185,646
Deposit (5%)	£3,809	£5,415	£6,529	£9,282
Price payable less fees	£78,483	£112,209	£135,613	£193,428
Purchase value				
Lower quartile sales price	£295,000	£295,000	£295,000	£295,000
Discounted market housing at 70% discount	£206,500	£206,500	£206,500	£206,500
Discounted market housing at 50% discount	£147,500	£147,500	£147,500	£147,500
Shared ownership at 50%	£188,063	£188,063	£188,063	£188,063
Shared ownership at 25%	£134,594	£134,594	£134,594	£134,594
Affordability gap				
Discounted market housing at 70% discount	(£128,017)	(£94,291)	(£70,887)	(£13,072)
Discounted market housing at 50% discount	(£69,017)	(£35,291)	(£11,887)	£45,928
Discount required at LQ sales price	73.4%	62.0%	54.0%	34.4%
Shared ownership at 50%	(£109,580)	(£75,854)	(£52,450)	£5,365
Shared ownership at 25%	(£56,111)	(£22,385)	£1,019	£58,834

Source: Land Registry price paid data (Jan 2020).

7.9 Affordability implications for Kings Langley

The information we have on price paid, albeit based upon a low volume of transactions, indicates that there is a slight premium for properties in Kings Langley in comparison to the Borough. As such it is likely that the affordability gap for low and median earning first-time buyers will be greater.

Respondents to the Parish Plan Village Survey indicated that for those who were unable to meet their anticipated need within the Parish, affordability was cited as the biggest reason for this.

Of young people aged 16-19 responding to a specific survey commissioned through the Kings Langley School, only 13% of students felt that they would be able to find a home within the Parish in the future. Affordability was a key issue for young people responding to this survey.

7.10 Calculation of Affordable Housing Need for Kings Langley

In tables 7.10 and 7.11 below we have calculated the estimated total housing affordable need for Kings Langley over the plan period. To do this we have followed the model developed by AECOM on behalf of Locality, using PPG as a starting point.

It should be noted that the accuracy of the inputs to the models are determined by the strength of the data available to us. The Census 2011 is increasingly outdated and a key element of the rental calculation relies upon waiting list data, which we will address further within the narrative.

It should also be noted that any affordable housing in or adjacent to the settlement that is provided by way of planning policy obligation will be subject to the local authority's policies on housing allocation. This will likely prioritise those households determined to be in the highest housing need across the borough.

7.10.1 The methodology

Firstly, we consider the calculation to determine the need for Affordable Housing for Rent (Rented Units) for the Parish or Neighbourhood Area (NA). Affordable Housing for Rent is defined within Annex 2 of the current iteration of the NPPF. This is set out in detail in Chapter 6 (6.2). In respect of this model, housing need for Affordable Housing for Rent is defined as households that cannot afford market housing or Affordable Housing for Sale.

The model estimates the gross number of households currently in housing need plus newly arising housing need over the Plan period. The steps and the data source informing the estimates are detailed in the table below.

In particular, we draw attention to the calculation of 'current households in housing need' which is Step 1.1. We have considered the last 3 years of housing statistical data returns by local authorities. This provides the average number of households in the reasonable preference category over the last 3 years of the statistical return.

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Table 7.9 Current households in housing need- waiting list data

MHCLG local authority housing statistics data	Current households in housing need	Pro-rata for NA (2,135/59,938) (3.56%)
2018/19 Waiting list-reasonable preference category	517	18.4
2017/18 - reasonable preference category	783	27.87
2016/17 Waiting list-reasonable preference category	385	13.7
Average (Mean)	562	20.0

Source: MHCLG 2020

The results set out in Table 7.9 feed into Stage 1.1 of the calculation of the need for Affordable Housing for Rent for the Parish. The model is telling us that there will be a shortfall of 103 Affordable Housing for Rent dwellings required to meet the needs of the Parish over the Plan period. To arrive at this figure, we have assumed that 50% of the available affordable rental stock in the village will be allocated to households from the Parish. The affordable rented stock in the Parish will be available to meet the needs of the whole Borough, so this figure may be overstated. It may also be skewed by some households from the Parish in housing need that are not registering on the waiting list.

Table 7.10 Affordable Housing for Rent (AHR) Housing Need NA

Stage & Step in Calculation	Total	Description
Stage 1: Current Housing Need		
1.1 Current households in need	20	Total households in reasonable preference category MHCLG local authority housing statistics data 2016/17 to 2018/19 (average of). Pro rata for the NA.
Additional overcrowded households	47	Overcrowded homes – occupancy rating -1 or less (Census 2011)
1.2 Per annum	3.72	1.1 + additional overcrowded homes/Plan period (18 years)
Stage 2: Newly Arising Need		
2.1 New household formation	661	MHCLG 2014-based households projections LA (2011 to 2036) % increase (31%) applied to NA
2.2 Proportion of new households unable to rent in the market	0.181 (18.11%)	(1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters (households) in NA	310	2011 Census (86) + LA-level % increase (2.8%) (MHCLG, Live Table 100)

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2.2.2 Number of private renters on housing benefits	56.6	HB caseload May 2018. Pro-rata for NA
2.3 New households unable to rent in the market	119.6	2.1 x 2.2
2.4 Per annum	6.64	2.3 / plan period (18 years)
Stage 3: Supply of Affordable Housing		
3.1 % Supply of social/affordable relets (including transfers)	0.03 (3%)	Assumed proportion of stock relet every year
3.2 % allocated to parish households in housing need.	0.5 (50%)	Assumed proportion of relet stock allocated to households in the parish
3.3 Supply of social/affordable relets (including transfers) NA	4.65	3.1 x 3.2 x NA social rented stock (2.2.1)
Net shortfall (or surplus) of Rented Units		
Overall shortfall or (surplus) per annum	5.71	$1.2 + 2.4 - 3.3$ ($3.72 + 6.64 - 4.65$)
Shortfall or (surplus) over the Plan	102.78	Shortfall multiplied by number of years in plan period

Source: Census 2011, MHCLG 2020

Table 7.11 estimates the need for Affordable Housing for Sale for households in the Parish. With this element of the calculation the estimate of (Stage 1) current need for Affordable Housing for Sale is determined by the number of private renters not on housing benefit less a proportion that are estimated to rent by choice. The model presumes therefore that the majority of private renters do not rent by choice and aspire to other forms of tenure.

The modelling estimates that there is currently a shortfall of 203 Affordable Housing for Sale dwellings over the Plan period. However, it should be highlighted that the majority of the households within this cohort are adequately housed within the private rental sector. They would not feature within the same housing need category as those who cannot even afford to rent privately. In fact, some local authorities do not accept private renters onto their waiting lists. However, many private renters do aspire to home ownership and it is a key plank of the Government housing policy to broaden access to the home ownership market. Further to that, private renting remains a relatively insecure form of tenure.

Table 7.11 Affordable Housing for Sale Housing Need

Stage & Step in Calculation	Total	Description
Stage 1: Current Need		
1.1 Current number of renters in NA	256	Census 2011 number of renters x national % increase to 2018
1.2 Percentage renters on housing benefit in LA	0.221 (22.1%)	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefit in NA	57	1.1×1.2

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1.4 Current need (households)	135	Current renters minus those on HB minus 25% assumed to rent by choice
1.5 Per annum	7.5	1.4/ plan period (18 years)
Stage 2: Newly arising need		
2.1 New household formation	661	LA household projections
2.2 % households unable to buy but able to rent	0.111 (11.1%)	Current % households in PRS (NA)
2.3 Total newly arising need	73.4	2.1 x 2.2
2.4 Total newly arising need per annum	4.0	2.3/ Plan period (18 years)
Stage 3: Supply of Affordable Housing for Sale (AHS)		
3.1 Supply of affordable housing	5	Number of AHS dwellings in NA + new build (Census 2011)
3.2 Supply – AHS resales	0.15	3.1 x 5% (assumed rate of resale)
Net shortfall (or surplus) of AHS Units		
Shortfall/ (surplus) per annum	11.35	Shortfall= (Step 1.5 + Step 2.4) – Step 3.2
Shortfall	204.3	Shortfall x Plan period (18)

7.10.2 Conclusion and affordable tenure mix

The modelling concludes that the Parish has an estimated affordable housing need for 103 affordable rented dwellings and 204 affordable sale dwellings. This is a ratio of approximately 1:2; affordable rent: affordable sale.

The modelling suggests that there is an undersupply of Affordable Housing for Sale dwellings, based principally on the fact that existing supply is limited while demand has increased as more households who cannot afford to buy without subsidy are locked into the private rented sector.

The tenure mix of affordable housing delivered through planning policy will be determined at the LPA level through the application of current policies. However, there is scope for the neighbourhood plan to develop a more localised policy, using the evidence in this HNA discussions with the LPA on matters of viability and strategic policy considerations. The Parish can provide the modelling evidence to the LPA which suggests an imbalance between the current proportions of affordable rent and sale. The table below illustrates the current policy position and respective Strategic Housing Market and Neighbourhood Area assessments in respect of affordable housing tenure split. The table demonstrates how the emphasis on affordable rented housing is inverse between current policy and the SHMA recommendations, and the estimated housing need at the neighbourhood level. We have mentioned previously that NA places more emphasis on the aspirations of those who can afford to rent privately.

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Table 7.12 Affordable housing tenure splits

Policy/ model	% of all housing on site (current policy position.)	Affordable Housing for Rent (AHR)	Affordable Housing for Sale (AHS)
Policy CS19 (Core Strategy)	35%	75%	25%
Adjustment of CS19 in light NPPF requirement of 10% AHS	35%	71.5%	28.5%
SHMA	35%	70.5%	29.5%
KL NA modelling	35%	33.5%	66.5%

Source: Dacorum Borough Council 2020, UV calculations.

Strategic sites will fall under the LPA's prevailing affordable housing policy, which is currently is the Core Strategy CS19 (adjusted for the NPPF requirements). Should sites be proposed as affordable housing under the LPA policy threshold or as rural or entry level exception sites, then the NA HNA and any policies developed in the neighbourhood plan will have some weight in determining the tenure split from a housing need perspective. This is particularly the case with the exception site route.

Our advice in respect of the next steps is for the neighbourhood planning group to consider the results of modelling and qualify it with their working knowledge of the Parish and more detailed information at the local level. This exercise will further refine a neighbourhood policy on affordable housing provision and affordable housing tenure mix.

The evidence in this report suggests the follow considerations need to be applied in any policy development on tenure mix:

- The current Local Plan policy when adjusted to take account of NPPF requirements would imply delivery of 71.5% affordable rented housing and 28.5% affordable housing for sale. If 35% of new homes in the NA are delivered as affordable homes, and based on the estimated housing requirement in the NA, these policies could deliver 120 affordable rented homes and 48 affordable housing for sale properties. This means that the current application of policy has the potential to deliver an excess of affordable rented accommodation.
- There may be good reasons to do this, particularly if it allows the LPA to meet needs that arise elsewhere in the borough.
- However, the evidence in this HNA suggests that some shift towards the provision of affordable housing for sale properties would deliver a better balance in terms of local needs.
- The evidence in this HNA suggests that a tenure mix which delivers 61% affordable rented accommodation has the potential to meet all of the need for affordable rented homes identified here (103 households). This is based on 481 new homes over the plan period with a 35% affordable housing quota delivering up to 168 affordable homes. To meet all affordable rented need (103 households), 61% of affordable housing would need to be delivered as affordable rented homes ($103 / 168 = 61\%$)

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- A further shift towards the provision of affordable housing for sale would mean that not all of the need for affordable rented homes could be met. There may be valid reasons for seeking a different mix e.g. in favour of affordable housing for sale, for example site specific viability, or the willingness of the Council or local RPs to manage new affordable rented homes in a village setting. The implementation of the Government's First Homes policy may also require that a greater proportion of affordable housing is delivered as First Homes (a form of affordable housing for sale).
- The mix of products within the provision of affordable housing for sale will be influenced by site specific considerations, including viability and funding availability. However, the evidence in this report suggests that, with sufficient discounts on the price of new housing, discounted market homes (e.g. First Homes) would extend affordable home ownership as far as the current shared ownership products available (shares of 25-50%). On this basis, it might be appropriate to plan on the basis of an even mix of affordable housing for sale products (50:50) of discounted market housing and shared ownership.

8 Conclusions and next steps

8.1 Housing Quantity

As we have explained in Chapter 5, the emerging Local Plan is not at stage whereby numeric requirements for settlements can be made. The Issues and Options paper published in 2017 states that broadly the settlement hierarchy set out within the Core Strategy 2013 will remain.

The Issues and Options paper states that the annual local housing need figure for the Borough is between 1,000 to 1,100 new dwellings per annum. Our provisional calculation using the Standard Method provides for a local housing need figure of 1,022. However, it should be stressed that we are not in possession of the background or the LPA's strategic discussion with neighbouring LPAs, so the figure should be treated solely as a provisional estimate. That said it does fall within the LPA's stated figures of between 1,000 to 1,100 new dwellings per annum.

The updated local housing needs figures using our provisional estimate represents an increase on the Core Strategy annual figure of 592 or 5,920 over a 10-year period. We have crudely estimated Kings Langley proportionate share of the increase at 206 new dwellings over the ten-year cycle, not including the 110 dwellings already allocated through the previous Core Strategy, and an additional 371 dwellings over the Plan period.

Clearly the LPA will be allocating sites through the site allocation process. This will be driven at the local authority level and the strategic allocations are to meet the Borough-wide need.

That said, the Parish Council needs to be equipped and informed to ensure that any housing allocations within the Parish and adjoining the settlement consider the sustainability implications for the community. This is in terms of service demands for an increased population as well as physical infrastructure.

Further to that, the LPA should be minded in policy terms of Parish housing needs in terms of type, size and tenure of residential development when allocating strategic sites.

8.2 Housing Type, Size and Mix

The information in Chapter 6 paints the picture of Kings Langley as a neighbourhood. This base information should inform neighbourhood planning moving forward. The key conclusions we can draw from this analysis follow.

In summary Kings Langley exhibits the following characteristics at the time of Census 2011 (unless otherwise stated):

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Tenure

- The proportion of owner occupation is slightly higher than the wider geographies and a higher proportion of owner-occupied dwellings were mortgage free in Kings Langley. This may relate to the slightly higher age profile of the parish.
- 14.2% of the stock is affordable (social) rented housing, which is proportionally below the rate for the Borough, but comparable with the region.
- The private rental sector, including living rent free, has risen from 7.5% to 11.1% from 2001 to 2011. The private rental sector has grown significantly across all geographies and this sector has, in all probability, increased further since 2011.

House type

- Detached and semi-detached dwellings are the most common form of house type in the Parish at 67.5% combined. This is higher than the surrounding geographies.
- The Parish has a lower proportion of terraced housing than surrounding geographies, which potentially limits the opportunities for entry level buyers. Kings Langley does however have a supply of flats/ apartments/ maisonettes as 18% of its housing offer. This is relatively in line with comparative geographies.

House size

- Kings Langley has a lower proportion (9.7%) of one bedroom dwellings compared to surrounding geographies.
- Conversely, the Parish has a higher proportion of larger 4+ bedroom dwelling than surrounding geographies.

Age structure and age cohort

- The mean and median population ages of the Parish are 41.7 and 43 years of age respectively. This is higher than the comparative geographies whose mean and median population ages sit around the 40 year mark.
- The largest age cohort within the Parish is the 45-65 age cohort. This makes up 30.0% of the Parish's population, which is proportionally higher than the comparative geographies.
- The second largest cohort is the 25 to 44 age group at 22.7% of total population, which is lower than the proportion within the Borough as a whole, but slightly higher than comparative geographies.
- The older age cohorts (65-84, 85+) are proportionally higher than comparative geographies.

Population rates of change by age cohort 2001 to 2011

- The following age cohorts have increased from 2001 to 2011 in Kings Langley – 16-24, 45-64, 65-84 & 85+. The increase in numbers within the older cohorts should be noted.
- The largest age cohort in 2001 (25-44) decreased by 250 persons over the period and sits at 1,185 persons in 2011. The largest cohort in 2011 is the 45-64 cohort at 1,548 persons which saw an increase of 248 persons over the period. This, in all likelihood, indicates the natural ageing of the population over the period.

Population projections (ONS) by age cohort at local authority geography

- The 85 and over age cohort at the local authority level is projected to have increased by 63.61% by 2031 and 130.81% by 2041 from the date of the Census 2011.
- Similarly, the 75 to 84 age cohort at the local authority level is projected to have increased by 44.67% by 2031 and 79.09% by 2041.
- The 65-74 age cohort is also projected to increase at local authority level over the period but at a slightly slower rate (63.64% by 2041).
- The projected growth within the other younger cohorts is markedly less significant.
- Given the current age profile of the Parish, these population projections will have a significant impact on the age profile of the Parish in future years.

Household composition

- The household composition in the Parish is not significantly different to surrounding geographies. Unsurprisingly given the higher average age of population in Kings Langley compared to surrounding geographies, there are proportionally more one person and one family households aged 65 or over.

Household occupancy rates

- The average household size in Kings Langley is slightly higher than comparative geographies at 2.43 occupants per household.
- Given the factors outlined, it is perhaps not surprising that Kings Langley experiences significant under-occupation of dwellings, more so than comparative geographies.
- 44.0% of properties in Kings Langley are under-occupied by 2 or more bedrooms.

The key message to draw from this chapter is the over-supply of larger dwellings, which is leading to high levels of under-occupation. The relative lack of smaller dwellings both restricts access to smaller, younger families, but also limits the downsizing options for more elderly residents who may wish to move to smaller, more manageable properties. It is therefore key that any strategic housing allocation is supportive in policy terms of these local housing needs.

8.3 Affordability

Median workplace and resident annual earnings stood at £32,914 and £30,723 respectively within the Borough. Median workplace earnings dipped from 2008 at c£30,000 p/a to a low point in 2015 and have risen since to the current figure.

House price increases have significantly outstripped earnings. The average price of a property in Dacorum stood at £400,431 in 2019 according to the most recent Land Registry house price index.

The affordability of housing is a key issue for new forming households and households looking to move to a larger property. The price paid information we

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have seems to indicate that there is a price premium for property in Kings Langley, which makes affordability a greater issue for the Parish.

The median and lower quartile affordability ratios stood at 12.28 and 13.48 respectively in 2018.

So, Kings Langley and the Borough are high value areas in terms of property prices and yet average incomes are not significantly higher than the national averages. Hence affordable housing has an important role in meeting the housing needs of many residents and workers.

Our analysis suggests that a lesser number of emerging households will be able to access Affordable Housing for Sale products. However, the Government consultation on First Homes introduces a different concept to Affordable Housing for Sale products. Discounts can be dictated by housing need as opposed to national guidance, or the contractual negotiations between the developer and the Registered Provider.

The MHCLG consultation paper February 2020 (para. 18) states, “Local Authorities have the discretion to set higher discounts on properties on a site-by-site basis, and we expect them to seriously consider this when determining local discounts”.

It is also proposed that LAs set criteria for eligibility, which enables them to prioritise local residents and essential workers, although this shall be time limited.

Therefore, there could be an opportunity within any strategic allocation to ensure that discount levels are set to enable local access to these products. Table 7.8 indicates the following required discount levels for different earner cohorts to access lower quartile housing within the Borough. These are a 73.4% discount for a single person household on a lower quartile wage; 62% discount for a couple both on lower quartile wages; 54% discount for a single person household on a median wage and 34.4% for a couple both on median wages. Clearly any assessment of the local discount levels for First Homes will be more nuanced. Nonetheless this evidences the affordability gap both within the Borough and the Parish.

The affordable housing need model for neighbourhood areas indicates that there is a shortfall of Affordable Housing for Sale of some 204 dwellings over the plan period. The model also indicates that the additional need for Affordable Housing for Rent is 103 dwellings, as the majority of the rental need is contained within the existing provision. This is a combined affordable housing need of 307 dwellings over the Plan period.

The current allocation for Kings Langley under the Core Strategy is 110 dwellings. The emerging Local Plan is not in a position to provide a revised indicative figure for the neighbourhood area. In Chapter 5 (table 5.3) we have provided a pro-rata assessment of the impact of the increased housing need figure, as calculated by way of the Standard Method, on the Parish. This estimates a further 371 dwellings over the course of the emerging Plan period. So, a simplistic pro-rata allocation for the Parish over the course of the emerging Plan period provides for 481 dwellings.

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The estimated affordable housing need for the Parish is therefore 307 against a pro-rata allocation of 481, which is 64% of the pro-rata allocation.

The table below is required to set out the identified supply within the emerging Local Plan. As we cannot provide a housing allocation under the emerging Local Plan, we will use our assessed pro-rata figure based on a pro-rata share of the projected additional dwellings required under the Standard Method calculation, plus the current Core Strategy allocation. It should be noted that a housing allocation within the Parish will likely depend on the assessment of the three strategic sites (Land at Hill Farm; Land at Rectory Farm, Hempstead Road; and Land to the east of A41 and Wayside Farm, Watford Road (Table 5.2)) identified by way of the emerging Local Plan.

Table 8.1 illustrates that, under current policies and the likely level of housing that will be developed over the plan period, there is the potential to deliver 168 affordable homes. 120 of these would be delivered as affordable rented homes with 48 delivered as affordable housing for sale. Under current policies, therefore, up to 48 new ‘First Homes’ could be delivered if all of the affordable housing for sale is provided in this form. In practice, it is likely to be a balance between shared ownership and discounted market housing so we might assume 50% of this provision as First Homes, which would be 24 homes in total.

Furthermore, if Government requires between 40% and 80% of all affordable housing delivered through new market led developments to be First Homes this would impact on the ability of Kings Langley to accommodate those with acute needs within the area, including those in need of affordable housing for rent. Therefore, it is recommended that consideration is also given to alternative mechanisms capable of helping to meet local need, where appropriate such as rural/entry-level exception sites or community led housing etc. However, the group should note that the First Homes product has not been formally implemented and should monitor the outcomes of the Government consultation closely.

The figures in Table 8.1 are likely to change in practice as viability and other site-specific factors are taken into consideration. These figures may also change as a result of measures taken in the neighbourhood plan. For example, the group may plan for more housing (and therefore more affordable housing) than allocated through the emerging Local Plan. The group may also decide to influence the tenure mix in other ways. Finally, site-specific constraints may too impact the actual number deliverable dwellings.

Table 8.1 Supply within identified with the emerging Local Plan

A	Housing requirement figure (Core Strategy allocation plus pro-rata estimate of Standard Method calculation)	481
B	Affordable housing quota (%) in LPA’s Local Plan	35%

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C	Potential total Affordable Housing in NA (A x B)	168 (rounded)
D	Rented % (e.g. social/ affordable rented) (Table 7.12)	71.5%
E	Rented number (C x D)	120 (rounded)
F	Discounted market homes % (e.g. First Homes) (Table 7.12)	28.5%
G	Discounted market homes number (C x F)	48 (rounded)

Source: Dacorum Borough Council, UVE calculations

8.4 Next Steps

This report may form part of the evidence base for the neighbourhood plan. It may inform policies and site allocation on housing growth, housing mix and affordable housing.

In formulating policies and/or site allocations, the following should be considered:

- Availability of suitable sites for development.
- Potential for infill.
- Capacity for growth without harming the amenity of the area.
- The need to meet the basic conditions for neighbourhood plans.
- National policy and guidance.
- The Local Plan and supporting evidence, including the SHMA.
- The views of the local planning authority.
- Opinions of local residents, developers and other stakeholders.
- Past delivery rates.
- Implications of any policy on viability.
- Local environmental, infrastructure and other constraints.

Contact



Urban Vision Enterprise CIC

www.uvecic.co.uk
info@uvecic.co.uk
01538 386221 (Leek Office)

Liverpool Office:

National Architecture Centre
21 Mann Island
Liverpool
L3 1BP

North Staffordshire Office:

Foxlowe Arts Centre (1st Floor)
Stockwell Street
Leek
Staffordshire
ST13 6AD



RTPI

mediation of space · making of place



carbon smart



Company No. 7690116.
Registered address: Foxlowe Arts Centre (1st Floor), Stockwell Street, Leek, Staffordshire, ST13 6AD