Opinion Research Services

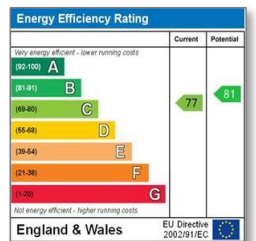*Excellent research for the public, voluntary and private sectors*

Camden
Housing Needs Update
2021-39

Report of Findings

September 2022

Opinion Research Services | The Strand, Swansea SA1 1AF
Jonathan Lee | Belinda Herbert | Scott Lawrence
Nigel Moore | Trevor Baker | Hugo Marchant
enquiries: 01792 535300 · info@ors.org.uk · www.ors.org.uk

Contents

1. Introducing the Study
Background to the project

Introduction

1.1　In 2016, Opinion Research Services (ORS) was commissioned by the London Borough of Camden to prepare a Strategic Housing Market Assessment (SHMA) to identify the total number, size, type and tenure of homes that will be needed in the future, and the housing needs of different groups, including affordable housing. This formed part of the evidence base for the Camden Local Plan, which was adopted in July 2017.

1.2　The 2016 SHMA identified a total need for 16,800 dwellings over the period 2016-31, with a need for 10,200 affordable and 6,600 market homes.

1.3　Since this time, national planning policies have been updated and these changes have been supported by new guidance for policy issues such as a new type of housing product entitled First Homes.

1.4　In 2020, Camden consulted on an initial draft Site Allocations Local Plan to supplement the Camden Local Plan 2017 by identifying sites to meet the borough's needs for housing, jobs and supporting services. This report examines the years 2021-2039 extending from the final publication date of the London Plan 2021 to the anticipated end of the plan period for the Site Allocations Local Plan. Camden now intends to take forward the draft Site Allocations alongside a review of the Camden Local Plan 2017, with consultation on new drafts anticipated towards the end of 2023. At the end of 2021, the Council commissioned ORS to provide updated evidence on housing needs to support the development and implementation of these documents. This first phase of the ORS housing needs update has helped to inform Camden's officers as they prepare a revised Planning Statement on the Intermediate Housing Strategy and First Homes for consideration by councillors. The first phase update has been published under the title of the Camden First Homes Assessment 2022 and parts are reproduced in this report.

1.5　This update considers the wider potential demand for Affordable Housing in Camden and the mix of dwelling sizes that may be required across different tenures.

Government Policy

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

1.7　The Original NPPF had a presumption in favour of sustainable development, and paragraph 47 stated that Local Plans should meet *"the full, objectively assessed needs for market and affordable housing in the housing market area".* The responsibility for establishing housing need rested with the local planning authority and Paragraph 159 of the Original NPPF set out that they *"should prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries".*

1.8　A revised version of the National Planning Policy Framework (the Revised NPPF) was published in July 2018. Whilst the Revised NPPF maintains the underlying theme of sustainable development, several significant changes have been introduced in relation to identifying and meeting housing needs. The Revised NPPF was updated in February 2019 to incorporate a number of detailed changes following a technical consultation.

Whilst most of the changes appear relatively minor, they may have a substantial impact on identifying and meeting housing needs in some areas. The results of the consultation were summarised in the document "Government response to the technical consultation on updates to national planning policy and guidance". A further revision to the NPPF in July 2021 made no change in relation to housing need.

1.9   Under the Revised NPPF, local planning authorities are still responsible for assessing their local housing needs; however, Paragraph 61 identifies that *"strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach"*. This represents a significant change, as the standard method sets out a formulaic approach to determine the minimum Local Housing Need (LHN) figure and prescribes the use of specific data for the calculation. Therefore, whilst the responsibility for establishing housing need continues to rest with the local planning authority, this is now constrained to a minimum figure that is determined centrally by the Government.

1.10   This focus on local area has led to a change in the Duty to Cooperate, where neighbouring authorities now have to produce Statements of Common Ground. Whilst HMAs are no longer mentioned explicitly in the Revised NPPF, Paragraph 61 identifies that *"any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for"*; and PPG identifies that HMAs are still one of the factors which must be considered when determining the relevant cross-boundary areas for plan-making [ID 61-010-20180913].

1.11   The Revised NPPF has also introduced a new definition for affordable housing. Whilst the Original NPPF identified (in the Glossary at Annex 2) that affordable housing should be provided for households *"whose needs are not met by the market"*, the Revised NPPF adds that this includes *"housing that provides a subsidised route to home ownership and/or is for essential local workers"*. This has led to a specific change in the Planning Practice Guidance (PPG) for assessing affordable housing need.

1.12   Under the Original NPPF, affordable housing need was based on those who could not afford to buy <u>or</u> rent in the market. Households who could afford market rent were not counted as in affordable housing need even if they would have preferred to buy and couldn't afford to do so. However, the latest PPG states that assessments must now include the needs of *"those that cannot afford their own homes, either to rent, or to own, where that is their aspiration"* [ID 2a-020-20190220]. On this basis, households able to afford market rent who aspire to but are unable to afford homeownership must now be counted as being in affordable housing need. This approach was retained in the July 2021 revision of the NPPF.

The Standard Method for Local Housing Need Assessment

1.13   The Original NPPF and associated PPG set out a methodology for establishing an Objectively Assessed Need for housing in a defined HMA. This methodology required that *"Household projections published by the Department for Communities and Local Government should provide the starting point estimate of overall housing need"*, but allowed for adjustment based on local factors: *"The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends."* Adjustments could therefore be made if there were concerns around the quality of local data (e.g. inaccurate migration estimates), along with evidence-based judgements on other need elements such as market signals uplift and alignment of jobs and workers based on local circumstances.

1.14 On 14 September 2017, the Ministry of Housing, Communities and Local Government (CLG) published a consultation on potential revisions to the NPPF, including a standardised methodology for calculating the Local Housing Needs (LHN). This included a number of key proposals:

> » The <u>starting point for calculating the LHN for any area should be the most up to date household projections published by CLG</u>;
>
> » While, deviation from this starting point can be considered, the consultation proposals note that; *There should be very limited grounds for adopting an alternative method which results in a lower nee*d; and
>
> » The household projections published by CLG should be uplifted by a fixed affordability relationship based upon the ratio of house prices to earnings. The maximum uplift for a local authority area will be 40% above its CLG household projections or current Local plan housing target.

1.15 CLG produced a spreadsheet of indicative housing needs figures which covered every local authority area in England based on the most up to date data at the time, the 2014 based household projections.

1.16 The Revised NPPF confirms that planning authorities should use the standard methodology for plan-making, though alternative methodologies which result in a higher housing need figure may still be deemed appropriate. Therefore, the standard method identifies the minimum number of homes expected to be planned for. It does not produce a housing requirement figure. The LHN figure represents a minimum overall housing need, but local authorities can consider a higher figure for plan making if, for example, this reflects growth potential, or unmet need from elsewhere. This is confirmed by PPG, which states:

> ***When might it be appropriate to plan for a higher housing need figure than the standard method?***
>
> *The government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. <u>The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area</u>. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.*
>
> *This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited to, situations where increases in housing need are likely to exceed past trends because of:*
>
> » *growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);*
>
> » *strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or*
>
> » *an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;*

> *There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method. Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.*
>
> **PPG Reference ID: 2a-010-20190220**

1.17   PPG also suggests that local planning authorities will need to calculate their local housing need figure at the start of the plan-making process but that this number should be kept under review and revised where appropriate. Following a review of standard method in December 2020, it is no longer possible to generate a standard method figure for individual London Boroughs, as guidance in PPG (Reference ID: 2a-034-20201216) for London advises that the urban uplift figure applies to the entire SDS (London Plan) area, and the responsibility for the distribution of housing need across London lies with the Mayor. The standard method is less significant in London than it would be other parts of England because London Boroughs must also be in conformity with the London Plan. Therefore, the standard method is not used at any point to assess housing needs in this report.

Assessing Housing Needs in London

1.18   Paragraph 61 of the National Planning Policy Framework expects strategic policy-making authorities to follow the standard method in the Planning Practice Guidance for assessing local housing need.

1.19   PPG on Housing and Economic Needs Assessment (paragraph 013) sets out that local housing need assessments may cover more than one area, in particular where strategic policies are being produced jointly, or where spatial development strategies are prepared by elected Mayors. In such cases, it will be for the relevant strategic policy-making authority to distribute the total housing requirement which is then arrived at across the plan area. Where a spatial development strategy has been published, local planning authorities should use the local housing need figure in the spatial development strategy and should not seek to re-visit their local housing need figure.

1.20   The Strategic Planning Authority for London is the Greater London Authority and the London Plan is the statutory spatial development strategy for London. The GLA have produced a Greater London SHMA (2017) an SHMA Addendum in 2019, and the GLA's Housing Supplementary Planning Guidance 2016.

1.21   The Mayor's draft new London Plan was subject to examination in 2019. The Inspectors issued their report and recommendations to the Mayor on 8th October 2019 concluding that, subject to limited changes, it provides an appropriate basis for the strategic planning of Greater London. The Mayor has considered the Inspectors' recommendations and, on the 9th December 2019, issued to the Secretary of State his Intend to Publish London Plan. Following consultation between the Mayor and the Secretary of State, the Secretary of State accepted that the London Plan could be published on 29th January 2021, and it was formally published on March 2nd 2021 as the London Plan 2021.

1.22   The London Plan sets out a need for 66,000 additional homes per year in London from 2016 to 2041. This is based on the 2017 London Strategic Housing Market Assessment (SHMA). The Inspectors noted that the SHMA does not follow the guidance in the PPG on assessing objectively assessed need. However, they noted that establishing future need for housing is not an exact science and the PPG acknowledges that no single approach will provide a definitive answer. The Inspectors concluded in para 133 of their report that the need

for 66,000 additional homes per year identified by the SHMA is justified and has been properly calculated for market and affordable housing having regard to national policy and guidance.

1.23 In terms of size and tenure mix, the 2017 London SHMA was summarised in Table 1, which we have reproduced below as Figure 1. This shows that around one third of the total need is for 1 bedroom low cost rent housing. This is because the model used in the 2017 London SHMA assumes that any single person or couple aged over 25 years who wish to occupy their own property will do so, irrespective of whether they can afford to do so or not. The vast majority of this group require 1 bed low cost rented properties, so they generate much of the overall need.

Figure 1: Net annualised requirement for new homes in London, 2016 to 2041 (Source: 2017 London Strategic Housing Market Assessment: Mayor of London)

	Low Cost Rent	Intermediate	Market	Total
1 bedroom	21,318	4,334	10,682	36,335
2 bedrooms	5,311	3,434	2,043	10,788
3 bedrooms	2,462	2,409	4,101	8,971
4+ bedrooms	1,881	1,693	6,210	9,783
DWELLINGS	**30,972**	**11,869**	**23,037**	**65,878**

1.24 The outcome of the 2017 London SHMA central scenario is that is assumes that 65,878 dwellings are needed at an average of around 1.9 bedrooms per dwellings, so 125,000 bedrooms are needed to be provided each year. ORS provided evidence to the London Plan inquiry on behalf of both the Greater London Assembly and the West London Housing Alliance group of London Boroughs which argued for a lower number of dwellings at around 50,000 per annum, but with a larger average size of around 2.5 bedrooms per dwelling, giving a total of around 125,000 bedrooms per annum.

1.25 This highlights a central issue in studies such as this one, with the need to address the accommodation requirements of a projected population offering a range of options from building many smaller properties to delivering a lower number of dwellings which are on average larger. This was an issue that the 2017 London SHMA acknowledged by considering a range of scenarios such as Table A1 set out below. This assumed that not all under-occupation was addressed in the social and private rented sectors, so fewer smaller dwellings were required. However, this still assumed that any single person wanting their own property received one, so this still creates a very high need for affordable housing rather than for larger market housing to share.

Figure 2: Table A1: Net annualised requirement for new homes, 2016-41, based on current occupancy rates continuing into the future for homeowners, private renters and low-cost rent tenants (Source: 2017 London Strategic Housing Market Assessment: Mayor of London)

	Low Cost Rent	Intermediate	Market	Total
1 bedroom	13,554	1,735	4,418	36,335
2 bedrooms	8,376	4,873	4,355	10,788
3 bedrooms	6,236	2,939	6,987	8,971
4+ bedrooms	2,806	2,281	7,277	9,783
DWELLINGS	**30,972**	**11,869**	**23,037**	**65,878**

1.26 It is also the case that the 2017 London SHMA included a series of different scenarios for overall need which ranged from 59,900 to 69,600 new homes a year.

1.27 The London Plan sets out ten-year housing targets for individual Boroughs using a capacity-based methodology. The Inspectors found that the general approach to devising the housing targets and the contribution that large sites would make was justified. However, they found issue with the contribution expected from small sites and subsequently recommended that the contribution from small sites be reduced with the overall targets for each Borough reduced by a corresponding amount. The Mayor accepted this recommendation of the Inspectors and the housing targets for London Boroughs have subsequently been revised down in the Published London Plan.

1.28 Policy H1 of the London Plan sets the ten-year targets for net housing completions that each local planning authority should plan for. It states that Boroughs must include these targets in their Development Plan targets. For the purposes of the Plan, London is considered as a single housing market area. The supporting text (para 4.1.2) sets out the advantage of planning strategically in that it allows London to focus development in the most sustainable locations, allowing all of London's land use needs to be planned for with an understanding of how best to deliver them across the capital. Due to London's ability to plan strategically, Boroughs are not required to carry out their own housing needs assessment but must plan for, and seek to deliver, the housing targets in this Plan.

1.29 From the point of view of this study, the London Plan sets a 10-year housing target at Table 4.1 for net housing completions (2019/20-2028/29). In the case of Camden, this is 10,380 dwellings, or 1,038 dwellings per annum. It is this annual figure which we have used over the 18 year period 2021-2039 as the basis for the total dwelling needs of Camden. This equates to 18,684 additional homes in total. This figure, rather than any figure derived using the standard method, forms the basis for part of the analysis in this study.

1.30 From the point of view of this study it is important that the figure of 1,038 dwellings per annum is part of the overall projected supply for London of 52,287 per annum set out in Table 4.1 of the London Plan 2021, not the 65,878 dwellings identified as need. Our modelling for this study is therefore based upon the role of Camden in helping to meet London's overall need while delivering 1,038 dwellings per annum as part of a total delivery of 52,287 dwellings per annum.

1.31 The London Plan contains Policy H10 Housing size mix which sets out the following requirements:

A Schemes should generally consist of a range of unit sizes. To determine the appropriate mix of unit sizes in relation to the number of bedrooms for a scheme, applicants and decision-makers should have regard to:

1) robust local evidence of need where available or, where this is not available, the range of housing need and demand identified by the 2017 London Strategic Housing Market Assessment

2) the requirement to deliver mixed and inclusive neighbourhoods

3) the need to deliver a range of unit types at different price points across London

4) the mix of uses in the scheme

5) the range of tenures in the scheme

6) the nature and location of the site, with a higher proportion of one and two bed units generally more appropriate in locations which are closer to a town centre or station or with higher public transport access and connectivity

7) the aim to optimise housing potential on sites

8) amalgamation of existing stock

9) the role of one and two bed units in freeing up family housing

Overview of the Housing Needs Update 2021-2039

1.32 The key objective of this study is to establish the level of affordable and market housing need on the assumption that Camden provides an average 1,038 dwellings per annum from 2021-39 based upon GLA capacity targets.

1.33 This report considers the key outputs – namely establishing the overall balance between market and affordable housing over the 18-year period 2021-39. It is important to recognise that the information from this study should not be considered in isolation, but forms part of a wider evidence base to inform the development of housing and planning policies. This study does not seek to determine rigid policy conclusions, but instead provides a key component of the evidence base required to develop and support a sound policy framework.

Summary of the ORS Approach to Modelling Housing Need

1.34 As noted above, this study seeks is to establish the need for housing (both market and affordable) in the Borough of Camden on the assumption that it delivers housing to meet the GLA capacity target for the borough.

1.35 In Chapter 2, we consider the demographic profile of the population and households. The demographic projections for this study are not taken directly from a single source, but have been derived by ORS based on the latest official projections and cover the 18-year period 2021-2039. They are informed by the latest ONS

mid-year estimates,[1] and take account of the most up-to-date fertility and mortality rates and the latest migration trends. In particular, we focus upon the 2018 based 10-year migration trends variant population and household projections. The data within these projections is then adjusted in light of the mid-year population estimates 2019 and 2020. The reason for choosing this set of projections is that they represent the best and most up to date information available for population and household growth trends currently published. The projections at this stage are not constrained to the housing capacity of Camden.

1.36   The estimates for affordable housing need in Chapter 4 are therefore based upon adjusted 2018 based population and household projections. The figures contained within this chapter therefore reflect the need for affordable housing based upon much more recent trends than the data underwriting the standard method, but do not include any impact of concealed households or suppressed household formation.

1.37   However, delivering the number of dwellings required in Camden to address the household projections, current concealed households and suppressed household formation will require a different household growth than the trend-based population and household growth. This issue is reconciled in Chapter 5. To move from the household growth in Chapter 4 to the total need for dwellings in Chapter 5 requires a series of additional elements. These include:

» The need to include the impact of vacant and second homes being unavailable for households to live in and which therefore require an uplift to the household projections to become the need for dwellings; and

» The need to include an allowance for additional Use Class C2 bedspaces such as nursing homes to ensure that persons otherwise not included in the population and household projections are included within the overall housing target[1].

1.38   When all relevant factors have been added, the outputs produced in Chapter 2 and 4 are consistent with an overall housing need figure in Chapter 5. Therefore, the figures produced in Chapter 5 are the overall conclusions for housing need in Camden.

The Effects of COVID 19

1.39   The long-term impact of the COVID 19 pandemic is unknown for housing needs across the country. In the short-term the best available evidence points to a very sharp drop in the population of the UK in 2020, particularly in London. In a study produced by the Economic Statistics Centre of Excellence[2] it is estimated that the population of the UK fell by 1.3 million in 2020, with 700,000 of this drop occurring in London However, this outcome may prove to be a short-term implication, so we have not modelled revised Housing Needs Update 2021-2039 outputs to consider for the impact of COVID 19. If they do continue into the future, then the overall level of housing needed in London will drop, but given the land constraints in London this may just bring need levels down to match supply capacity.

---

[1] The ONS reissued the official estimates for mid-2012 to mid-2016 in March 2018 following methodological improvements.
[1] ONS population projections provide separate figures for the household population and the population of communal establishments, such as care homes, student halls of residence and prisons. After the base year of the projections, for each local authority, ONS assumptions are: for those aged under 75 years, the population housed in communal establishments remains constant; for those aged 75 years or over, the *share* of the population housed in communal establishments remains constant. Consequently, in this report all the population growth in communal establishments is assumed to involve those aged 75 years or older, and the establishments will generally be Use Class C2 care homes.
[2] Estimating the UK population during the pandemic - ESCoE : ESCoE

The Effects of Brexit

1.40 The Report does not consider the implications for the Housing Needs Update 2021-2039 arising from the UK's decision to leave the EU (June 2016), primarily as the final outcomes are still unknown.

1.41 Arguably, the key factor which would affect SHMAs is migration – both national and international. A major potential implication of Brexit is that if the population of London has fallen in 2020 due to workers born overseas returning to their places of birth, those same workers may have lost the right to work in Britain in the future. The new rules around entry to Britain for migrant workers may place too high an income requirement for those in tourism and hospitality jobs. This is turn could leave key industries in London with difficulties in filling jobs if the tourism and hospitality sectors return to previous levels. However, any change in migration pattern is still uncertain, so again we have not sought to revise the Housing Needs Update 2021-2039 outputs to model for a Brexit impact. It is currently not possible to quantify the impact of Brexit on the population projections because observed trend data pre-dates its implementation.

UK Census of Population 2021

1.42 We would note the initial results from the Census of Population 2021 were released in June 2022 and these show a population of 210,100 for Camden compared to a Mid-Year Population Estimate for 2020 of 279,516 This is one of the highest discrepancies in the country between the 2020 and 2021 figures.

1.43 There does seem to be some under-counting of students at term-time addresses in the 2021 Census, so this explains some of the variation. However, our initial estimate of the vacancy rate for Camden in the 2021 Census is 13.3%, compared to a rate of 2.3% in the 2011 Census. Therefore, the 2021 Census indicates that the vacancy rate in 2021 is 11% of the stock higher than in 2011 and this explains much of the lower population estimate. The missing population in 2021 is believed by the GLA to have been a combination of students, those with second homes outside of London and workers born overseas who have now returned to London, so the population of Camden will now be much higher than in 2021 and little weight should be given to the headline figures in the 2021 Census.

1.44 However, the final conclusions of this report, as set out in table Figure 37 are underwritten by the GLA capacity targets for Camden, and therefore will not be impacted directly by the outputs from the Census 2021. On this basis the outputs set out in Figure 37 will not change as a result of the Census 2021.

2. Demographic Projections

The baseline for establishing housing need

Introduction

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

Official Household Projections

2.2   Planning Practice Guidance revised in February 2019 identifies that the 2014-based Household Projections provide the baseline for determining the minimum Local Housing Needs figure.

> **Why are 2014-based household projections used as the baseline for the standard method?**
>
> *The 2014-based household projections are used within the standard method to provide stability for planning authorities and communities, ensure that historic under-delivery and declining affordability are reflected, and to be consistent with the Government's objective of significantly boosting the supply of homes.*
>
> **PPG ID 2a-005-20190220**

2.3   The first step in analysing housing needs must therefore be to identify the household projection for Camden which is used as the basis for this report.

2.4   Figure 3 sets out a range of the various household projections from both CLG and ONS methodologies, it includes the associated outputs using the sensitivity analysis approach. The 2018 based principle projection is based upon migration from only 2016-2018 and therefore are very unstable across England as a whole. However the 10-year trend 2018-based projections are much more stable are used to help underwrite much of the modelling in this report.

2.5   While PPG proposes that housing needs should be based upon the 2014 based CLG household projections, the GLA 2018 based projections were the bespoke projections developed for the Draft London Plan 2019. The Inspectors for the draft London Plan 2019 noted that establishing future need for housing is not an exact science and the PPG acknowledges that no single approach will provide a definitive answer. They concluded that the approach followed by the GLA was appropriate for London.

Figure 3:   Household projections for Camden 2021-31 (Source: CLG, ONS, GLA, ORS; Note: All figures presented unrounded for transparency)

	Migration trends	Change in Households 2021-2031	
		10-year change	Annual average
CLG Household Projections			
2014-based projection: 2014-based population and CLG 2014-based HH formation	2009-14	+15,872	+1,587
ONS 2016-based Projections			
Principal projection: 2016-based population and ONS 2016-based HH formation	2011-16	+13,483	+1,348
Sensitivity analysis 1: 2014-based population and ONS 2016-based HH formation	2009-14	+14,728	+1,473
Sensitivity analysis 2: 2016-based population and CLG 2014-based HH formation	2011-16	+15,151	+1,515
ONS 2018-based Projections			
Principal projection: 2018-based population and ONS 2018-based HH formation	2016-18	+14,392	+1,439
Alternative Internal (5-year trend): 2018-based population (alternative internal) and ONS 2018-based HH formation	2013-18	+15,266	+1,527
10-year trend: 2018-based population (10-year trend) and ONS 2018-based HH formation	2008-18	+14,349	+1,435
GLA 2020-based Projections			
Principal projection: Long Term trend DCLG household projection	2004-20	+20,796	+2,080

Projected Household Size

2.6   The projected household size is calculated using the population and household projections rather than being a variable used to create them. The data (Figure 4) divides the population in the area by the associated household projection.

Figure 4:   Average household size estimates and projections for Camden for the period 1991-2043 (Source: CLG 2014 based projections; ONS 2018 is 2018-based projections, GLA 2020 CC based projections)
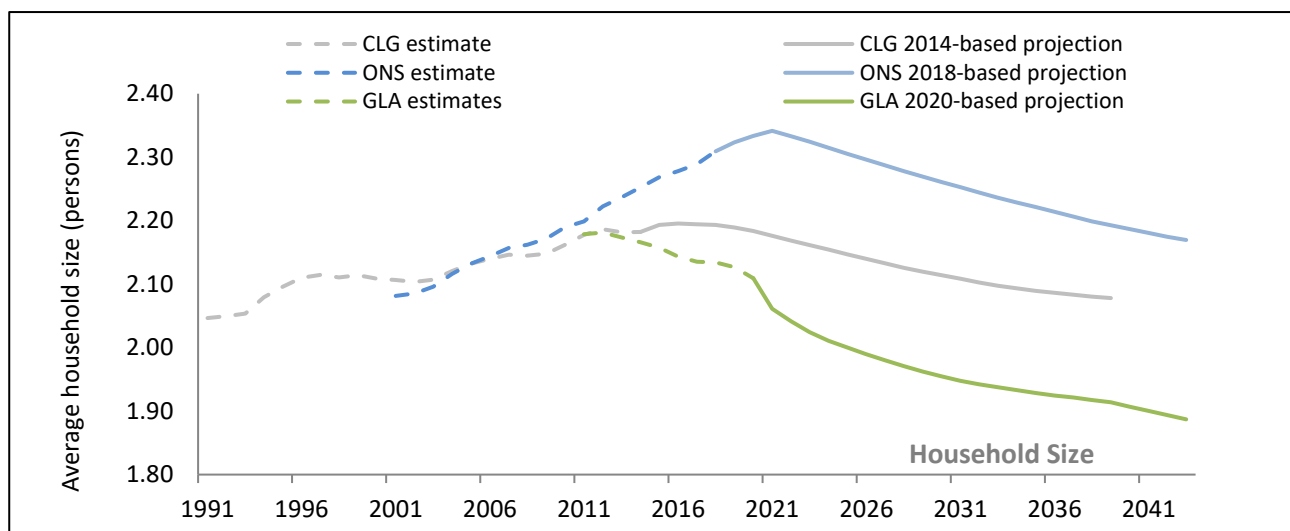
2.7   As the chart shows, average household sizes rose very sharply in Camden between 2001 and 2011 and the ONS 2018 based projections indicate that they are still rising, but will fall from 2023 onwards.

2.8   However, the CLG 2014 based projections indicated that household sizes in Camden were projected to fall after 2011 from around 2.2 per households to 2.08 per household in 2039. Meanwhile, the GLA 2020 based projection sees the average household size in Camden fall to 1.91 by 2039. This projected fall in average household sizes cannot be explained by the ageing population of Camden. The key driver for the issue of household sizes is the household representative rates (HRRs) used by CLG in producing their household projections.

2.9   HRRs provide the probability of a households being a household representative and in the 2014 based CLG drew on data from as far back as the 1971 Census. Therefore, HRRs are based upon long-term data, so the drop in household sizes projected reflects data from 1971 onwards for Camden, not just recent data.

2.10 CLG had previously identified problems with the current approach and they had planned to improve the methodology used for the household projections. However, the Government announced in January 2017 that responsibility for these projections would be passed to ONS with immediate effect.

2.11 The ONS are now working with only data from the 2001 Census onwards. Therefore, the 2018 based projection reflect only the changes in HRRs in Camden since 2001 and they project a much later and lower drop in household sizes.

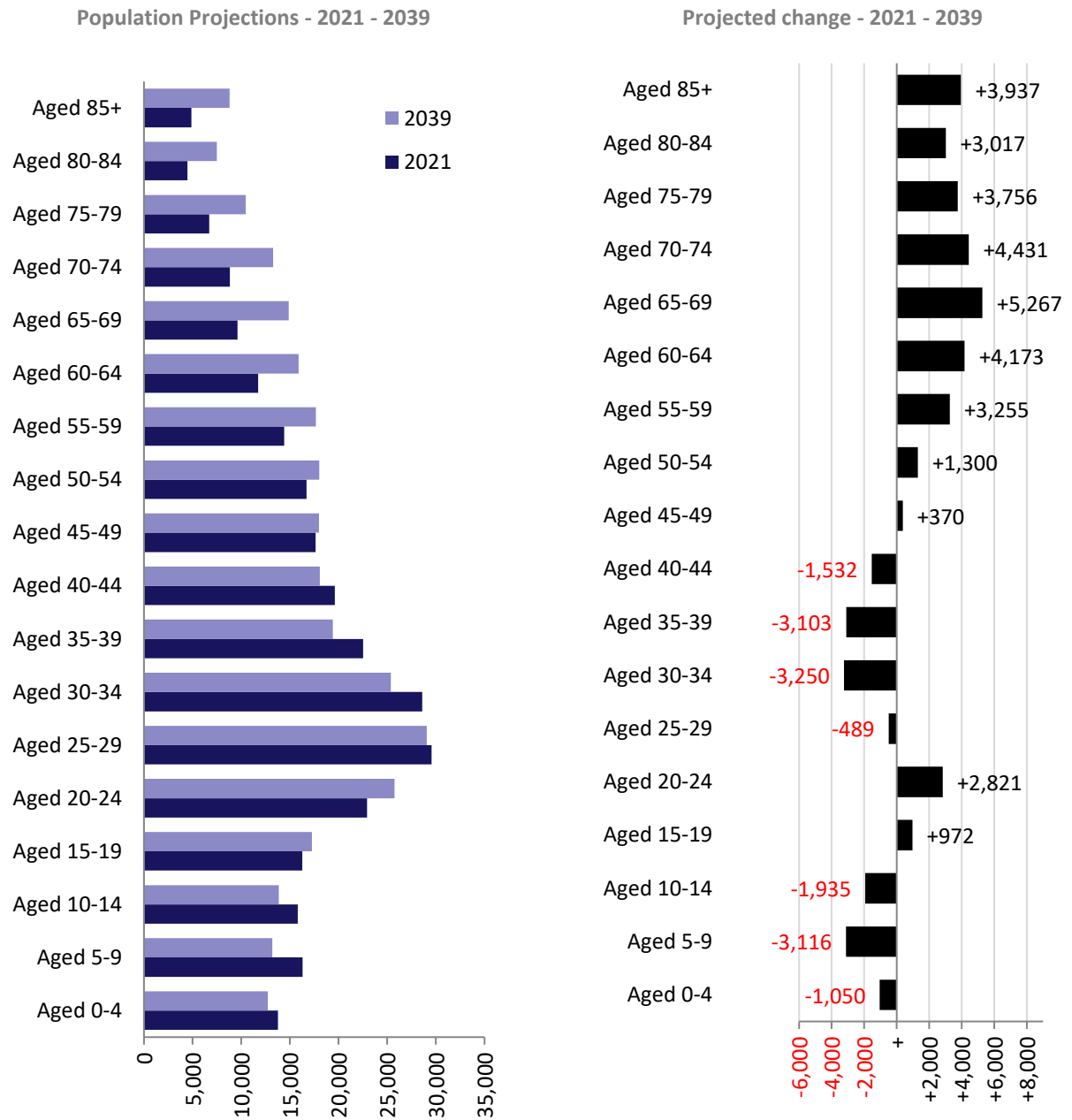## Population and Household Projections for Affordable Housing Need

2.12 The demographic projections for this study are based on the latest official projections and cover the 18-year period 2021-39. As noted above, projections for this study are not taken directly from a single source, but have been derived by ORS, are informed by the latest ONS mid-year estimates,[3] and take account of the most up-to-date fertility and mortality rates and the latest migration trends. This yields a household growth over the period 2021-39 of 17,474 households which is then reconciled with overall local housing need for Camden and the London Plan dwelling figure in Chapter 5. Therefore, the modelling from this point onwards until Chapter 5 is underwritten by the most up to date demographic data.

Projected Population Age Profile

2.13 The overall population is projected to grow by 18,824 from 280,275 people to 299,100 people.

2.14 Over 100% of the growth is associated with the older population, with over 65s projected to increase by 20,408. This is a particularly important consideration when establishing the types of housing required and the need for housing specifically for older people.

---

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

Figure 5: Population projections 2021-39 by 5-year age cohort for Camden (Source: 2020 MYE adjusted ONS sub-national projections 2018)

Population Projections - 2021 - 2039

Projected change - 2021 - 2039

Age cohort	Projected change
Aged 85+	+3,937
Aged 80-84	+3,017
Aged 75-79	+3,756
Aged 70-74	+4,431
Aged 65-69	+5,267
Aged 60-64	+4,173
Aged 55-59	+3,255
Aged 50-54	+1,300
Aged 45-49	+370
Aged 40-44	-1,532
Aged 35-39	-3,103
Aged 30-34	-3,250
Aged 25-29	-489
Aged 20-24	+2,821
Aged 15-19	+972
Aged 10-14	-1,935
Aged 5-9	-3,116
Aged 0-4	-1,050

Household Projections by Age

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

Figure 6: Total projected households in Camden for 2021 and 2039 (Note: Figures may not sum due to rounding)

	Age of Household Representative								TOTAL
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
2021	5,600	23,100	24,100	22,100	17,200	12,400	8,200	3,700	116,400
2039	6,300	21,500	21,700	23,400	22,200	18,900	13,300	6,600	133,900
CHANGE	+700	-1,600	-2,500	+1,300	+5,000	+6,500	+5,100	+3,000	+17,500

2.16 The table shows an overall increase of 17,500 households over the 18-year period 2021-39 with half of this increase being households headed by somebody over the age of 65. Many of these older households will already be established and living in existing homes, they simply get older during the 18-year period.

2.17 To understand the source of newly forming households, it is important to consider household growth in relation to age cohorts as most newly forming households will be aged under 55 at the time of the household formation. Figure 7 shows the projected number of households in each cohort, showing their age in both 2021 and 2039. The projected households by age group for 2039 in Figure 7 are matched to those in Figure 6. Clearly, in 2021 no household representatives are aged under 7, but children aged under 7 in 2021, or born before 2023, will be aged 15-24 in 2039, and thus will be potentially heads of a household.

Figure 7: Total projected households for 2021 and 2039 by age cohort of household representative (Note: Figures may not sum due to rounding)

	Age of Household Representative								TOTAL
Age in 2021	<7	7-16	17-26	27-36	37-46	47-56	57-66	67+	
Age in 2039	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
2021	-	1,100	9,100	23,300	23,700	21,100	16,300	21,800	116,400
2039	6,300	21,500	21,700	23,400	22,200	18,900	13,300	6,600	133,900
CHANGE	+6,300	+21,500	+12,600	+0	-1,500	-2,200	-3,000	-15,200	+17,500

2.18 For example, there were 9,100 households aged 17-26 in 2021 and these same households would be aged 35-44 in 2039. The trend-based projection identified that the total number of households aged 35-44 in 2039 would be 21,700. The projection shows, an extra 12,600 households: partly due to new household formations and partly due to net migration.

2.19 Based on the cohort analysis, around 39,400 extra households will be formed over the 18-year period 2021-39 by those who will be aged under 55 in 2039. These extra households are offset against a reduction of 21,900 households aged 55 or over. Most of this reduction is due to household dissolution following death (although some is due to net migration). It is important to note that the figures in the final row of Figure 7 relate to changes to the size of each specific cohort, and not to the changes to the number of households in each age group. So whilst Figure 7 shows that the 2021 cohort aged 67+ will have lost 15,200 households by the time it is aged 85+ in 2039, Figure 6 shows that the number of households aged 85+ will increase by 3,000 from 2021 to 2039.

2.20 Whilst the overall volume increase in households includes the impact of an older population, this has less impact on the housing market of Camden than in most local authorities due to the relative youth of population. Most of the newly forming households looking for housing will be in their twenties and thirties at the time that they form and there are very high numbers of these households in Camden. Many of these households will buy or rent existing housing, perhaps vacated by an older existing household. New housing stock is not necessarily occupied by newly formed households.

Projected Household Types

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

2.22 Figure 8 shows the household numbers and net change for Camden from 2021 to 2039 separated out by the age of the household representative person (HRP).

Figure 8: **Total projected households for 2021 and 2039 and change by household type and age of household representative (Note: Figures rounded to nearest 100; All calculations based on unrounded data. Figures may not sum due to rounding)**

Household Type	Age of Household Representative								TOTAL
	15-24	25-34	35-44	45-54	55-64	65-74	75-84	85+	
Households 2021									
Single person	1,080	3,610	10,750	9,900	7,480	5,480	4,670	2,090	45,100
Couple without children	900	9,560	4,170	3,040	4,240	4,010	1,710	1,150	28,800
Families with child(ren)	510	2,060	7,730	7,480	3,080	1,020	290	100	22,300
Other households	3,090	7,880	1,510	1,650	2,430	1,880	1,580	310	20,300
TOTAL	**5,600**	**23,100**	**24,100**	**22,100**	**17,200**	**12,400**	**8,200**	**3,700**	**116,400**
Households 2039									
Single person	140	0	9,940	10,920	8,830	7,170	5,840	2,960	45,800
Couple without children	1,130	11,330	4,910	3,130	5,030	6,270	3,440	2,990	38,200
Families with child(ren)	400	140	5,330	7,760	4,360	1,740	500	210	20,400
Other households	4,630	10,050	1,470	1,550	3,980	3,740	3,510	480	29,400
TOTAL	**6,300**	**21,500**	**21,700**	**23,400**	**22,200**	**18,900**	**13,300**	**6,600**	**133,900**
Change 2021-39									
Single person	-950	-3,610	-810	+1,020	+1,350	+1,680	+1,170	+870	+700
Couple without children	+230	+1,770	+750	+90	+790	+2,260	+1,740	+1,840	+9,500
Families with child(ren)	-110	-1,920	-2,400	+280	+1,280	+720	+220	+110	-1,800
Other households	+1,540	+2,170	-30	-100	+1,550	+1,860	+1,940	+170	+9,100
TOTAL CHANGE	**+700**	**-1,600**	**-2,500**	**+1,300**	**+5,000**	**+6,500**	**+5,100**	**+3,000**	**+17,500**

2.23 For 2039 households where the representative person is in the youngest age groups (particularly 25-34), Figure 8 shows a very marked reduction in single person households and families with one or more children, and a marked increase in "Other households". This is thought to be a consequence of prohibitive market housing costs affecting the former two groups, and also the limits on local housing allowance available to single persons aged under 35. These factors would tend to constrain new household formation, generate households of unrelated adults, and promote out-migration to areas with lower housing costs. Figure 23 in this report provides more information about the high levels of migration affecting this cohort.

2.24 In summary over the 18-year period:

» Single person households are projected to increase by 700, but this includes a very sharp drop in single person households aged 44 years or less;

» Families with dependent children are also projected to fall;

» Couples without dependent children are projected to rise by 9,500 households;

» The increase in "Other" households represents 9,100 households.[4]

2.25 The final group of 'Other' households is very important because it implies that much of the projected household growth in Camden will be unrelated households, students and multi-generation households. This in turn implies that the demographic projections are assuming that there will be many larger households. This is a point we will return to in Chapter 5.

---

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

3. Local Housing Market
Housing options and cost of housing in Camden

Housing Tenure Trends

3.1 The following section is drawn directly from the Camden First Homes Assessment 2022.

3.2 Clear trends are evident in the local data for Camden, even while recognising that the 2011 Census is now over 10 years old and that the 2021 Census is being released in phases from the spring of 2022. Figure 9 to Figure 11 show that there has been a steady increase in the overall number of owner occupiers since 1981, but that this slowed to almost zero between 2001 and 2011. The proportional numbers of social renters decreased 1981-2001 (likely in part as a result of the introduction of the Right-to-Buy in 1980), with the total number of social rented households barely higher in 2011 than 1981. More recent products such as Affordable Rent had not been introduced in 2011. In comparison, the proportion of private renters has grown sharply since 1991.

Figure 9: **Number of Households by Tenure in Camden 1981-2011 (Source: UK Census of Population)**

Figure 10: **Percentage of Households by Tenure in Camden 1981-2011 (Source: UK Census of Population)**
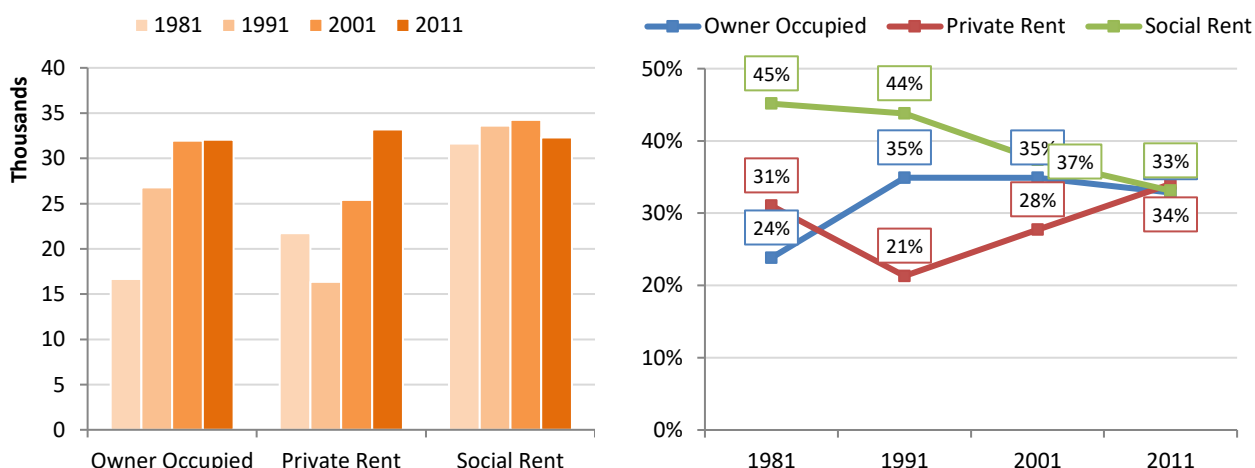

Figure 11: Households by Tenure for Camden 1981-2011 (Source: UK Census of Population)

| Tenure	Total Households				Net Change		
	1981	1991	2001	2011	1981-1991	1991-2001	2001-2011
Owner occupied	16,683	26,796	31,967	32,042	+10,113	+5,171	+75
Private rent	21,732	16,358	25,395	33,197	-5,374	+9,037	+7,802
Social rent	31,622	33,609	34,241	32,295	+1,987	+632	-1,946
TOTAL	**70,037**	**76,763**	**91,603**	**97,534**	**+6,726**	**+14,840**	**+5,931**
Owner occupied	23.8%	34.9%	34.9%	32.9%	+11.1%	+0.0%	-2.0%
Private rent	31.0%	21.3%	27.7%	34.0%	-9.7%	+6.4%	+6.3%
Social rent	45.2%	43.8%	37.4%	33.1%	-1.4%	-6.4%	-4.3%

Cost of Home Ownership

3.3 House price trends (2001-2021) are shown in Figure 12 based on lower quartile house prices. Lower quartile prices are used to consider the entry level price for home ownership. Of course, the value of money has also

changed during this period, so the data is adjusted to take account of and remove the impact of inflation; therefore, the values reflect real changes in house prices since 2001.

3.4 It is evident that real house prices in Camden increased substantially in the period 2001-2008 and have been consistently higher than the London and England prices. Values reduced during the economic downturn to around £347,000 by mid-2009, but have since increased to a value of £570,800 by mid-2018 before reducing in 2019-2021.

Figure 12: **Real House Price Trends: Lower Quartile Prices adjusted to 2019 values using CPI (Source: ONS; Bank of England)**
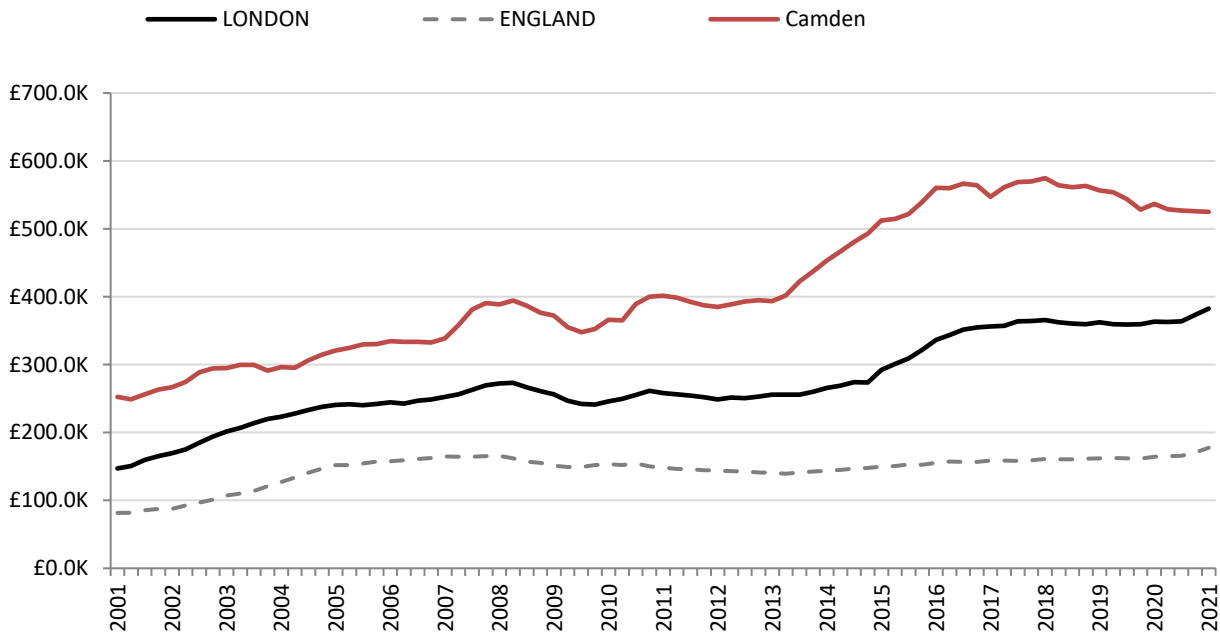

3.5 To set the prices for Camden in a wider context, we have compared them to those for its neighbouring boroughs. While Westminster and City of London prices are higher, the majority of neighbouring boroughs do have lower prices, so households who cannot afford Camden do have alternatives which they may consider.

Figure 13: **Real House Price Trends: Lower Quartile Prices adjusted to 2019 values using CPI (Source: ONS; Bank of England)**
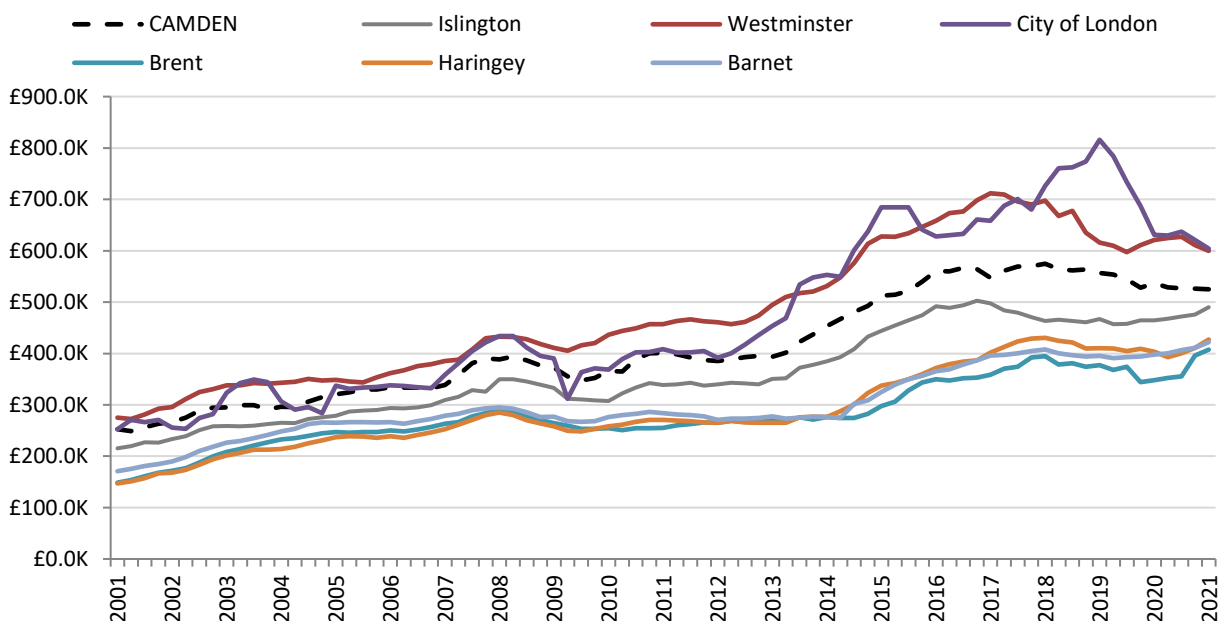
3.6 Figure 14 shows the lower quartile house prices by bedroom size. The data shows both the lower quartile price for existing properties and new build dwellings, with prices taken from the Land Registry records for the sales prices of individual properties. When considering first time buyers in particular, many of the purchasers are likely to be newly forming households seeking one and two bed properties, although some will seek larger properties. Initiatives such as the new First Homes product which sells new homes at a 30% or more discount compared to market prices to local first-time buyers may make home ownership more accessible for this group and the lower quartile house prices would form the entry point for products such as this as well.

3.7 The degree to which new build properties are more expensive than existing homes varies considerably by size of dwelling. This is likely to be down to a range of factors which include the location of newbuild housing, the relative size of properties, gardens and the availability of parking, comparative quality and condition of existing stock, and other intangible issues such as character. In general, new build properties are more expensive than existing dwellings across England, but the uplifts range from 43% for 3 bedrooms to 75% for 4+ bedrooms and these figures are exceptionally high. What they mean is that taking a newbuild home and reducing the price through a product such as First Homes brings the cost down to a level not that far below the cost of 100% of a second hand home. It will of course be the case that any newbuild premium will gradually reduce over time.

Figure 14: Lower quartile prices (adjusted to 2021 values using CPI) for existing dwellings and newly built dwellings (2019-21) by property size in Camden (Source: ORS based on ONS House Price Statistics, Valuation Office Agency and Land Registry Price Paid Data)
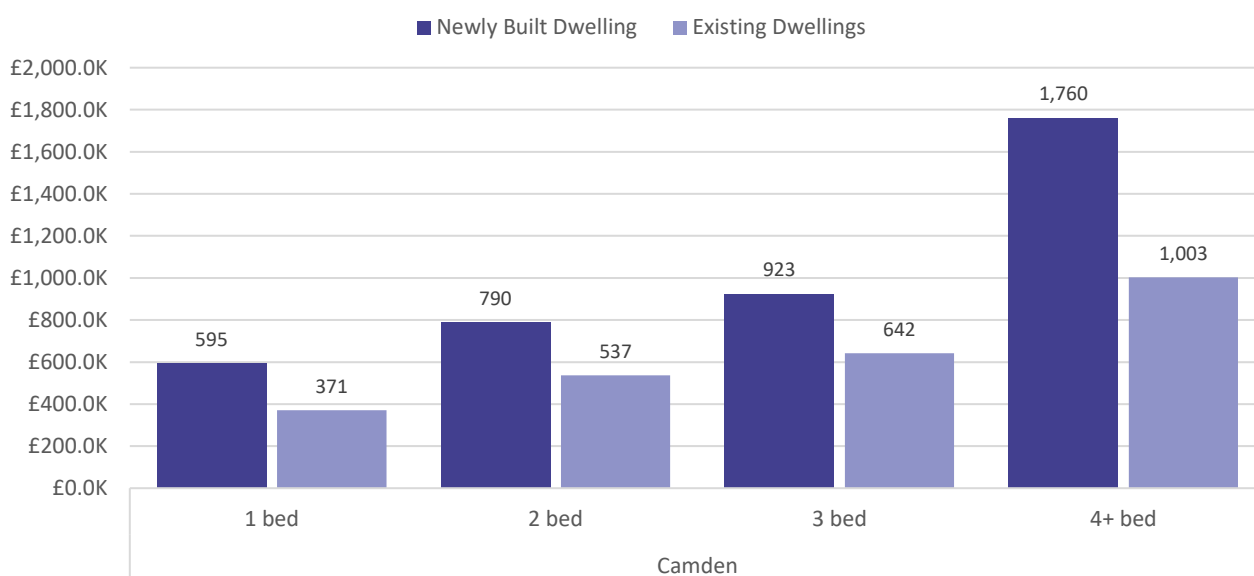
Income Needed for Home Ownership

3.8 The income needed to purchase market housing will depend on the house price together with the mortgage income multiplier and the available deposit (or percentage loan to value).

3.9 To give an illustrative example (based on Camden prices), taking an existing 1-bedroom property:

» The lower quartile price recorded was £371,000;

» Based on a 90% loan-to-value mortgage, a deposit of £31,700 would be needed (equivalent to 10% of the overall price) with the mortgage covering the remaining £333,900.

> » Using a mortgage income multiplier of 3.5x would therefore need an annual income of £95,400.

3.10 Whilst some households will have higher deposits available and others will seek to extend their borrowing as far as possible, taking the initial assumptions of a 10% deposit and a 3.5x mortgage multiplier provides a reasonable indication of the income that first-time buyer households are likely to need in order to afford home ownership.

3.11 Based on these assumptions, Figure 15 shows the household income levels needed to buy 1 and 2 bedrooms properties in terms of both existing dwellings and newly built dwellings in Camden. When purchasing larger homes, households will typically have larger deposits available which often include equity from the sale of a smaller property. If households have recourse to a larger deposit, and the loan remains at the same multiple of their salary, then the income they need will reduce. Inversely, if the deposit the household can raise is smaller, the income they need will be higher. On this basis, it is relatively artificial to consider incomes in isolation.

Figure 15: Annual income required to afford proprieties based on a 10% deposit and 3.5 times income mortgage by property size (Source: ORS based on ONS House Price Statistics, Valuation Office Agency and Land Registry Price Paid Data)

Property Type	Annual Household Income Needed to Own at Lower Quartile Prices: Camden
NEWLY BUILT DWELLINGS	
1 bedroom	£152,900
2 bedrooms	£203,000
EXISTING DWELLINGS	
1 bedroom	£95,400
2 bedrooms	£138,200

Income Needed for First Homes

3.12 The government set out the definition and criteria for First Homes in Planning Practice Guidance (PPG) issued in May 2021. PPG indicates that in London, First Homes are newbuild dwellings which must be sold for no more than £420,000 after discount and must be sold to first-time buyer households with annual incomes of no more than £90,000. For all First Homes, a national minimum discount of 30% must be applied to full open market prices, but Local Authorities may adopt planning policies to increase the minimum discount in their areas to 40% or 50%.

3.13 As noted in the previous paragraph, First Homes can be sold with a 30%, 40% or 50% discount. Taking a 1 bedroom property in Camden, the lower quartile newbuild price is £595,000. Taking a 30% discount on this price, would see a figure of £416,500, so just under the absolute cap. However, a 40% discount would reduce the price to £357,000 and a 50% discount would give a price of £297,500. Therefore, a First Homes with either a 40% or 50% discount is under the price cap for a 1 bedroom property.

3.14 However, for a 2 bedroom property, even a 50% discount only brings the entry price down to £395,000, with a 30% discount giving a price of £553,000 and a 40% discount giving a price of £474,000. Therefore, for a 2 bedroom property, only a 50% discount brings the price down under the absolute price cap for London.

3.15 For larger properties, even a 50% discount does not bring the First Homes price down below the £420,000 cap. Therefore, in Camden, First Homes can at best be delivered a 1 and 2 bedroom properties and for 2 bedrooms this would only fit within the cap if there were a 50% discount on market prices. This clearly limits

the deliverability of First Homes in the area. However, this is based on lower quartile new-build property prices across the borough as a whole. There may be some locations in the borough where 1 and 2-bedroom First Homes could not be delivered below the £420,000 price cap and some locations where 1, 2 and 3-bedroom First Homes could be delivered below the price cap due to price variations in different areas.

3.16 A further question is then how large a mortgage a household is allowed to borrow. In the rest of England, the caps for affordability are set at £80,000 household income and £250,000 property price, imply a mortgage to income ratio of around 3. However, in London the caps are set at £90,000 household income and £420,000 property prices. Allowing for a 10% deposit this would set the mortgage to income ratio at 4.2 times, so households are potentially projected to spend a higher share of their income than in the rest of England.

3.17 The figures set out in Figure 15 are based upon a mortgage to income ratio of 3.5 times and a 10% deposit, but these figures can clearly be varied as appropriate. In Figure 16 we consider how different deposit rates and different mortgages to income multipliers would impact upon the income needed for 1 and 2 bed properties for First Homes with a 50% discount on lower quartile market prices. These income levels are therefore those required for the entry level market newbuild housing using the largest discount possible.

3.18 This shows that 2 bedroom properties only start to come within the £90,000 income cap if we assume that households are borrowing over 4 times their income as a mortgage. For example, if the household makes a 5% deposit and borrows 4.5 times their income as a mortgage, then they would still need an income of £83,800 to be able afford the property cost of £395,000.   For 1 bedroom properties, the cap of £90,000 is met with mortgages over 3 times income, so if for example the households deposits 10% of the discounted price and obtains a 3.5 times income mortgage then they would require an income of £76,500 to afford the First Homes price of £297,500.

Figure 16: Annual income required to afford proprieties based on a First Homes with a 50% discount on lower quartile market prices (Source: ORS based on ONS House Price Statistics, Valuation Office Agency and Land Registry Price Paid Data)

Property Type	Annual Household Income Needed for 3 Times Income Mortgage	Annual Household Income Needed for 3.5 Times Income Mortgage	Annual Household Income Needed for 4 Times Income Mortgage	Annual Household Income Needed for 4.5 Times Income Mortgage
NEWLY BUILT DWELLINGS 5% DEPOSIT				
1 bedroom	£94,200	£80,800	£70,700	£62,800
2 bedrooms	£125,100	£107,200	£93,800	£83,800
NEWLY BUILT DWELLINGS 10% DEPOSIT				
1 bedroom	£89,300	£76,500	£66,900	£59,500
2 bedrooms	£118,500	£101,600	£88,900	£79,000

3.19 Therefore, the conclusions of this analysis is that 2 bedroom First Homes can be delivered in Camden, but that they would only just be within the absolute price cap of £420,000 and would require mortgages with a ratio to income of over 4 to stay within the £90,000 cap. 1 bedroom properties can be delivered within the £420,000 price cap and £90,000 income cap and could apply to households with income as low as £60,000 per annum.

Cost of Renting

3.20   As a comparison with the cost of First Homes we have also considered the cost of renting in Camden. Figure 17 sets out the weekly rents for different property sizes. The two key affordable housing products available in Camden are London Affordable Rent[5] and Camden Intermediate Rent[6].

Figure 17:   Weekly rent thresholds 2021 (Source: Private Rental Market Statistics, Valuation Office Agency; GLA, Regulator of Social Housing. Note: Private rent data excludes housing benefit funded tenancies)

Weekly Rent £	Median Private Rent	Lower Quartile Private Rent	Camden Intermediate Rent	Affordable Rent	London Affordable Rents	Social Rent
CAMDEN						
1 bedroom	£333.47	£298.97	£229.00	£207.85	£161.71	£122.66
2 bedrooms	£459.96	£376.02	£269.00	£228.72	£171.20	£135.85
3 bedrooms	£585.30	£468.47	£323.00	£211.15	£180.72	£145.61
4+ bedrooms	£724.90	£473.53	£323.00	£253.77	£190.23	£158.37

3.21   It is evident that for all property sizes, the median private rent is the highest followed in turn by the lower quartile private rent, Camden Intermediate Rent and London Affordable Rent.

Income Needed for Other Types of Housing

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

> **Build to Rent:** *purpose-built housing that is typically 100% rented out.*
>
> *Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.*
>
> **NPPF 2021(Glossary)**

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

3.24   The National Planning Policy Framework states that affordable housing on build to rent schemes should be provided in the form of affordable private rent, but currently none exists in Camden. The PPG offers a "generally suitable" benchmark that 20% of any given build to rent scheme should be provided as affordable rent (maintained in perpetuity). However, Policy H11 of the London Plan applies the Mayor's threshold approach to Build to Rent schemes, which amounts to a benchmark of 35% affordable housing on most sites (50% for public land and industrial land). In terms of setting affordable rent levels, national affordable

---

[5] Since November 2016, in London, the national definition of Affordable Rent has largely been replaced by London Affordable Rent for new developments - and the benchmarks for London Affordable Rent are set at a London wide level and in Camden are closer to target Social Rents than they are to the national Affordable Rent levels.

[6] . Camden Intermediate Rent is targeted to households with incomes between £30,000 and £40,000, and available to households with incomes of up to £60,000 per annum – income levels are subject to updates based on wage inflation and the upper income cap set by the London Plan and London Plan Annual Monitoring Report.

housing policy requires a rent discount of at least 20% for affordable private rent homes relative to local market rents (inclusive of service charges)[7].

3.25 However, the affordability of these affordable Build to Rent options is highly dependent on the rent being discounted. Research by JLL[8] shows that the average Build to Rent option is 9.3% more expensive than the median rent. If it is assumed that these rent levels were to be the case in Camden, and a discount of 20% were to be applied to these rents (as is suggested by the NPPF) for the affordable units, then the range of rental costs available would be as Figure 18:

Figure 18:   Weekly rent thresholds in Camden (Source: Valuation Office Agency 2020-21; GLA, London Borough of Camden, JLL)

Weekly Rent £	Upper Quartile Private Rent	Build to Rent (Median + 9.3%)	Median Private Rent	Local Housing Allowance	Lower Quartile Private Rent	Affordable Build to Rent (20% discount)	Camden Inter-mediate Rent	London Affordable Rents
1 bedroom	£423.62	£364.48	£333.47	£295.49	£298.97	£291.59	£229.00	£161.71
2 bedrooms	£574.95	£502.74	£459.96	£365.92	£376.02	£402.19	£269.00	£171.20
3 bedrooms	£752.49	£639.73	£585.30	£441.86	£468.47	£511.78	£323.00	£180.72
4+ bedrooms	£1,021.57	£792.31	£724.90	£593.75	£473.53	£633.85	£323.00	£190.23

3.26 The local housing allowance would be insufficient to cover the costs of affordable Build to Rent units for all dwelling types, but the affordable element could potentially be capped at the LHA rate. As such, the promotion of build to rent could be a potentially useful mechanism for bringing forward affordable housing options, particularly for households requiring smaller properties.

3.27 In terms of pricing, build to rent options in Camden are cheaper than the equivalent to upper quartile private rents and are also more accessible than affordable home ownership options.
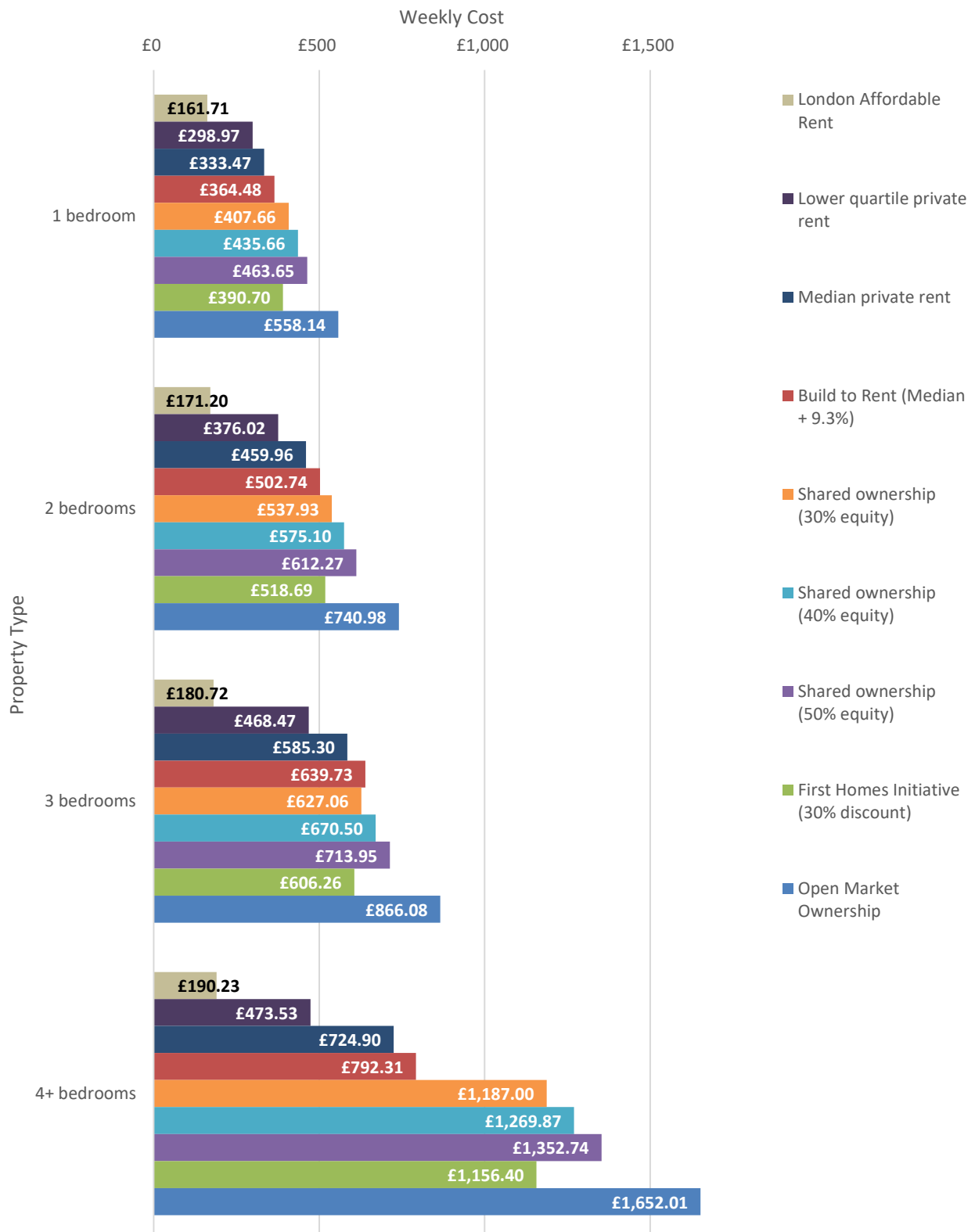
Summary of Housing Costs

3.28 This chapter has considered in some detail the cost of housing depending on tenure type and property size. Figure 19 summarises these costs for each property size.

---

[7] The London Plan indicates a preference for affordable private rent to be set at the level of London Living Rent, which is broadly similar to Camden Intermediate Rent (but with rents set by the Mayor of London), however this is not a specific policy requirement.
[8] https://www.jll.co.uk/content/dam/jll-com/documents/pdf/research/emea/uk/jll-residential-insight-build-to-rent.pdf

Figure 19: Comparison of weekly housing costs in Camden by property size (Source: VOA 2019-2020, Land Registry, ORS model)

Weekly Cost

1 bedroom
- £161.71
- £298.97
- £333.47
- £364.48
- £407.66
- £435.66
- £463.65
- £390.70
- £558.14

2 bedrooms
- £171.20
- £376.02
- £459.96
- £502.74
- £537.93
- £575.10
- £612.27
- £518.69
- £740.98

3 bedrooms
- £180.72
- £468.47
- £585.30
- £639.73
- £627.06
- £670.50
- £713.95
- £606.26
- £866.08

4+ bedrooms
- £190.23
- £473.53
- £724.90
- £792.31
- £1,187.00
- £1,269.87
- £1,352.74
- £1,156.40
- £1,652.01

Legend:
- London Affordable Rent
- Lower quartile private rent
- Median private rent
- Build to Rent (Median + 9.3%)
- Shared ownership (30% equity)
- Shared ownership (40% equity)
- Shared ownership (50% equity)
- First Homes Initiative (30% discount)
- Open Market Ownership

Property Type

3.29 Unsurprisingly, for each property size London Affordable Rent is the cheapest and open market ownership the most expensive in terms of weekly costs. Lower quartile and median market rent is cheaper than servicing the mortgage on a First Homes mortgage bought with a 30% discount in every property size.

3.30   The cost of shared ownership predictably varies depending on the equity size purchased, however the fact that it is more expensive on a weekly basis than First Homes for all three equity levels illustrated is evidence of the significance of the rent payable on the equity retained (along with service charges) on weekly costs. Nonetheless, shared ownership is much more flexible than First Homes because a household can buy smaller shares of the property and therefore may meet the needs of different households.

3.31   Overall, compared to rental options, the range of affordable home ownership products shown appear to be relatively inaccessible, and more expensive than renting.

4. Affordable Housing Need
Identifying households who cannot afford market housing

Introduction

4.1 The definition of affordable housing was changed by the NPPF 2019, with a specific emphasis now placed on affordable homeownership. This was retained in the NPPF 2021 update and does not explicitly include First Homes. Annex 2 of the Revised NPPF now defines affordable housing as being:

> ### Affordable housing
> *Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)*
>
> **Revised NPPF 2021, Annex 2**

4.2 To reflect this change, paragraphs of PPG were updated in February 2019. These were further updated with a new set of guidance on "Housing needs of different groups" published on 22nd July 2019[9], which covered:

   » Addressing the need for different types of housing

   » Affordable housing

   » Rural Housing

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

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

Figure 20: Establishing the need for market and affordable housing

---

[9] https://www.gov.uk/guidance/housing-needs-of-different-groups#affordable-housing
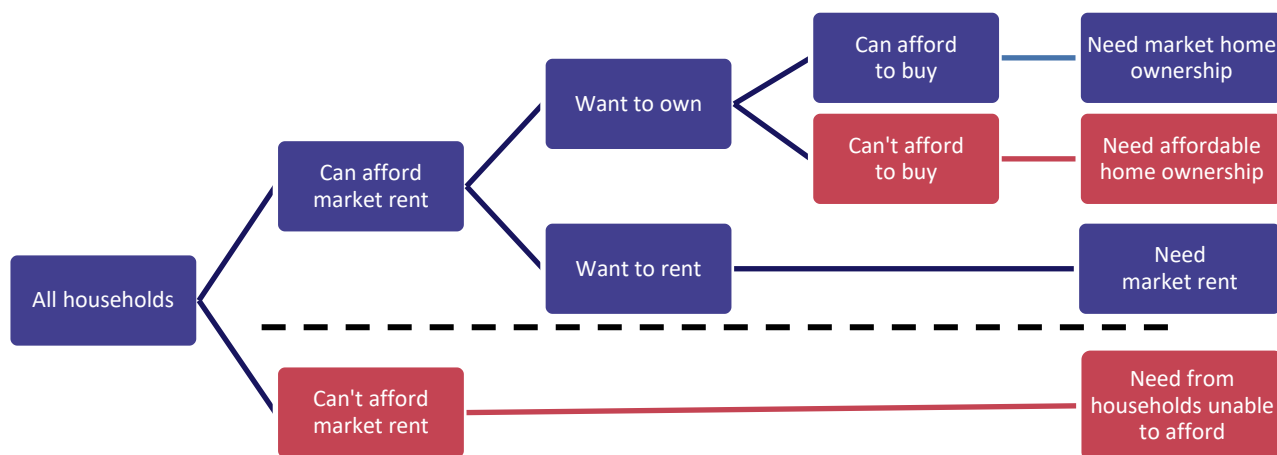
4.5 There is a well-established method for assessing the needs of households who cannot afford to own _or_ rent suitable market housing. However, PPG provides no guidance on how the needs of households who can afford to rent but would prefer to own, should be assessed.

Assessing Affordable Housing Needs

4.6 The ORS Housing Mix Model considers the need for market and affordable housing on a long-term basis that is consistent with household projections. The model uses a range of secondary data sources to build on existing household projections and profile how the housing stock will need to change in order to accommodate the projected future population.

4.7 The model provides robust and credible evidence about the required mix of housing over the full planning period and recognises how key housing market trends and drivers will impact on the appropriate housing mix.

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

4.9 The affordability percentages in Figure 21 are calculated using detailed information from the 2011 Census alongside data published by DWP about housing benefit claimants. For each type of household in each age group, the table identifies the percentage of households unable to afford their housing costs. This is the proportion of households in each group that either occupy affordable housing or receive housing benefit to enable them to afford market housing.

Figure 21: Assessing affordability by household type and age (Source: Census 2011 and DWP)

Percentage unable to afford market housing	Under 25	25-34	35-44	45-54	55-64	65+
Single person household	19%	17%	36%	55%	58%	59%
Couple family with no dependent children	5%	4%	12%	29%	30%	39%
Couple family with 1 or more dependent children	39%	41%	34%	38%	33%	43%
Lone parent family with 1 or more dependent children	82%	97%	93%	81%	78%	66%
Other household type	8%	13%	37%	59%	52%	40%

Current Unmet Needs of Households Unable to Afford

4.10 Any exploration of housing need in an area must first give consideration to existing unmet needs. The PPG states:

> _**How should the current unmet gross need for affordable housing be calculated?**_
>
> _Plan makers should establish unmet (gross) need for affordable housing by assessing past trends and recording current estimates of:_
>
> » _the number of homeless households;_
>
> » _the number of those in priority need who are currently housed in temporary accommodation;_

> » *the number of households in overcrowded housing;*
>
> » *the number of concealed households;*
>
> » *the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings);*
>
> » *the number of households from other tenures in need and those that cannot afford their own homes.*
>
> *Care should be taken to avoid double-counting, which may be brought about with the same households being identified on more than one transfer list, and to include only those households who cannot afford to access suitable housing in the market.*
>
> **Planning Practice Guidance (February 2019), ID 2a-020-20190220**

4.11 Households assumed to be unable to afford housing include:

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

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

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

4.12 Given this context, the model includes the needs of all these households when establishing the need for affordable housing at a base date of 2021. The evidence is predominantly derived from data collected by Camden on homelessness or households otherwise unsuitably housed, but we also consider the needs of households who are overcrowded in both the social and private rented sector. Therefore, there is a very large overlap between those households considered to be in current need and the housing register in Camden.

4.13 The analysis counts the needs of all households living in overcrowded rented housing when establishing the affordable housing need (which could marginally overstate the requirements) but it does not count the needs of owner occupiers living in overcrowded housing (which can be offset against any previous over-counting). Student households are also excluded, given that their needs are assumed to be transient and do not count towards the need for affordable housing in Camden.

4.14 Concealed families are an important part of unmet housing need. However, not all concealed families want separate housing. Those with older family representatives will often be living with another family, perhaps for cultural reasons or in order to receive help or support due to poor health. However, those with younger family representatives are more likely to be experiencing affordability difficulties or other constraints (although even here not all will want to live independently).

4.15 Any concealed families in a reasonable preference category on the housing register will be counted regardless of age. The analysis also considers the additional growth of concealed families with family representatives aged under 55 (even when not on the housing register) and assumes that all such households are unlikely to be able to afford housing (otherwise they would have found a more suitable home).

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

improving the existing housing stock, and the Council have a range of statutory enforcement powers to improve housing conditions.

4.17 Figure 22 sets out the assessment of current affordable housing need for Camden:

Figure 22:   Assessing current unmet gross need for affordable housing (Source: ORS Housing Model)

	Affordable Housing			Current unmet Housing Need
	Gross Need	Supply	Net Need	
Homeless households in priority need [Source: CLG P1E returns 2021]				
Currently in temporary accommodation in communal establishments (Bed and breakfast or Hostels)	81		81	81
Currently in temporary accommodation in market housing (Private sector leased or Private landlord)	397		397	
Currently in temporary accommodation in affordable housing (Local Authority or RSL stock)	39	39	0	
Households accepted as homeless but without temporary accommodation provided	175		175	175
Concealed households [Source: Census 2001 and 2011]				
Growth in concealed families with family representatives aged under 55	223		223	223
Overcrowding based on the bedroom standard [Source: Census 2011 and English Housing Survey]				
Households living in overcrowded private rented housing	1,727		1,727	
Households living in overcrowded affordable rented housing	5,223	5,223	0	
Other households living in unsuitable housing that cannot afford their own home [Source: CLG Local Authority Housing Statistics 2021]				
People who need to move on medical or welfare grounds, including grounds relating to a disability	1,035	135	900	
People who need to move to a particular locality in the Borough of the authority, where failure to meet that need would cause hardship (to themselves or to others)	156	20	136	
TOTAL	**9,056**	**5,417**	**3,639**	**479**

4.18 Based on a detailed review of both the past trends and current estimates our analysis has concluded that 9,056 households are currently living in unsuitable housing and are unable to afford their own housing. This assessment is based on the criteria set out in the PPG and avoids double counting, as far as possible.

4.19 Of these households, 5,417 currently occupy affordable housing that does not meet the current householders' needs, mainly due to overcrowding. Providing more suitable housing for these households will enable them to vacate their existing affordable housing property, which can subsequently be allocated to another (smaller) household in need of affordable housing.

4.20 **There is, therefore, a net affordable housing need of 3,639 households (9,056 less 5,417 = 3,639). Providing the net affordable housing need for 3,639 households will release back into the market (mainly in the private rented sector) the dwellings currently occupied by a total of 3,160 households (3,639 less the 479 households which are housed in temporary accommodation, are homeless or concealed and thus do not**

release dwellings). While the 2017 London SHMA sought to address the backlog of need over 25 years, for this study we treat this as a backlog of need to be addressed over 18 years at an annual rate of 202 households per annum.

Projected Future Need of Households Unable to Afford

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

4.22 Figure 23 shows the age structure of each of the components of household change. This analysis is based on changes within each age cohort. Comparisons are based on households born in the same year and relate to their age at the end of the period. Therefore, all new households are properly counted, rather than only counting the increase in the number of households in each age group.

Figure 23: **Annual change in household numbers in each age cohort by age of HRP in Camden (Source: ORS Housing Model)**
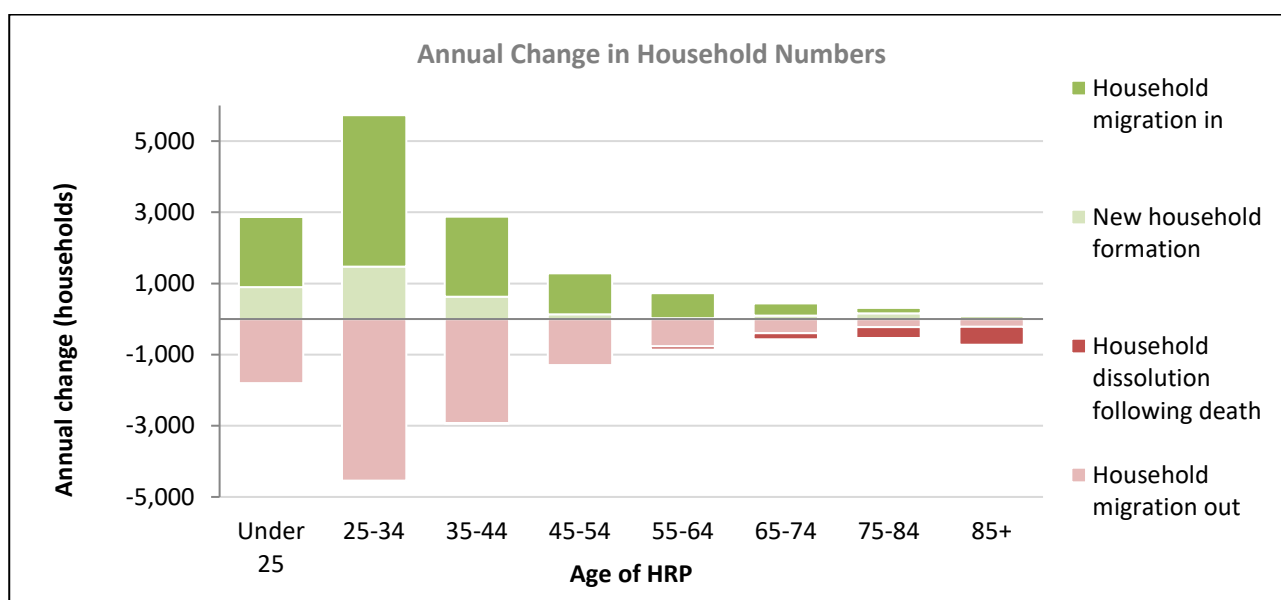
4.23 Together with information on household type, this provides a framework for the model to establish the proportion of households who are unable to afford their housing costs. The following tables looks at the impact of different types of household.

Figure 24: **Annual components of Household Growth 2021-39 (Source: ORS Housing Model. Note: Figures may not sum due to rounding)**

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Newly forming households	3,402	2,828	574	17%
Households migrating in to the area	10,904	8,625	2,279	21%
All new households	**14,307**	**11,453**	**2,853**	**20%**

4.24 The ORS Model identifies 3,402 new households projected to form in Camden each year, of which 17% will be unable to afford their housing costs. This amounts to 574 households each year.

4.25 The model also considers new households migrating to the area. The projection is for 10,904 households per annum of which 21% (2,279 households) will be unable to afford their housing costs. It is completely normal for a London Borough to see more affordable housing need generated by households moving to the area than through local household formation. The figures for Camden are similar to other areas of London that ORS have analysed. It should be remembered that households in affordable housing need will also leave the Borough, thus reducing need.

4.26 **This results in a total of 2,853 <u>new</u> households in need of affordable housing** (Figure 24).

Figure 25: **Annual components of Household Growth 2021-39 (Source: ORS Housing Model. Note: Figures may not sum due to rounding)**

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Household dissolutions following death	1,144	675	469	41%
Households migrating <u>out</u> of the area	12,192	9,505	2,687	22%
All households no longer present	**13,336**	**10,180**	**3,156**	**24%**

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

4.28 The model identifies 1,144 households are likely to dissolve following the death of all household members. Many of these households will own their homes outright, however 469 of these are likely to have been unable to afford market housing and will mostly be living in affordable rented housing.

4.29 In addition, some households that are unable to afford housing will migrate away from the area, so their needs should be discounted to ensure consistency with the household projections. The model identifies that 12,192 households will migrate <u>out</u> of the area each year, including 2,687 households who are unable to afford their housing costs. A proportion of these will vacate rented affordable housing (which will become available for another household) whereas others that have not yet been allocated an affordable home will reduce the number of households waiting. (It should be noted that some might have chosen to stay if housing costs were cheaper or more affordable housing was available).

4.30 **Altogether, there are 3,156 households who will vacate affordable dwellings or will no longer be waiting for a home** (Figure 25).

Figure 26: **Annual components of Household Growth 2021-39 (Source: ORS Housing Model. Note: Figures may not sum due to rounding)**

	All households	Households able to afford housing costs	Households unable to afford housing costs	% unable to afford housing costs
Existing households falling into need	-	-1,313	1,313	100%
Existing households climbing out of need	-	578	-578	0%
Change in existing households	**-**	**-734**	**734**	**-**

4.31 PPG also identifies that it is important to estimate *"the number of existing households falling into need"* (ID 2a-021). Whilst established households that continue to live in Camden will not contribute to household

growth, changes in household circumstances (such as separating from a partner or the birth of a child) can lead to households who were previously able to afford housing falling into need. The needs of these households are counted by the model, and it is estimated that 1,313 established households will fall into need in Camden each year.

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

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

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

4.33 These improved circumstances can therefore reduce the need for affordable housing over time. The model identifies that the circumstances of 578 households will improve such that they become able to afford their housing costs having previously being unable to afford.

4.34 Therefore, considering the changing needs of existing households overall, **there is a net <u>increase </u>of 734 existing households needing affordable housing each year**. (Figure 26).

4.35 The following table (Figure 27) summarises the overall impact of:

» New households adding to housing need;

» The households no longer present reducing housing need; and

» The changes in circumstances impacting existing households.

Figure 27: Annual components of Household Growth 2021-39 (Source: ORS Housing Model)

		All households	Households able to afford housing costs	Households unable to afford housing costs
All new households		14,307	11,453	2,853
All households no longer present		13,336	10,180	3,156
Change in circumstances of existing households		-	-734	734
Future affordable housing need 2021-39	**Annual average**	**971**	**539**	**432**
	18-year Total	**17,474**	**9,698**	**7,776**

4.36 Overall reviewing the contribution of each element amounts **to an additional 7,776 households needing affordable housing over the 18-year period 2021-39, or a rate of 432 per annum.**   This figure does not include any of the 3,639 households currently in housing need, as set out in Figure 22. These households are added to the total at a later stage.

Future Policy on Housing Benefit in the Private Rented Sector

4.37 The analysis recognises **the importance of housing benefit and the role of the private rented sector**. It is assumed that the number of households in receipt of housing benefit in the private rented sector will remain constant; however, this is a national policy decision which is not within the Council's control.

4.38 It is important to note that private rented housing (with or without housing benefit) does not meet the NPPF definition of affordable housing. However, many tenants that rent from a private landlord can only afford

their housing costs as they receive housing benefit. These households aren't counted towards the need for affordable housing (as housing benefit enables them to afford their housing costs), but if housing benefit support was no longer provided (or if there wasn't sufficient private rented housing available at a price they could afford) then this would increase the need for affordable housing.

4.39 The analysis adopts a neutral position in relation to this housing benefit support, insofar as it assumes that the number of claimants in receipt of housing benefit in the private rented sector will remain constant. **The assessment does not count any dwellings in the private rented sector as affordable housing supply;** however, it does assume that housing benefit will continue to help some households to afford their housing costs, and as a consequence these households will not need affordable housing.

4.40 PPG (both the current version and the previous version) states that *"care should be taken to … include only those households who cannot afford to access suitable housing in the market"* [ID 2a-020-20190220]. Given that households in receipt of housing benefit receive a specific payment to enable them to afford suitable housing in the market, these households should only be counted as part of the affordable housing need if that payment was withdrawn. That would be a policy decision, albeit at a national level.

4.41 It is well-established that housing need should be established leaving aside policy considerations,[10] so it would be wrong to assume housing benefit was to be withdrawn from households renting privately when assessing the level of affordable housing need. The approach taken by this report is policy neutral, assuming no change in the number of claimants. Evidently, it would be a policy-on position to assume that the position was going to radically change, so that could not form part of the assessment of need. However, when establishing the affordable housing requirement – i.e. a figure which also reflects any policy considerations – a local planning authority could seek to reduce the number of households rented privately in receipt of housing benefit as a policy aspiration. That won't change the need, but it could influence the affordable housing policy target.

Needs of Households Aspiring to Homeownership

Home Ownership Trends

4.42 The following section is drawn directly from the Camden First Homes Assessment 2022.

4.43 The new emphasis on households that cannot afford to own their home reflects Government concerns that the proportion of owner occupiers has reduced nationally over the last ten to fifteen years. Estimates from the English Housing Survey suggest that the proportion of owner occupiers nationally reduced from around 69% in 2006 to 65% in 2011 and to 63% by 2016. Over the same period the proportion of households renting from a social landlord also reduced from 19% to 17% whilst the proportion renting privately increased from 12% to 20%.

4.44 The proportion of owner occupiers varies by age with younger age groups less likely to own their home than older households. The real change is in the extent to which younger age groups owning their property has fallen over recent years whilst at the upper end of the age scale (aged 65 or over) home ownership has been increasing (Figure 28).

---

[10] Gallagher Homes v Solihull MBC; [2014] EWHC 1283 (Admin)

Figure 28: Percentage of Owner Occupiers in England by Age Group 2001-2016 (Source: English Housing Survey)

Proportion of Owner Occupation by Age group

Legend: 2001 | 2006 | 2011 | 2016
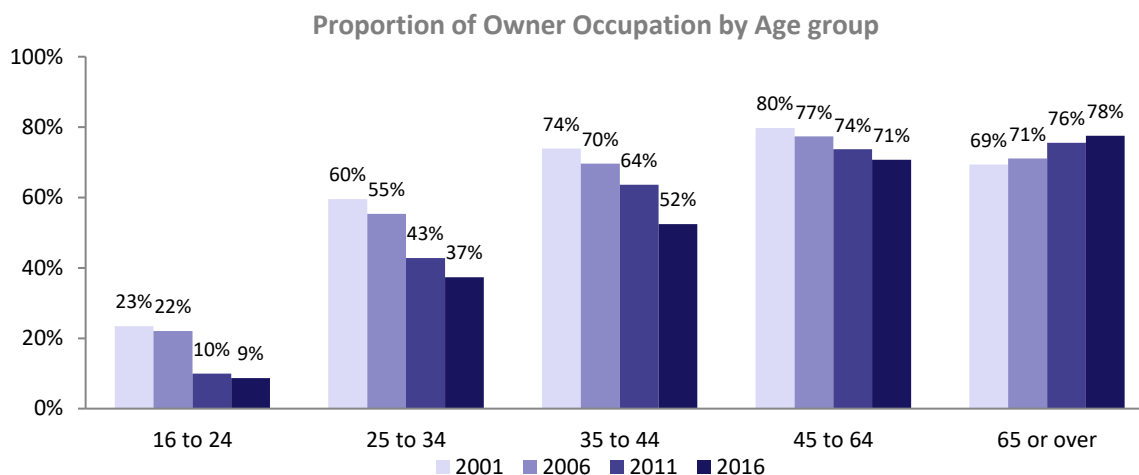
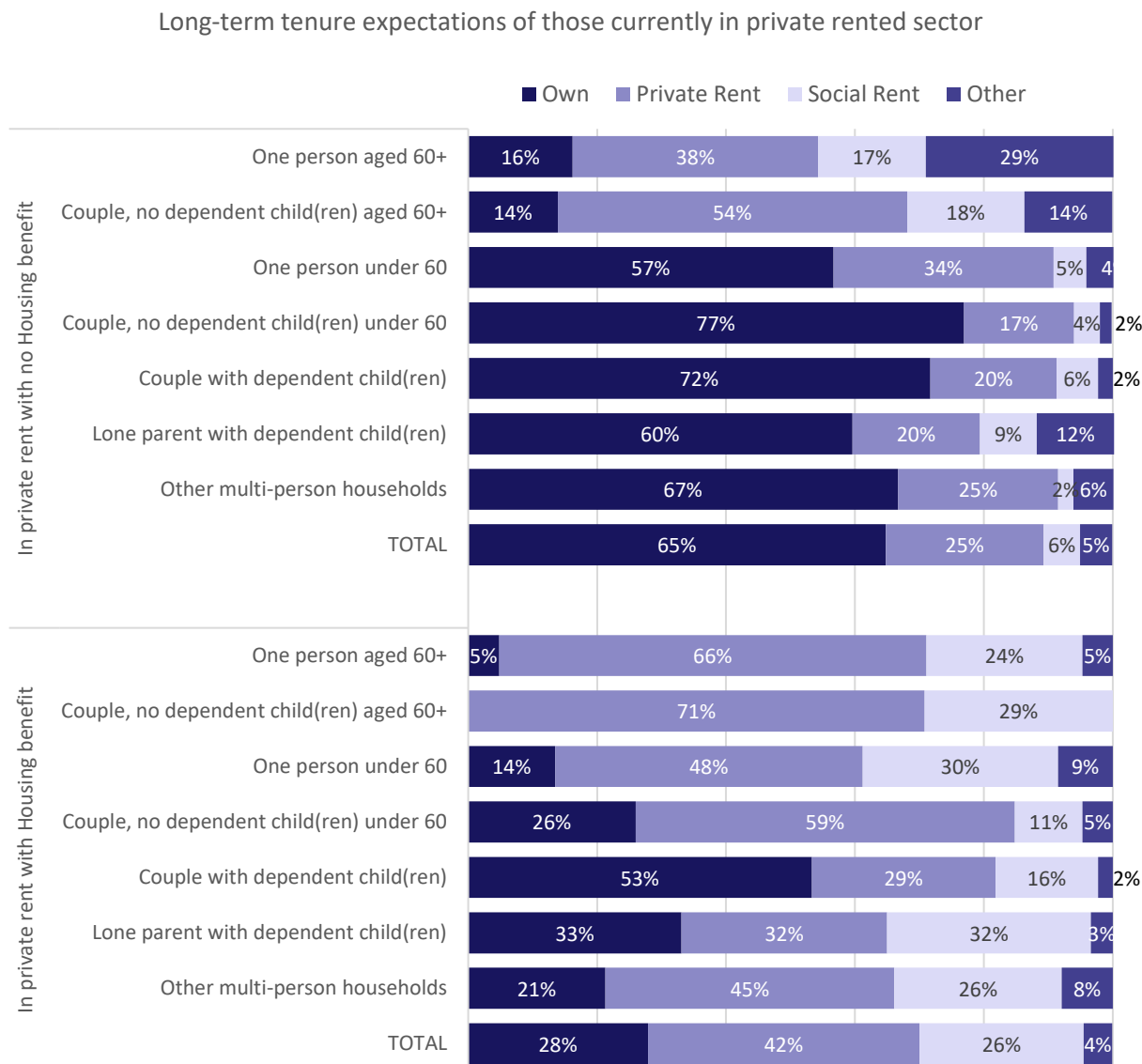## Establishing the number of households aspiring to home ownership

4.45 English Housing Survey data shows that, unsurprisingly, 96% of households who currently own their property wish to stay as owner occupiers in the long term. In terms of potential demand over half (54%) of households who rent privately and almost a fifth (18%) of those in social rented housing aspire to homeownership.

Figure 29: Long-term aspirations for England (Source: English Housing Survey 2013/4)

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

4.46 These figures relate to aspirations only and there is no test within the data as to whether this aspiration is affordable. It is therefore worth considering the responses of those currently in private rent in more detail with a view to understanding the types of household aspiring to buy. We focus upon those in private rent because they are the households who are most likely to be able to currently afford their own housing costs and not be able to afford to own. Households in Social Rent, London Affordable Rent and Camden Intermediate Rent may well aspire to ownership, but they represent much lower numbers and other schemes such as London Living Rent, Right to Buy and Right to Acquire may offer them a more realistic path to home ownership.

4.47 The following chart (Figure 30) shows long-term tenure aspirations of those in private rent by household type as well as whether they are currently in receipt of housing benefit.

4.48 Almost two in three (65%) of those who are currently renting privately and NOT receiving housing benefit wish to buy their own home in the future. The proportion is much lower for those households with a Household Representative Person (HRP) over 60 (averaging 15%) and slightly higher amongst couples under 60 (77% and 72% depending on whether or not there are dependent children in the household).

4.49 Just under three in ten (28%) of those households in the private rented sector and in receipt of housing benefit wish to buy their own home in the future. This increases to 53% of couples with dependent children.

Figure 30: Long-term Tenure Expectation for those in the Private Rented Sector with and without Housing Benefit support for England (Source: English Housing Survey 2013-14. Note: Own includes shared ownership)

Long-term tenure expectations of those currently in private rented sector

■ Own ■ Private Rent ■ Social Rent ■ Other

In private rent with no Housing benefit

Household type	Own	Private Rent	Social Rent	Other
One person aged 60+	16%	38%	17%	29%
Couple, no dependent child(ren) aged 60+	14%	54%	18%	14%
One person under 60	57%	34%	5%	4
Couple, no dependent child(ren) under 60	77%	17%	4%	2%
Couple with dependent child(ren)	72%	20%	6%	2%
Lone parent with dependent child(ren)	60%	20%	9%	12%
Other multi-person households	67%	25%	2%	6%
TOTAL	65%	25%	6%	5%

In private rent with Housing benefit

Household type	Own	Private Rent	Social Rent	Other
One person aged 60+	5%	66%	24%	5%
Couple, no dependent child(ren) aged 60+		71%	29%	
One person under 60	14%	48%	30%	9%
Couple, no dependent child(ren) under 60	26%	59%	11%	5%
Couple with dependent child(ren)	53%	29%	16%	2%
Lone parent with dependent child(ren)	33%	32%	32%	3%
Other multi-person households	21%	45%	26%	8%
TOTAL	28%	42%	26%	4%

Additional Need for Affordable Homeownership

4.50 Through combining data on the number of households of each type in each age group living in private rented housing and paying their own rent in Camden in 2021 with the aspiration data from the EHS 2013-14, Figure 31 establishes the number of existing households likely to aspire to home ownership who can currently afford to pay their own rents. It is important to recognise that all of these households are able to meet their own housing costs in the private rented sector, so would typically not be considered for Social or Affordable Rent. It is also important to recognise that these households aspire to own, but whether that is possible is not being tested at this stage, but we will proceed to test if First Homes can meet their need below.

Figure 31: Households currently living in the Private Rented Sector in Camden and paying their own rent that aspire to home ownership in 2021 (Note: Figures may not sum due to rounding)

Household Type	Age of Household Representative						TOTAL
	15-24	25-34	35-44	45-54	55-64	65+	
Single person	365	1150	2498	446	151	49	4659
Couple without children	538	4911	1271	265	129	58	7172
Families with child(ren)	104	312	993	344	0	0	1752
Other households	538	3878	253	38	66	0	4773
Total	1,545	10,250	5,015	1,093	346	107	18,356
Percentage of households	9%	56%	27%	6%	2%	1%	9%

4.51 Based on this analysis, we can estimate that there is a total of around 18,356 households currently resident in Camden who cannot afford to own their own home but would aspire to do so. 65% are aged 15-34 with the substantial majority (92%) aged under 45.

4.52 In addition to the current need, it is also important to consider new households that are projected to form over the period 2021-2039. Through combining this data with the aspiration data from the EHS, we can conclude that it is likely that there would be a further 17,363 households that form over the 18-year period who will be able to afford to pay market rent but unable to afford to own, despite that being their aspiration. Overall, Figure 32 shows that there are likely to be 35,720 households who aspire to homeownership but who cannot afford to buy their own home over the period 2021-39, a net annual need of 1,984 per year. The vast majority of this group of private renters can be assumed to be potential first-time buyers, as it is far more common for a renter to become a homeowner (i.e. as a first-time buyer) than the reverse (i.e. entering the rental market having previously owned a home).

4.53 As noted earlier, the government have recently introduced First Homes; properties to be sold with at least a 30% discount to first-time buyers. While the figure of 35,720 households who aspire to homeownership in Camden sets an upper threshold for the number who could seek to access First Homes, it would still be the case that these households would require a deposit and to be able to afford to service the cost of a mortgage. We explore the importance of this point below.

Figure 32: Assessing total need for affordable housing 2021-2039 (Source: ORS Housing Model)

	Households aspiring to home ownership
Current housing need in 2021	18,356
Future housing need 2021-39	17,363
TOTAL HOUSING NEED	35,720

4.54 This represents more than the annual growth of 1,038 households per annum identified by the London Plan capacity targets. This is due to a large proportion of this need being associated with the whole population as opposed to the projected new households, which is recognised by the PPG:

> *How does the housing need of particular groups relate to overall housing need calculated using the standard method?*

The standard method for assessing local housing need identifies an overall minimum average annual housing need figure but does not break this down into the housing need of individual groups. This guidance sets out advice on how plan-making authorities should identify and plan for the housing needs of particular groups of people.

This need may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method. How can needs of different groups be planned for?

Strategic policy-making authorities will need to consider the extent to which the identified needs of specific groups can be addressed in the area, taking into account:

» *the overall level of need identified using the standard method (and whether the evidence suggests that a higher level of need ought to be considered);*

» *the extent to which the overall housing need can be translated into a housing requirement figure for the plan period; and*

» *the anticipated deliverability of different forms of provision, having regard to viability.*

Planning Practice Guidance, ID 67-001-20190722

4.55 The size, type and tenure of homes also needs to be calculated separately from the standard method. PPG February 2019 states:

How does the housing need of particular groups relate to overall housing need calculated using the standard method?

The standard method for assessing housing need does not break down the overall figure into different types of housing. Therefore the need for particular sizes, types and tenures of homes as well as the housing needs of particular groups should be considered separately.

Planning Practice Guidance, ID 2a-017-20190220

4.56 It is important to recognise that the figures for those who aspire to home ownership are based upon those households who currently can afford market rent. But these households would not necessarily choose new build Affordable Home Ownership if it was available, as some may prefer to secure full ownership in the less expensive second-hand housing market or neighbouring boroughs. Similarly, some households may not ultimately need affordable home ownership if their circumstances change to such a degree that they are eventually able to buy without financial assistance. It is also important to recognise that the identified demand could only be realised if Affordable Home Ownership products can be delivered at prices that are truly affordable in the area, in line with local house prices and incomes.

4.57 Figure 16 and paragraphs 3.12 to 3.14 show that in Camden, First Homes are only an option for 1 and 2 bedroom properties and only then if we assume very high mortgage to income ratios for those accessing 2 bedroom properties. Therefore, in Figure 33 we have excluded the potential demand for 3 and 4+ bedroom properties.

Figure 33: Households aspiring to home ownership for properties within the £420,000 London First Homes price cap (Source: ORS Housing Model)

	All households aspiring to home ownership	MINUS properties where First Homes are above the £420,000 cap	All households aspiring to home ownership for properties under First Homes cap
1 bedroom	15,822	0	15,822
2 bedrooms	17,693	0	17,693
3 bedrooms	1,598	1,598	0
4+ bedrooms	607	607	0
TOTAL	**35,720**	**2,205**	**33,515**

4.58 Figure 34 to Figure 36 then consider the ability of households to afford First Homes at 50% discounts, while having incomes under £90,000 and having at least some significant saving to contribute to a deposit. In order to profile affordability, income data from the English Housing Survey (2012-14) and ONS Survey of Personal Incomes (2014 and 2018) has been combined and modelled to establish the income distribution by household type and age. This excludes any income from housing benefit, as the analysis seeks to determine to what extent housing benefit would be needed by households in each group.

4.59 The only difference between the three charts is the mortgage to income loan ratio assumed:

» For Figure 34 using a 3.5 times mortgage to income multiplier, the household would need an income between £76,500 and £90,000 for a 1 bedroom property and 2 bedroom properties cannot be obtained because they would require incomes over the £90,000 threshold;

» For Figure 35 using a 4 times mortgage to income multiplier, the household would need an income between £66,900 and £90,000 for a 1 bedroom property and £88,900 and £90,000 for a 2 bedroom properties so there is almost no gap in the market; and

» For Figure 36 using a 4.5 times mortgage to income multiplier, the household would need an income between £59,900 and £90,000 for a 1 bedroom property and £79,000 and £90,000 for 2 bedroom property.

4.60 We would note that Figure 34 to Figure 36 contain both an estimate of the number of households who potentially qualify for First Homes and also the number of dwellings they would require. The difference between these two numbers is that at any one time a small number of properties will be vacant, so we have assumed a vacancy rate of 3.6% which means more dwellings are needed than there are households.

4.61 The figures in each chart still represent a maximum, rather than a minimum need. They are for all households who may aspire to own and have income in the correct range to be able to afford the First Homes property and also have some savings. Many of these households may still meet their needs in the cheaper second hand market, or be unable to obtain a mortgage of up to 4.5 times their income or they may move to a cheaper neighbouring borough.

Figure 34: Households aspiring to home ownership who have incomes sufficient to afford First Homes with a 3.5 times mortgage to income ratio and have incomes below £90,000 per annum (Source: ORS Housing Model)

	All households aspiring to home ownership for properties under First Homes cap	MINUS properties where household cannot afford 50% of the property, or has an income over £90,000 or has no savings	All remaining households who can afford 50% of LQ prices, have incomes less than £90,000 and have savings	Dwellings
1 bedroom	15,822	14,769	1,053	1,093
2 bedrooms	17,693	17,693	0	0
3 bedrooms	0	0	0	0
4+ bedrooms	0	0	0	0
TOTAL	33,515	32,400	1,053	1,093

Figure 35: Households aspiring to home ownership who have incomes sufficient to afford First Homes with a 4 times mortgage to income ratio and have incomes below £90,000 per annum (Source: ORS Housing Model)

	All households aspiring to home ownership for properties under First Homes cap	MINUS properties where household cannot afford 50% of the property, or has an income over £90,000 or has no savings	All remaining households who can afford 50% of LQ prices, have incomes less than £90,000 and have savings	Dwellings
1 bedroom	15,822	14,196	1,626	1,684
2 bedrooms	17,693	17,631	62	64
3 bedrooms	0	0	0	0
4+ bedrooms	0	0	0	0
TOTAL	33,515	31,827	1,688	1,748

Figure 36: Households aspiring to home ownership who have incomes sufficient to afford First Homes with a 4.5 times mortgage to income ratio and have incomes below £90,000 per annum (Source: ORS Housing Model)

	All households aspiring to home ownership for properties under First Homes cap	MINUS properties where household cannot afford 50% of the property, or has an income over £90,000 or has no savings	All remaining households who can afford 50% of LQ prices, have incomes less than £90,000 and have savings	Dwellings
1 bedroom	15,822	13,843	1,979	2,053
2 bedrooms	17,693	17,275	418	434
3 bedrooms	0	0	0	0
4+ bedrooms	0	0	0	0
TOTAL	33,515	31,118	2,397	2,487

4.62 On the evidence set out above, First Homes in Camden would only be suitable for 1 bedroom properties and 2 bedroom properties if we assume that mortgages of over 4 times income to mortgage ratios are obtained. Taking an assumption that mortgage can be obtained at a ratio of 4.5 times income, there is a total need for 2,487 properties over 18 years, which would equate to 138 dwellings per annum. That in turn equates to 13% of the total London Plan capacity target of 1,038 dwellings per annum for Camden, so does represent a substantial potential gap in the market.

4.63 Therefore, there is potential demand for First Homes properties, but the occupiers would require household incomes of £60,000-£90,000. Therefore, First Homes would be potentially meeting the needs of a different range of Households from London Affordable Rent and also Camden Intermediate Rent.

5. Overall Housing Need
Local Housing Need

Disaggregating the minimum Local Housing Need figure

5.1   Figure 27 shows a demographic need for 17,474 households across the period 2021-39 for Camden, including a net additional need for 7,776 for those unable to afford market rents. In addition, Figure 22 and paragraph 4.20 identify a net current unmet affordable housing need for 3,639 households, which forms a proportion of the additional housing required from 2021 to 2039, but would enable release of 3,160 market homes. Meanwhile, Figure 36 shows a potential need for affordable home ownership from 2,397 households who can afford market rents, but who cannot afford own.

5.2   From the point of view of this study, the London Plan sets a 10-year housing target at Table 4.1 for net housing completions (2019/20-2028/29). In the case of Camden, this is 10,380 dwellings, or 1,038 dwellings per annum. It is this annual figure which we have used over the 18 year period 2021-2039 as the basis for the total dwelling needs of Camden. This equates to 18,684 additional homes in total.

5.3   It is therefore firstly necessary to reconcile the need from 17,474 households with the dwelling target of 18,684. This is often quite a complex process, but in the case of Camden is relatively simple:

» Households growth over the 18-year plan period calculated on trend-based projections which gives a figure of 17,474 households per annum;

» Added to this figures is an allowance for dwellings without a usually resident household (either vacant homes or second homes), so it is assumed that more homes in Camden will be empty at any one time. If the Council are able to reduce vacant and second homes rates they will require fewer new homes to be built; and

» Institutional population growth over the 18-year plan period needing communal accommodation which gives a figure of 511 per annum[11].

5.4   At this point in our reporting we are referring to dwellings rather than households. A dwelling is usually occupied by a single household although in some cases two households may share a dwelling. Importantly, we need to make an allowance for an inevitable base level of vacant properties and the word household becomes misleading. Given these additional elements, the data set out in Figure 22, Figure 27 and Figure 36 can now be reconciled with the overall dwelling target of 18,684 for Camden.

Size and Tenure Mix based Upon Overall Housing Needs

5.5   Figure 37 provides a breakdown of the requirement for 18,684 dwellings between market and affordable housing on this basis. Figure 37 shows the result of applying the vacancy rate for affordable homes to the summary of households in Figure 22 (current affordable need) Figure 27 (future affordable need) and Figure

---

[11] This is a policy neutral position based on the assumptions adopted for ONS household projections, which is that the number of people aged under 75 years who live in communal establishments such as care homes and student halls of residence will remain constant, but the *share* of the population aged 75 years or older and living in communal establishments will remain constant.

36 (need for affordable homes ownership). These affordable homes are subtracted from the overall dwelling need calculated above.

5.6   An allowance for C2 provision has been made within the total housing need equivalent to 511 bedspaces which within the London Plan 2021 also count as 511 dwellings against the minimum housing target. The London Plan contains targets for Class C2 units, but this is a build target, not a modelled need for the area. These are all considered to be market housing need because they are typically not provided as affordable housing. This figure is derived from the projected growth in the institutional population aged 75 years or older in nursing or care homes[12]. **T**he Class C2 figure ensures that the needs of this population are included although they may not be met through a growth in nursing and care home provision.

5.7   The first three columns of data in Figure 37 include all requirements for households who cannot afford to access any form of market housing. The first data column includes the 9,239 households who would only be able to afford Social Rent. This column does not relate to the assessed needs of individual households, and is likely to include some single person households who would not qualify for Social Rent and exclude some higher income families who would qualify. It is also the case that Affordable Rent is now no longer supported by the GLA, so such homes will no longer be developed, but potentially any Affordable Rent properties could help to meet the Social Rent need. The second and third data columns include the 2,607 households expected to require Camden Intermediate Rent or other intermediate rented housing. Camden Intermediate Rent has a household income cap of £60,000, so we have separated out households who cannot afford market rent into those with incomes above and below £60,000. Please note that the low requirement for 1-bedroom properties in the second and third data columns may well be augmented by households who aspire to home ownership but find that the supply of homes for affordable ownership is insufficient to meet their requirements. In the third data column it is only those households who require 3 and 4 bedroom properties who have incomes higher than £60,000 but cannot afford to rent market housing.

5.8   In terms of affordable home ownership (fourth data column), we have included the 2,487 dwellings identified in Figure 36 as the need for households aspiring to home ownership who have incomes under £90,000, can realistically afford to buy a First Home, and for whom a suitable property could potentially be provided below the First Homes price cap. These are households who can afford private rents but cannot afford to buy market housing. As indicated in paragraph 4.46, we focus on the aspirations of private renters as they are the households who are most likely to be able to currently afford their own housing costs whilst being unable to afford market home ownership. The numbers of households realistically able to access ownership through new affordable ownership may potentially be augmented by households able to access substantial capital sums (e.g. parental subsidy), but this would likely be offset by a proportion of private renting households who aspire to home ownership but opt to buy cheaper homes in the second hand market or in neighbouring boroughs, or whose circumstances improve to allow them to buy at full prices (see also paragraph 4.56).

5.9   The focus on First Homes as an affordable home ownership option in Figure 37 reflects the evidence in Figure 19 and paragraph 3.30 that this product is cheaper on a weekly basis than shared ownership assuming the purchase of 30% to 50% of the equity. As the First Homes scheme is now proceeding it is likely to absorb much of the Section 106 payments currently used for shared ownership at an England-wide level, but this may not apply in London, where the GLA has have developed its own Shared Ownership product. While Shared Ownership products are typically more expensive per week (Figure 19), they are also more flexible

---

[12] This is a policy neutral position based on the assumptions adopted for ONS household projections, which is that the number of people aged under 75 years who live in communal establishments such as care homes and student halls of residence will remain constant, but the *share* of the population aged 75 years or older and living in communal establishments will remain constant.

with households able to afford to buy a smaller share of the property. Therefore, many local authorities consider them to be more attractive to potential occupiers than First Homes. It is also likely that most new Housing Association properties will contain the option to become shared ownership properties, whilst the London Living Rent scheme will continue to meet the definition of affordable home ownership, and could potentially be affordable to many privately renting households in Camden if it was made available. It is also the case that our modelling of the need for First Homes is driven by relatively low interest rates, and any future rises will make First Homes much less affordable.

5.10 The market housing figure (sixth data column) contains both market rent and owned occupied dwellings. This figure includes households that can afford private rent but aspire to home ownership, and for whom no realistically affordable ownership product is available. As noted above, the figures indicate that if there is not an improvement in affordability for home ownership, market rent will grow by around 17,363 dwellings for those who aspire to own (Figure 32), plus further potential growth from student households and also from households receiving housing benefit in the private rented sector if insufficient affordable to rent is supplied. The number of private renters grew by over 7,800 in the period 2001-11 and unless affordability improves this trend will continue.

5.11 The needs indicated by Figure 37 are broadly consistent with the 2016 SHMA which identified a total need for 16,800 dwellings over the period 2016-31, with a need for 10,200 affordable and 6,600 market homes. Affordable housing needs are now higher, but that is primarily due to the introduction of a need for affordable housing for those who aspire to own. Given the very large policy changes which have occurred since 2016, the overall level of need has remained relatively stable.

Figure 37 Overall Dwelling need for Affordable Housing (including households aspiring to home ownership) and Market Housing by property size (Source: ORS Housing Model. Note: Figures may not sum due to rounding)

	Affordable Housing					Total Market Housing	Total
	Households unable to afford market rent			Aspiring to Home Ownership	Total Affordable Housing		
	Social Rent	Camden Intermediate Rent up to £60,000 Household Income	Intermediate Rent from £60,000-£90,000				
1 bedroom	1,409	190	0	2,053	3,652	-784	**2,868**
2 bedrooms	2,326	631	0	434	3,391	2,385	**5,776**
3 bedrooms	2,976	854	117	0	3,947	2,954	**6,901**
4+ bedrooms	2,528	717	98	0	3,343	-714	**2,628**
C2 Dwellings[13]	-		-		-	511	**511**
Total	**9,239**	**2,392**	**215**	**2,487**	**14,333**	**4,351**	**18,684**
1 bedroom	15.3%	7.9%	0.0%	82.5%	25.5%	-18.02%	15.35%
2 bedrooms	25.2%	26.4%	0.0%	17.5%	23.7%	54.81%	30.91%
3 bedrooms	32.2%	35.7%	54.4%	0.0%	27.5%	67.89%	36.94%
4+ bedrooms	27.4%	30.0%	45.6%	0.0%	23.3%	-16.41%	14.07%
C2 Dwellings[13]						11.74%	2.73%

Concluding note

5.12 This report considers the key outputs – namely establishing the overall balance between market and affordable housing over the 18-year period 2021-39. It is important to recognise that the information from this study should not be considered in isolation, but forms part of a wider evidence base to inform the development of housing and planning policies. This study does not seek to determine rigid policy conclusions, but instead provides a key component of the evidence base required to develop and support a sound policy framework. In particular, the numbers of dwellings in Figure 37 do not constitute a recommendation about the proportion of affordable housing that should be sought, or the mix of dwelling sizes that should be sought for each of the housing products.

5.13 Ultimately, the local authority will have to make judgements based on national and London Plan policies and the viability of development. It is unlikely that development in Camden could viably deliver anything like the proportion of affordable homes suggested by Figure 37, so the local authority will have some difficult choices to make in terms of prioritising different needs. Nevertheless, it is hoped that the data in Figure 37 and throughout the study about the range and nature of housing needs will prove invaluable to the local authority in making informed choices.

---

[13] This is a policy neutral position based on the assumptions adopted for ONS household projections, which is that the *proportion* of people aged 75 years or older who live in communal establishments will remain constant, implying a growth in care home places. It does not involve an assessment of the future incidence of care needs, or whether or not they should be met in a care home setting.

Appendix A: Glossary

Glossary of Terms

Definitions

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

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

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

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

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

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

Concealed families are defined as; "family units or single adults living within other households, who may be regarded as potential separate households which may wish to form given appropriate opportunity"[14].

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

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

Headship rates are defined by CLG as: "*the proportion of people in each age group and household type who are the 'head' of a household*"[15]

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

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

---

[14] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6339/1776873.pdf
[15] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/182417/MethodologyFinalDraft.pdf

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Registered Social Landlord/Registered Provider see Housing Association.

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

Shared ownership see Low Cost Home Ownership.

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

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

Acronyms and Initials

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

Appendix B: Table of Figures