North Yorks Moors Local Housing Needs Assessment

Final Report

Iceni Projects Limited on behalf of

North York Moors National Park Authority

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1.1 North Yorkshire Council and North York Moors National Park Authority have commissioned Iceni Projects to prepare a Local Housing Needs Assessment for the National Park, drawing on existing evidence as set out in the Housing and Economic Development Needs Assessment (HEDNA) for the County.

1.2 This report examines housing needs over the 2023 to 2045 period. The geographic scope of the report is the North York Moors National Park, which extends outside of North Yorkshire and into Redcar and Cleveland.

Demographic and Housing Stock Baseline Summary

1.3 According to ONS, the North York Moors National Park had a population of 23,035 in 2022.

1.4 Over the decade to 2022, the population of North York Moors National Park has fallen by around 300 people (to reach around 23,000 in 2022). Although more detailed trend data suggests the position has seen modest increases since 2018.

1.5 The National Park sees a much older age structure than seen in other areas, with 32% of the population (in 2022) being age 65 and over – this compares with a figure of 19% nationally. The park also sees relatively few children, with just 13% of the population aged under 16.

1.6 Trends for 2022 also shows a rapidly ageing population, with the number of people aged 65 and over increasing by 21% in just a decade, whilst the number of children and those of ‘working-age’ (16-64) has fallen.

1.7 At the point of the 2021 Census, there were 12,423 dwellings and 10,199 households in North York Moors National Park. This indicates an implied vacancy rate of 17.9%, which is very high in comparison to North Yorkshire (8.3%).

1.8 The percentage of one-person households in NYMNP (30%) is more than double that in North Yorkshire (14%) and England (12%).

1.9 North York Moors National Park has a very high proportion of owner-occupied homes at 72%, significantly higher than England (62%).

1.10 In the North York Moors National Park, detached houses and larger homes (4-bedroom plus) are more prevalent than in comparable areas.

1.11 The majority of homes in the North York Moors National Park are under-occupied (52.9%). This compares to 35.6% nationally.

Housing Market

1.12 In the year to March 2024, the median house price in the North York Moors National Park was £325,000, which is higher than both North Yorkshire at £262,500 and England (£287,500).

1.13 Except for flats, the North York Moors NP had higher median prices for all types of homes. While the value of flats was low (£86,000), there were very few flats sold (11).

1.14 Overall, prices grew in the National Park by around 4% per annum over the last 10 years.

Overall Housing Need

1.15 The standard method for housing need does not apply to National Parks; however, the PPG states that "Such authorities may continue to identify a housing need figure using a method determined locally. In doing so, authorities should take into consideration the best available evidence on the amount of existing housing stock within their planning authority boundary, local house prices, earnings and housing affordability."

1.16 This report has therefore developed a housing need calculation based on an estimate of the number of dwellings in the National Park and disaggregated the wider North Yorkshire and Redcar and Cleveland standard method need, which includes an affordability uplift on this basis.

The North York Moors National Park is home to 3.8% of the North Yorkshire stock and 1.8% of Redcar and Cleveland stock. In total, this would equate to 165 dwellings per annum.

1.17 A series of projections were developed linked to past demographic trends and specific assumptions about housing delivery, including the Standard Method.

1.18 Generally, these projections saw a continued ageing of the population and reductions in younger age groups (i.e. a continuation of past trends).

1.19 The only exception was a model looking at the implications of delivering the standard Method (165 dwellings per annum), although this level of delivery and potential population growth is at odds with past trends.

1.20 For further analysis in this report, key outputs from the dwelling-led projection of 29 homes each year have been used (e.g. when looking at the mix of housing required). This projection is a continuation of the most recently adopted Local Plan and sees population change sitting somewhere between the projected levels when looking at trends over either the last 5 or 10 years.

Affordable Housing Need

1.21 The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income.

1.22 The evidence indicates that there is an acute need for affordable housing in the Park.

1.23 The majority of need is from households who are unable to buy OR rent and therefore points particularly towards a need for rented affordable housing rather than affordable home ownership.

1.24 The analysis suggests there will be a need for both social and affordable rented housing – the latter will be suitable particularly for households who are close to being able to afford to rent privately and possibly also for some households who claim full Housing Benefit.

1.25 However, it is clear that social rents are more affordable and could benefit a wider range of households – social rents could therefore be prioritised where delivery does not prejudice the overall delivery of affordable homes.

1.26 The study also considers different types of AHO (notably First Homes and shared ownership) as each may have a role to play. Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to privately rent) as it has the advantage of a lower deposit and subsidised rent.

1.27 There was no strong evidence of a need for First Homes or discounted market housing more generally.

1.28 In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the authority will need to consider the relative levels of need and also viability issues (recognising for example that providing AHO may be more viable and may therefore allow more units to be delivered, but at the same time noting that households with a need for rented housing are likely to have more acute needs and fewer housing options).

1.29 Overall, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue in the National Park.

1.30 It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided.

1.31 The evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

Housing Mix

1.32 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population.

1.33 The proportion of households with dependent children in North York Moors is low, with around 18% of all households containing dependent children in 2021 (compared with around 28-29% regionally and nationally).

1.34 There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas lone parents are particularly likely to live in social or private rented accommodation.

1.35 There are a range of factors which will influence demand for different sizes of homes, including demographic changes, future growth in real earnings and households' ability to save, economic performance and housing affordability.

1.36 The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of both household changes and the ageing of the population as well as seeking to make more efficient use of new stock by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

1.37 In all sectors, the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes.

1.38 For rented affordable housing for under 65s, there is a clear need for a range of different sizes of homes, including 40% to have at least 3 bedrooms, of which 10% should have at least 4 bedrooms. Our recommended mix is set out in the table below:

Table 1.1 Suggested size mix of housing by tenure – North York Moors National Park

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	5%	15%	20%	40%
2-bedrooms	45%	50%	40%	60%
3-bedrooms	40%	30%	30%	
4+-bedrooms	10%	5%	10%	

Source: Iceni Analysis

1.39 The strategic conclusions in the affordable sector recognise the role which the delivery of larger family homes can play in releasing a supply of smaller properties for other households.

1.40 Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues.

1.41 The mix identified above could inform strategic policies, although a flexible approach should be adopted. For example, in some areas, affordable housing registered providers find difficulties selling 1-bedroom affordable home ownership (AHO) homes, and therefore, the 1-bedroom elements of AHO might be better provided as 2-bedroom accommodation. That said, given current house prices, there are potential difficulties in making (larger) AHO genuinely affordable.

1.42 Additionally, in applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level. The authority should also monitor the mix of housing delivered.

Older and Disabled People

1.43 The data shows that the North York Moors National Park has a significantly older age structure than is seen regionally and nationally, and similar levels of disability compared with other areas (lower age-specific disabilities).

1.44 The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (76% of all older person households are outright owners).

1.45 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is also likely to increase. Key findings for the 2023-45 period include:

- a 26% increase in the population aged 65+ (potentially accounting for in excess of 100% of total population growth);
- a 54% increase in the number of people aged 65+ with dementia and a 43% increase in those aged 65+ with mobility problems;
- a need for around 250 additional housing units with support (sheltered/retirement housing) – all in the market sector;
- a need for around 130 additional housing units with care (e.g. extra-care) – the majority (around 60%) in the market sector;
- a need for additional nursing and residential care bedspaces (around 335 in the period); and
- a need for around 100 dwellings to be for wheelchair users (meeting technical standard M4(3)).

1.46 This would suggest that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings, as well as providing specific provision of older persons' housing.

1.47 Given the evidence, the authority could consider (as a start point) requiring all dwellings (in all tenures) to meet the M4(2) standards and around 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of around 10% in the affordable sector).

1.48 Where the authority has nomination rights, the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation), and in the market sector, they should be wheelchair-user adaptable dwellings (constructed to be adjustable for occupation by a wheelchair user).

1.49 However, it should be noted that there will be cases where this may not be possible (e.g. due to viability or site-specific circumstances) and so any policy should be applied flexibly.

1.50 In framing policies for the provision of specialist older persons accommodation, the Authority will need to consider a range of issues. This will include the different use classes of accommodation (i.e. C2 vs. C3) and requirements for affordable housing contributions (linked to this, the viability of provision).

1.51 There may also be some practical issues to consider, such as the ability of any individual development to have mixed tenure, given the way care and support services are paid for.

2. Introduction

2.1 North Yorkshire Council and North York Moors National Park Authority have commissioned Iceni Projects to prepare a Local Housing Needs Assessment for the National Park, drawing on existing evidence as set out in the Housing and Economic Development Needs Assessment (HEDNA) for the County.

2.2 This LHNA aims to provide an evidence base on housing need, affordable housing need and mix as to inform local planning policy within the National Park.

2.3 This document will be brought together with other evidence-based documents to inform the future strategy for the scale and distribution of housing within the National Park, with reasonable alternatives tested through the plan-making and Sustainability Appraisal process. This assessment does not set targets but provides robust evidence to inform those in the Park Plan.

2.4 The report is based on the best and most up-to-date information available at the time of drafting – this was around August 2024 and therefore does not fully incorporate the latest NPPF, although we have touched upon it.

Time Period and Geography

2.5 This report examines housing needs over the 2023 to 2045 period. The geographic scope of the report is the North York Moors National Park, which extends outside of Yorkshire into Redcar and Cleveland.

3. Demographic and Housing Stock Baseline

3.1 This section considers the demographic and housing stock profile of North York Moors National Park, drawing on sub-area analysis contained within the HEDNA.

3.2 There is limited data available for the National Park, but using a best fit of Output Areas, we are able to indicate the National Park where published data is not available.

Population

3.3 As of mid-2022 (the latest date for which ONS has published mid-year population estimates (MYE)), the population of North York Moors is estimated to be 23,035; this is a decrease of around 300 people over the previous decade (a 1% reduction). The range of benchmark areas below shows positive levels of growth, including a 7% population increase nationally over the same period.

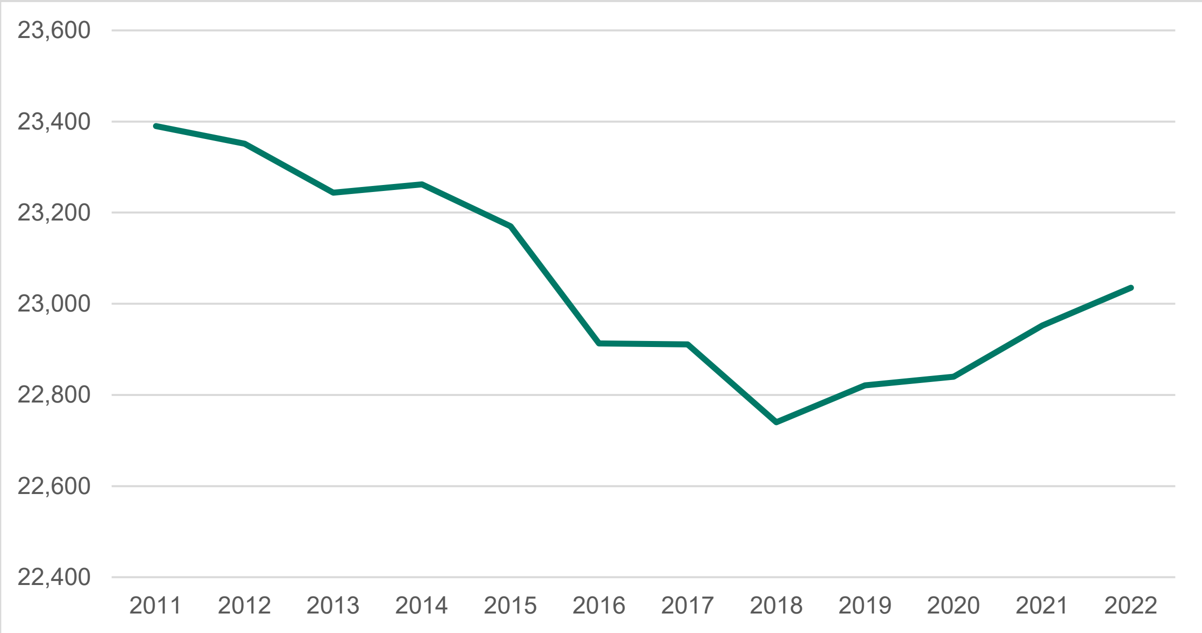
Table 3.1 Population change (2012-22)

	2012	2022	Change	% change
North York Moors	23,351	23,035	-316	-1.4%
North Yorkshire	603,963	623,896	19,933	3.3%
Yorkshire/Humber	5,313,486	5,538,213	224,727	4.2%
England	53,506,812	57,112,542	3,605,730	6.7%

Source: ONS

3.4 The figure below shows population change back to 2011. This shows population decline up to 2018, but since then, there has been a modest increase. There does therefore seem to be a change in trends in depending on the period studied. Between 2018 and 2022, the population of the Park is estimated to have increased by around 300 people (a 1.3% increase from 2018 levels).

Figure 3.1 North York Moors National Park (2011-2022)

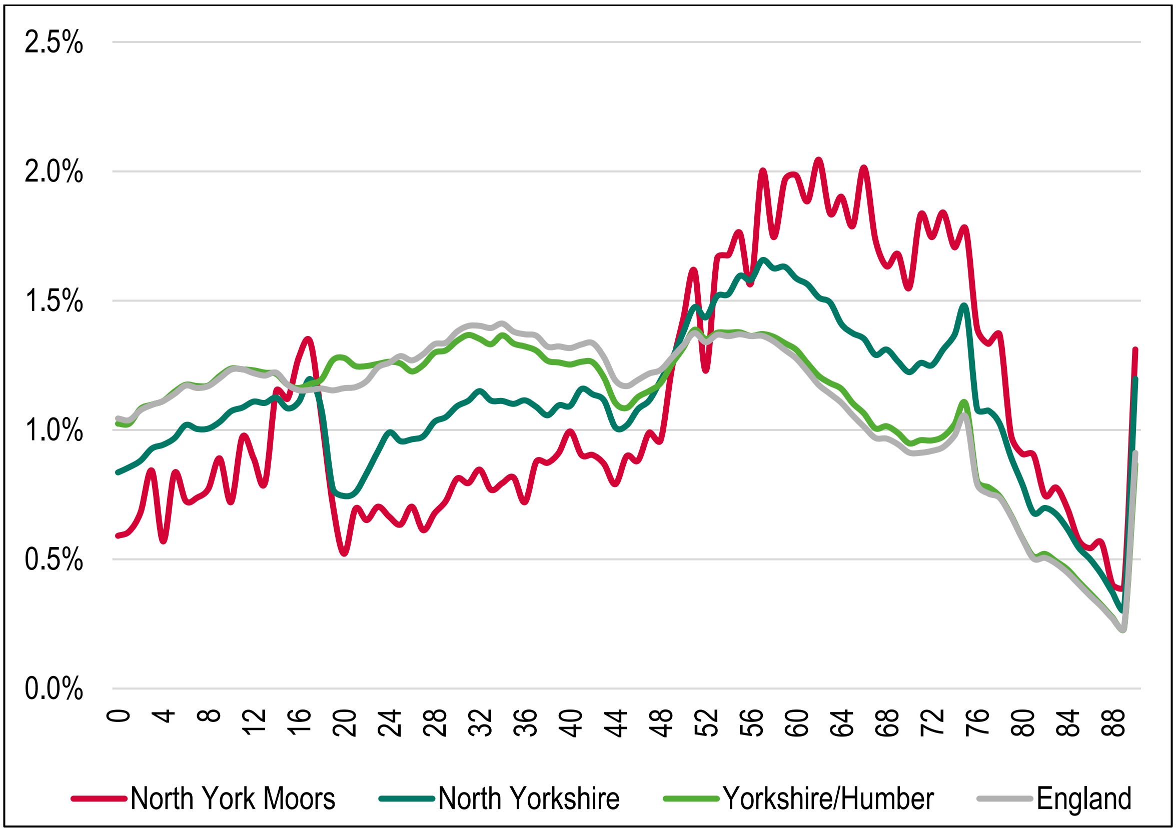


Source: ONS, Experimental Data

Age Structure

3.5 The figure below shows the age structure by single year of age (compared with a range of other areas). Overall, the population structure is significantly older than seen in other areas, with the proportion of people aged around 55-75 being notably higher. Conversely, the population aged about 20-50 is notably lower than in other locations.

Figure 3.2 Population profile (2022)



Source: ONS

3.6 The analysis below summarises the above information (including total population numbers for North York Moors) by assigning population to three broad age groups (which can generally be described as a) children, b) working age and c) pensionable age). This analysis confirms the older age structure, highlighting a significantly higher proportion of older people (32% aged 65 and over).

Table 3.2 Population profile (2022) – summary age bands

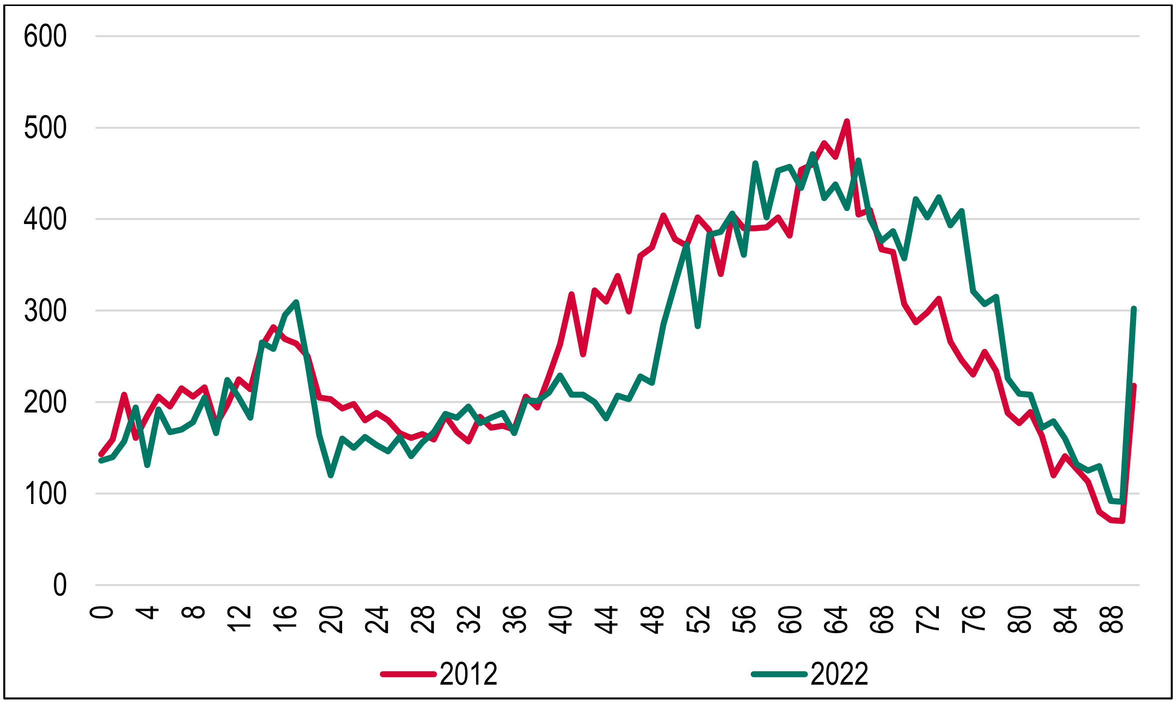
	North York Moors		North Yorkshire	Yorkshire/ Humber	England
	Population	% of population	% of population	% of population	% of population
Under 16	2,971	12.9%	16.1%	18.5%	18.5%
16-64	12,649	54.9%	58.6%	62.3%	62.9%
65+	7,415	32.2%	25.4%	19.2%	18.6%
All Ages	23,035	100.0%	100.0%	100.0%	100.0%

Source: ONS

Age Structure Changes

3.7 The figure below shows how the age structure of the population has changed in the 10 years from 2012 to 2022 – the data used is based on population, so it will also reflect the change seen in this period. There have been some changes in the age structure, including increases in the population in their 50s; the number of people aged 65 and over also looks to have increased notably. Where there are differences, it is often due to cohort effects (i.e. smaller or larger cohorts of the population getting older over time.

Figure 3.3 Population age structure (people) (2012 and 2022) – North York Moors



Source: ONS

3.8 Again, the information above is summarised into the three broad age bands to ease comparison. This shows a substantial population increase amongst those aged 65 and over – this age group increasing by 1,270 people – a 21% increase in just 10 years. Both the Under 16 and 16-64 age groups have seen notable declines in numbers over this period.

Table 3.3 Change in population by broad age group (2012-22) – North York Moors

	2012	2022	Change	% change
Under 16	3,248	2,971	-277	-8.5%
16-64	13,957	12,649	-1,308	-9.4%
65+	6,146	7,415	1,269	20.6%
TOTAL	23,351	23,035	-316	-1.4%

Source: ONS

Dwellings and Households

3.9 At the point of the 2021 Census, there were 12,423 dwellings occupying 10,199 dwellings in North York Moors National Park based on a best fit of output areas[1].

Table 3.4 Number of Households and Dwellings, 2021

	Dwellings (2021)	**Households (2021)**	**Implied Vacancy (2021)**
North York Moors NP	12,423	10,199	17.9%
North Yorkshire	300,304	275,508	8.3%

Source: Census 2021

3.10 Taking the number of households away from the number of dwellings indicates an implied vacancy rate in the North York Moors National Park of 17.9% which is very high in comparison to North Yorkshire (8.3%).

Household Composition

3.11 Census shows a modest increase in the number of households over the decade (increasing by 96), but some notable changes in household structures – the number

[1] The best fit is based on those output areas whose population weighted centroid fell within the national park.

of older person households increasing whilst younger couple households have been falling – including a 12% decline in the number of couples with dependent children.

Table 3.5 Change in households (2011-21) – North York Moors

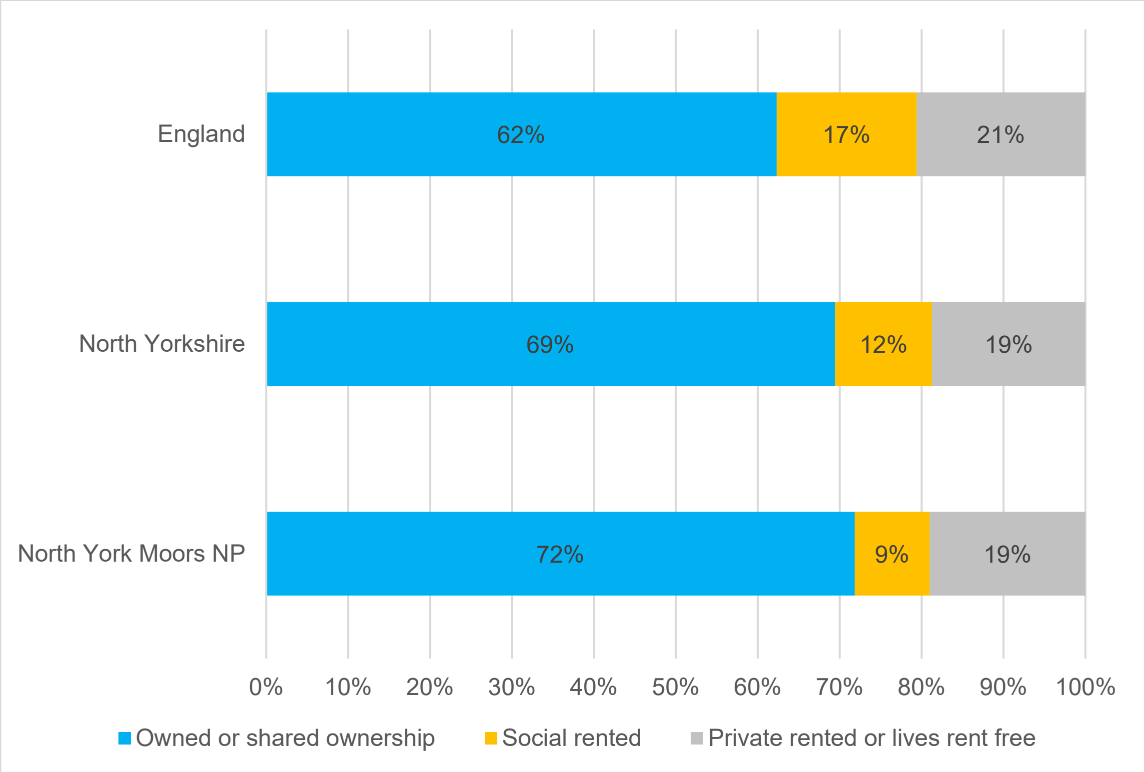
	2011	2021	Change	% change
One person: aged 65/66 or over	1,632	1,808	176	10.8%
All aged 65/66 and over	1,302	1,765	463	35.6%
One person: Under 65	1,418	1,363	-55	-3.9%
Couple (no children)	2,482	2,351	-131	-5.3%
Couple (dependent children)	1,647	1,445	-202	-12.3%
Couple (non-dependent children)	758	680	-78	-10.3%
Lone parent (dependent children)	344	300	-44	-12.8%
Lone parent (non-dependent children)	276	284	8	2.9%
Other (with dependent children)	167	151	-16	-9.6%
Other	316	291	-25	-7.9%
Total	10,342	10,438	96	0.9%

Source: ONS (Census)

Tenure

3.12 The bar chart below presents the percentage of households by tenure type in 2021. North York Moors National Park has the highest proportion of owner-occupied homes at 72%, significantly higher than England (62%) and slightly higher than North Yorkshire (69%).

Figure 3.4 Proportion of households across broad tenure types, 2021



Source: Census 2021

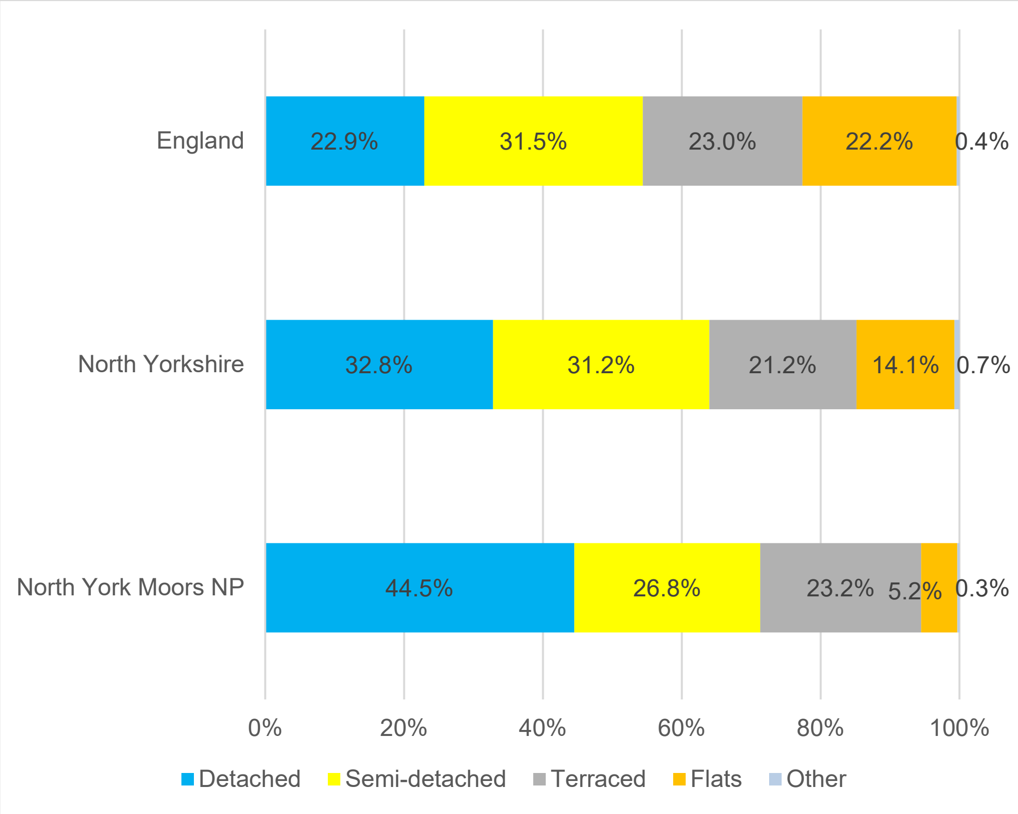
3.13 Social Rent is least prevalent in the North York Moor National Park at 9%, compared to 12% in North Yorkshire and 17% in England. Conversely, private renting is slightly more common in England (21%) compared to the North York Moors National Park and North Yorkshire (both 19%).

Dwelling Type

3.14 In both the North York Moors and North Yorkshire, detached houses dominate, making up 44.5% and 33.8% of the housing stock respectively, which is significantly higher than in England (22.9%).

3.15 Semi-detached homes also form a large part of the dwelling stock in the National Park (26.8%), but this is less than in North Yorkshire (32.3%) and England (31.5%).

Figure 3.5 Dwelling by types, 2021



Source: Census 2021

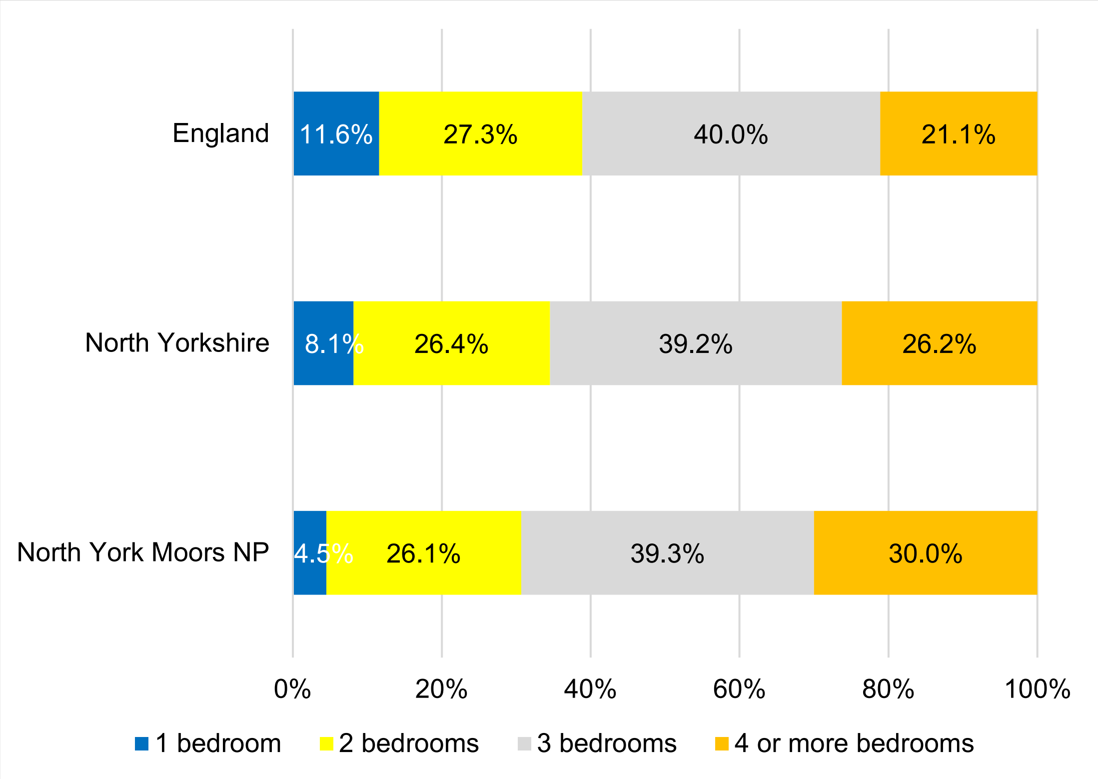
3.16 Flats are far less common in the North York Moors National Park at 5.2% compared to North Yorkshire (14.1%) and significantly less than England (22.2%), reflecting the increasingly rural nature of North Yorkshire and the National Park.

Bedrooms

3.17 Linked to the high percentage of detached homes, at 30% North York Moors National Park has a higher proportion of larger homes (4-bedroom plus) than North Yorkshire (26.3%) and 21.1% in England.

3.18 Three-bedroom homes are still the most common in the National Park, as they are in North Yorkshire (both 39%). This is also the case across the national housing stocks, but there are proportionately slightly more in England (40%).

Figure 3.6 Proportions of dwellings by number of Bedrooms, 2021



Source: Census 2021

3.19 Smaller homes with one bedroom are the least prevalent in the National Park (4.5%), which is around half of the level in North Yorkshire (8.2%) and far less than the level in England (11.6%).

Occupancy Rating

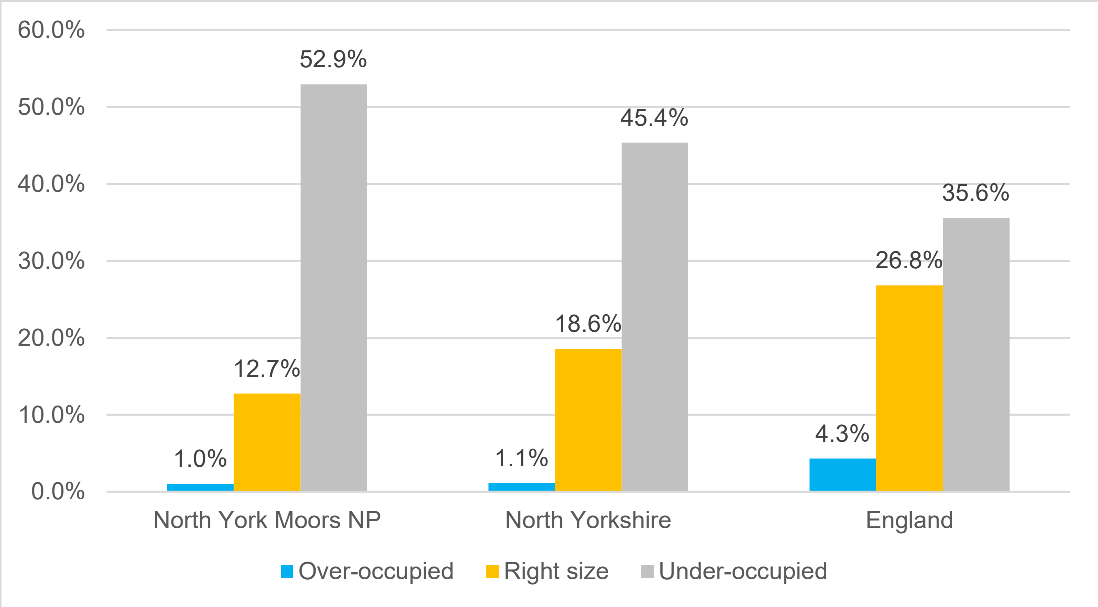
3.20 Occupancy rating is assessed in the 2021 Census by comparing the number of bedrooms the household requires to the number of available bedrooms. The required number of bedrooms is based on the age, gender and relationship of the members of each household.

3.21 Over-occupied means there are fewer bedrooms than the household requires, under-occupied means that the household has more bedrooms than it requires (in this case, two or more bedrooms as one extra bedroom is sometimes required e.g. for an overnight carer or children that don't stay permanently).

3.22 Linked to the ageing population and its resultant high percentage of single-person households, coupled with the larger than average housing stock, there is a high percentage of under-occupied homes. Indeed, the majority of homes in the North York Moors National Park are under-occupied (52.9%).

3.23 North Yorkshire also has a significantly higher percentage of under-occupied homes, with 45.4% of households having at least two extra bedrooms than required. This is higher than the national average in England (35.6%).

Figure 3.7 Occupancy ratings of households, 2021



Source: Census 2021

3.24 Conversely, only 1.0% of households in the North York Moors National Park are overcrowded, which is similar to North Yorkshire (1.2%) but low compared to 4.3% in England.

Demographic and Housing Stock Baseline Summary

3.25 According to ONS, the North York Moors National Park had a population of 23,035 in 2022.

3.26 Over the past decade (to 2022), the population of North York Moors National Park has fallen by around 300 people (to reach around 23,000 in 2022). More detailed trend data does, however, suggest the position has seen modest increases since 2018.

3.27 The National Park sees a much older age structure than seen in other areas, with 32% of the population (in 2022) being age 65 and over – this compares with a figure of 19% nationally. The park also sees relatively few children, with just 13% of the population aged under 16.

3.28 Trends for 2012 also shows a rapidly ageing population, with the number of people aged 65 and over increasing by 21% in just a decade, whilst the number of children and those of 'working-age' (16-64) has fallen.

3.29 At the point of the 2021 Census, there were 12,423 households occupying 10,199 dwellings in North York Moors National Park. This indicates an implied vacancy rate of 17.9%, which is very high in comparison to North Yorkshire (8.3%).

3.30 The percentage of one-person households in NYMNP (30%) is more than double that in North Yorkshire (14%) and England (12%).

3.31 North York Moors National Park has a very high proportion of owner-occupied homes at 72%, significantly higher than England (62%).

3.32 In the North York Moors National Park, detached houses dominate, and larger homes (4-bedroom plus) are more prevalent than in comparable areas.

3.33 The majority of homes in the North York Moors National Park are under-occupied (52.9%). This compares to 35.6% nationally.

4. Housing Market Baseline

4.1 This section of the report examines the housing market and also includes a summary of our consultation with local agents.

4.2 It should be noted that the below represents a snapshot of the current market, which has been volatile in recent years.

House prices

4.3 In the year to March 2024, the median house price in North York Moors National Park was £325,000, which is higher than both North Yorkshire at £262,500 and England (£287,500).

Table 4.1 Median house prices, 2023/2024

	Overall	Detached	Semi-Detached	Terrace	Flat
North York Moors NP	£325,000	£465,000	£285,000	£295,000	£86,000
North Yorkshire	£262,500	£410,000	£245,000	£205,000	£155,000
England	£287,500	£429,400	£270,000	£235,000	£230,000

Source: Land Registry

4.4 Except for flats, the North York Moors NP also had higher median prices for all types of homes. While the value of flats was low (£86,000), there were very few flats sold (11).

House price change

4.5 The table below shows the change in median price over the previous 10 years to March 2024, shown by a Compound Annual Growth Rate (CAGR) by dwelling type based on Land Registry Price Paid Data.

4.6 Overall, prices grew in the National Park by around 4% per annum. This includes a similar fall in the cost of flats (-4.2%), although all other typologies grew by at least 3.8%.

Table 4.2 10-year compound annual growth rate in median prices of different property typologies

	Overall	Detached	Semi-Detached	Terrace	Flat
North York Moors NP	4.0%	5.2%	3.8%	5.9%	-4.2%

Source: Land Registry

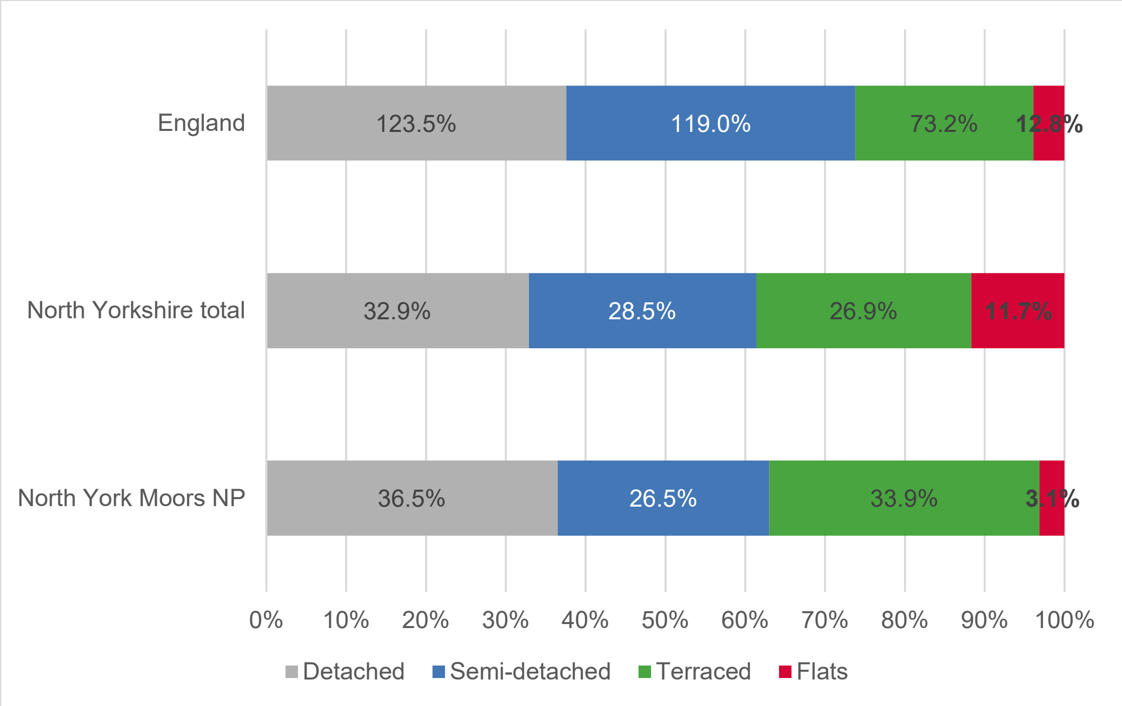
4.7 The very weak performance in the flats reflects very small numbers of sales (less than 10 per annum each year), so high variance is expected.

4.8 The growth in house prices also feeds into the change in affordability, which is examined later in this chapter. This is because house prices do not change at the same rate as earnings.

Sales activity

4.9 The figure below shows the number of properties sold by type in the decade ending March 2024. In the North York Moors National Park, there were 2,652 sales, of which 40% were detached, with around 27% in both semi-detached and terraced homes. Only 3% of sales were flats.

Figure 4.1 Property sales by residential typology, 10 years to March 2024

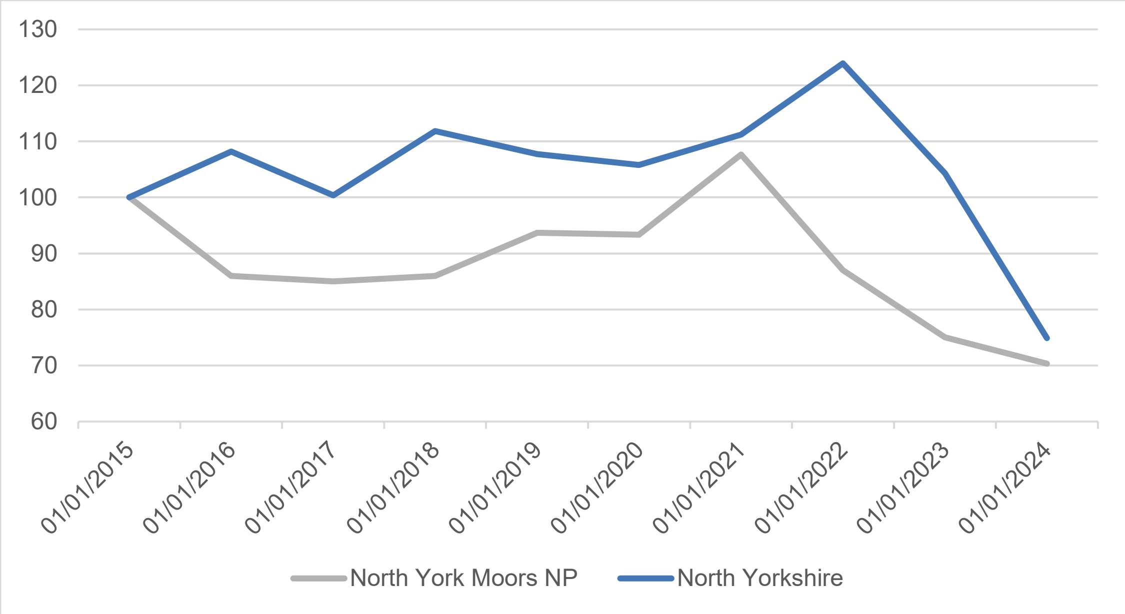


Source: ONS

4.10 Flats represent the smaller proportion of sales across all parts of North Yorkshire, especially in rural areas like the North York Moors National Park.

4.11 In examining the trends in sales in the North York Moors National Park, the figure below illustrates that sales in the area have only exceeded 2015 levels once in the years since.

Figure 4.2 Indexed sales activity, 2015 to 2024



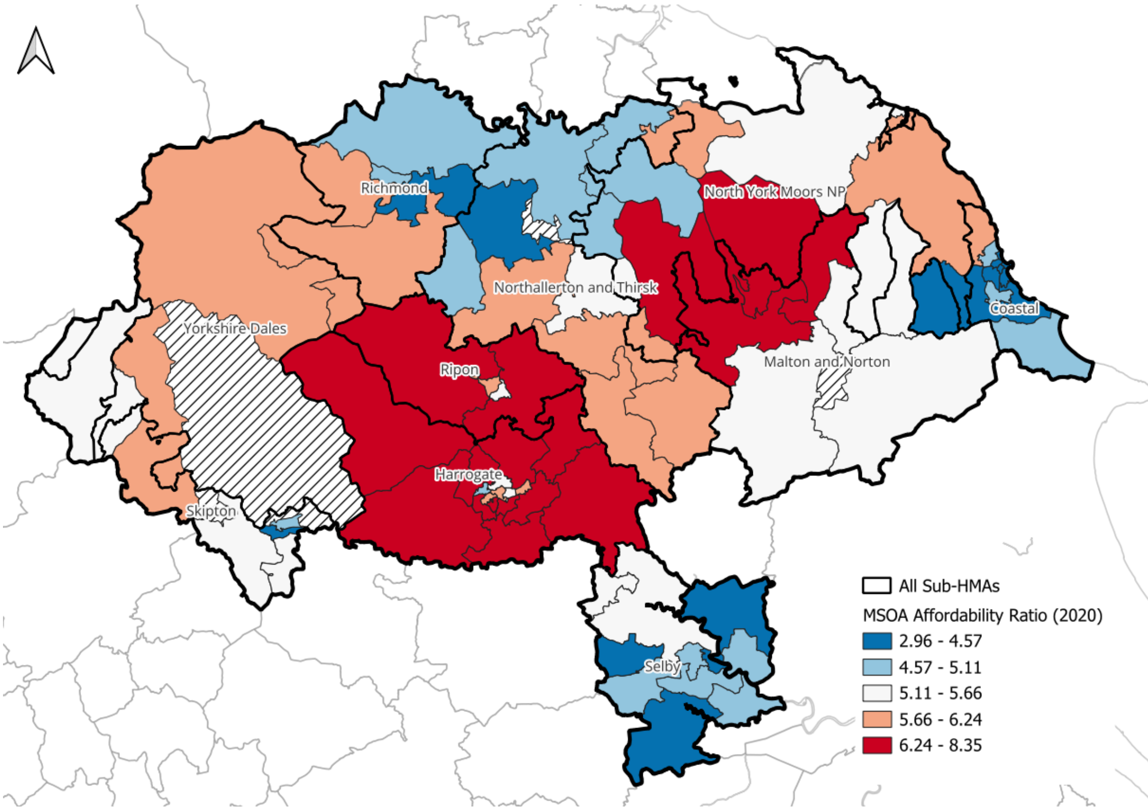
Source: Land Registry

4.12 Like all areas, the number of sales has fallen since 2020, linked to the pandemic and worsening affordability issues. Affordability is measured by the ratio between house prices and earnings. It is a key metric when determining housing need using the standard method.

4.13 Income estimates for small areas to enable an accurate sub-HMA level analysis of affordability have not been updated since 2020. However, the figure below maps affordability for 2020 and illustrates a strong variance between and within North Yorkshire.

4.14 There are some pockets of relative affordability in the North York Moors National Park, as shown by the blue areas, particularly in the North West of the National Park. In contrast, the areas to the south and southwest, shown by the dark red areas, have poor affordability.

Figure 4.3 Affordability ratios for MSOAs in North Yorkshire, 2020



Source: ONS

Engagement with Local Agents

4.15 To inform this report, Iceni engaged with estate agents across North Yorkshire to get a better understanding of the housing market from their perspective. Below is a summary of the discussions.

4.16 The availability of homes in the North York Moors National Park is increasing, and this is expected to further increase as new homes are delivered.

4.17 Families and older couples are the main source of demand for housing in the National Park. Much of the demand comes from people in surrounding areas such as York and Teesside.

Housing Market Summary

4.18 In the year to March 2024, the median house price in North York Moors National Park was £325,000, which is higher than both North Yorkshire at £262,500 and England (£287,500).

4.19 With the exception of flats, the North York Moors NP also had higher median prices for all types of homes. While the value of flats was low (£86,000), there were very few flats actually sold (11).

4.20 Overall, prices grew in the National Park by around 4% per annum over the last 10 years.

5. Overall Housing Need

5.1 This section of the report considers overall housing need set against the December 2024 NPPF and Planning Practice Guidance (PPG) – specifically the Standard Method for assessing housing need.

5.2 This report moves the analysis on from the HEDNA and is based on the December 2024 NPPF.

5.3 Before its publication, the policy objectives of the 2024 NPPF consultation in terms of housing were clear, including to:

- *get Britain building again, to build new homes, create jobs, and deliver new and improved infrastructure;*
- *take a brownfield first approach and then release low-quality grey belt land, while preserving the Green Belt;*
- *boost affordable housing, to deliver the biggest increase in social and affordable housebuilding in a generation;*
- *bring home ownership into reach, especially for young first-time buyers; and*
- *promote a more strategic approach to planning, by strengthening cross-boundary collaboration, ahead of legislation to introduce mandatory mechanisms for strategic planning;*

5.4 The consultation also noted that 'We must deliver more affordable, well-designed homes quickly. We are changing national policy to support more affordable housing, including more for Social Rent, and implementing golden rules to ensure development in the Green Belt is in the public interest. Promoting a more diverse tenure mix will support the faster build-out we need'.

5.5 The Government's Standard Method seeks to support the ambition to deliver 1.5 million homes over the next five years (300,000 per annum on average) with the method seeking to provide a 'more balanced distribution of homes across the country, by directing homes to where they are most needed and least affordable and ensure that all areas contribute to meeting the country's housing needs'.

5.6 The proposed Standard Method actually sums to 370,000 homes per annum nationally (across England).

5.7 It is further suggested that 'High and rapidly increasing house prices indicate an imbalance between the supply of and demand for new homes, making homes less affordable. The worsening affordability of homes is the best evidence that supply is failing to keep up with demand'.

5.8 Looking beyond overall housing numbers, the NPPF seeks to deliver a high proportion of affordable housing, particularly social rented housing. This includes a recommendation on Green Belt land that *'in the case of schemes involving the provision of housing, at least 50% affordable housing, with an appropriate proportion being Social Rent, **subject to viability**'* [emphasis added].

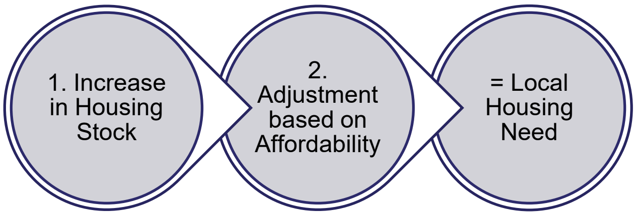
5.9 In addition, the section looks at past trends to develop alternative trend-based projections – projections being developed for the 2023-45 period. The majority of the analysis looks at the North York Moors National Park as defined by a best fit of Output Areas.

The Standard Method

5.10 The starting point for this is the standard method for calculating housing need, which is set out by the Government in Planning Practice Guidance.

5.11 The standard method generates housing need figures for 'local authority' areas and therefore a figure is available for North Yorkshire and Redcar and Cleveland, but not the North York Moors National Park planning area. The two-step process is set out in the figure below and worked through below.

Figure 5.1 Overview of the Standard Method for Calculating Local Housing Need



5.12 The Standard Method figures produce an estimate of 'housing need', and later in this section, projections have been developed to consider the implications of housing delivery in line with this number.

5.13 The Standard Method is a simplified variation of the previous standard method. Step 1 seeks to grow the housing stock in each local authority area by a flat 0.8% growth per annum.

5.14 Step 2 is an affordability uplift which uses an average of the last five years' affordability ratios, and for each 1% the average ratio is above 5, the housing stock baseline is increased by 0.95%, with the calculation being as follows:

$$\textbf{Adjustment Factor} = \frac{\textbf{Affordability Ratio} - 5}{5} x0.95$$

5.15 The PPG also provides guidance on where strategic policy-making authorities do not align with local authority boundaries, such as in National Parks. This is particularly relevant in the North York Moors context. In these circumstances, the PPG states that:

"Such authorities may continue to identify a housing need figure using a method determined locally. In doing so, authorities should take into consideration the best available evidence on the amount of existing housing stock within their planning authority boundary, local house prices, earnings and housing affordability. In the absence of other robust affordability data, authorities should consider the implications of using the median workplace-based affordability ratio for the relevant wider local authority area(s).

> ***For local authorities whose boundaries cross National Parks or Broads Authority areas, the proportion of the local authority area that falls within and outside the National Park or Broads Authority area should also be considered*** *– for example where only a minimal proportion of the existing housing stock of a local authority falls within the National Park or Broads Authority area it may be appropriate to continue to use the local housing need figure derived by the standard method for the local authority area."*

5.16 Our approach, therefore, has been to examine the need across the two areas and apply a percentage of this need to the National Park based on the percentage of dwellings in each local authority falling inside the National Park.

Step One: Setting the Baseline

5.17 The first step in considering housing need against the standard method is to establish a baseline of housing stock. This is derived from Live Table 125, which is published annually (but also updated regularly).

5.18 As of 2023, North Yorkshire has 305,798 dwellings. The baseline is 0.8% of the existing housing stock for the area, and this equates to 2,446 dwellings per annum. In Redcar and Cleveland, there are 66,438 dwellings, which equate to 532 dwellings per annum

Step Two: Affordability Adjustment

5.19 The second step of the standard method is to consider the application of an uplift on the housing stock baseline, to take account of market signals (i.e. relative affordability of housing). The adjustment increases the housing need where house prices are high relative to workplace incomes. It uses the published median affordability ratios from ONS based on the workplace-based median house price to median earnings ratio for the most recent five years.

5.20 The latest (workplace-based) affordability data relates to 2024 and was published by ONS in March 2025. For North Yorkshire, this and the previous four years had an average ratio of 8.59, and in Redcar and Cleveland, 5.41. Based on the calculation set out above, these result in an uplift of 168% and 108%, respectively.

5.21 The table below sets out the application of the Standard Method for North Yorkshire and Redcar and Cleveland, which results in an annual housing need for 4,115 and 573 dwellings per annum, respectively.

Table 5.1 Standard Method at Local Authority Level

	North Yorkshire	**Redcar and Cleveland**
Total Dwelling Stock	305,798	66,438
Step 1. Annual Dwellings Stock Increase (0.8% per annum)	2,446	532
Average Affordability Ratio (2019-24)	8.59	5.41
Uplift	168%	108%
Step 2. Housing Need	4,115	573

Source: MHCLG, 2024

5.22 Data for dwellings at the small area level is only available from the Census. There is no affordability data available below the local authority level. Therefore, the approach we have used is based solely on the dwelling distribution.

5.23 As the table below shows, based on this approach, the housing Need for the North York Moors National Park would be 3.8% of the North Yorkshire need and 1.8% in Redcar and Cleveland. In total, this would equate to 165 dwellings per annum.

Table 5.2 Housing Need in North York Moors National Park

	North Yorkshire	**Redcar and Cleveland**
All Dwellings	299,129	65,542
Dwellings in NYMNP	11,248	1,175
% of Dwellings in NYMNP	3.8%	1.8%
LA Wide Housing Need	4,115	573
National Park Housing Need	155	10
NYMNP Housing Need	165	

Source: MHCLG, 2024

5.24 While the approach provides a housing need in the National Park, it should not necessarily be calculated in the same way. Furthermore, national policy set out in the NPPF, NPPG and National Parks Circular confirms the Government's approach to development within nationally protected landscapes (including National Parks), and this will be an important consideration for the 'policy on' housing requirement set out in the National Park Authority's Local Plan Review.

5.25 Finally, as the PPG suggests, where "*only a minimal proportion of the existing housing stock of a local authority falls within the National Park or Broads Authority area, it may be appropriate to continue to use the local housing need figure derived by the standard method for the local authority area".*

5.26 The PPG does not suggest what a "minimal proportion", but it could be argued that 3.8% and 1.8% could be considered as a minimal proportion of both the wider areas.

Developing Projections

5.27 The purpose of this section is to develop a series of projections as to how the population structure might be expected to change under a range of scenarios.

5.28 The analysis draws on work undertaken for North Yorkshire Unitary Authority, but with specific population, household and trend assumptions from the data for the Park area. Four scenarios have been developed:

- 5-year trends – based on continuing growth at the level seen over the past 5 years, this is an average of around 25 additional people per annum;
- 10-year trends – based on continuing growth at the level seen over the past 5 years, this is an average decline of around 32 people per annum;
- Linked to the delivery of 165 dwellings per annum – the estimate in the previous section of the Standard Method for the Park area
- Linked to the delivery of 29 dwellings per annum – this figure being based on the housing targets in the most recently adopted Local Plan

5.29 A model has been set up which uses the population data and past trends to estimate birth and death rates and migration. The scenarios developed then look to flex migration so that the particular scenario is met (e.g. what level of migration might be needed to see a continued increase of 25 people per annum).

5.30 Where there are dwelling-led scenarios, it has been assumed that 3% of the new stock would be vacant at any time, to allow typical movement between homes.

5.31 The projections cover the 2023-45 period and take 2022 as a starting point (given this is the latest data). This has then been rolled forward to 2023 based on past trends (in this case, for the purposes of modelling a further 25 people based on the 5-year trend). A household estimate has also been made of 2023 based on maintaining the relationship between population and households as was observed at the time of the 2021 Census.

Projection Outputs

5.32 The table below shows the overall outcome from each of these scenarios. The two trend-based projections (as per the trend periods) show either a positive or negative level of population change, whilst delivery of 165 dwellings per annum would potentially see a sizeable population increase. Delivery of 29 dwellings per annum shows a positive level of population change, one which sits somewhere in the middle of the range from the two trend-based projections.

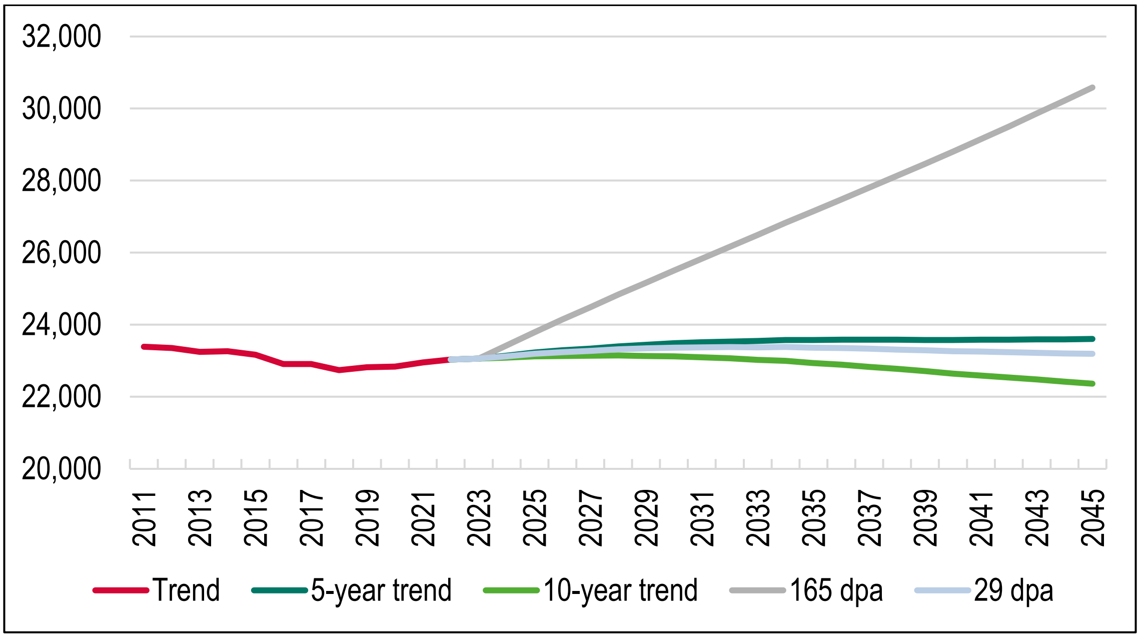
Table 5.3 Projected population growth under a range of scenarios – North York Moors (2023-45)

	Population 2023	Population 2045	Change	% change
5-year trend	23,060	23,606	546	2.4%
10-year trend	23,060	22,364	-695	-3.0%
165 dpa	23,060	30,586	7,526	32.6%
29 dpa	23,060	23,194	134	0.6%

Source: Iceni analysis

5.38 The figure below shows each of the above projections when set against past trends. In all cases, apart from the 'Standard Method', the projection broadly follows trends seen back to 2011.

Figure 5.2 Past trends and projected population – North York Moors



Source: ONS and Iceni analysis

5.39 A final analysis compares age structure changes under each of these projections. In all cases, the projections show an ageing of the population. There is a notable difference when looking at the 'Standard Method' projection and the other three as the SM sees notable growth in the number of children and those of 'working-age' whilst the other projections continue the trend of reductions in these groups – although the rate of reduction is much reduced from the levels recorded in the 2012-22 period.

Table 5.4 Projected population change 2023 to 2045 by broad age bands – 5-year trends – North York Moors

	2023	2045	Change in population	% change
Under 16	2,683	2,434	-249	-9.3%
16-64	12,831	11,598	-1,233	-9.6%
65 and over	7,545	9,574	2,028	26.9%
Total	23,060	23,606	546	2.4%

Source: Iceni analysis

Table 5.5 Projected population change 2023 to 2045 by broad age bands – 10-year trends – North York Moors

	2023	2045	Change in population	% change
Under 16	2,683	2,212	-471	-17.5%
16-64	12,831	10,830	-2,001	-15.6%
65 and over	7,545	9,322	1,776	23.5%
Total	23,060	22,364	-695	-3.0%

Source: Iceni analysis

Table 5.6 Projected population change 2023 to 2045 by broad age bands – 165 dwellings per annum – North York Moors

	2023	2045	Change in population	% change
Under 16	2,683	3,677	994	37.1%
16-64	12,831	15,918	3,086	24.1%
65 and over	7,545	10,991	3,446	45.7%
Total	23,060	30,586	7,526	32.6%

Source: Iceni analysis

Table 5.7 Projected population change 2023 to 2045 by broad age bands – 29 dwellings per annum – North York Moors

	2023	2045	Change in population	% change
Under 16	2,683	2,360	-323	-12.0%
16-64	12,831	11,344	-1,488	-11.6%
65 and over	7,545	9,490	1,945	25.8%
Total	23,060	23,194	134	0.6%

Source: Iceni analysis

Overall Housing Need - Summary

5.40 The standard method for housing need does not apply to National Parks; however, the PPG states that "Such authorities may continue to identify a housing need figure using a method determined locally. In doing so authorities should take into consideration the best available evidence on the amount of existing housing stock within their planning authority boundary, local house prices, earnings and housing affordability."

5.41 This report has therefore developed a housing need calculation based on an estimate of the number of dwellings in the National Park and disaggregated the North Yorkshire and Redcar and Cleveland need, which includes an affordability uplift on this basis.

5.42 The North York Moors National Park is home to 3.8% of the North Yorkshire stock and 1.8% of Redcar and Cleveland stock. In total, this would equate to 165 dwellings per annum.

5.43 A series of projections were developed linked to past demographic trends and specific assumptions about housing delivery. Generally, these projections saw a continued ageing of the population and reductions in younger age groups (i.e. a continuation of past trends).

5.44 The only exception was a model looking at the implications of delivering the standard Method (165 dwellings per annum), although this level of delivery and potential population growth is completely out of kilter with past trends.

5.45 For further analysis in this report, key outputs from the dwelling-led projection of 29 homes each year has been used (e.g. when looking at the mix of housing required).

5.46 This projection is a continuation of the most recently adopted Local Plan and see population change sitting somewhere between the projected levels when looking at trends over either the last 5- or 10-years.

6. Affordable Housing Need

Introduction

6.1 This section provides an assessment of the need for affordable housing in the North York Moors. The analysis follows the methodology set out in Planning Practice Guidance (Sections 2a-018 to 2a-024) and looks at the need from households unable to buy OR rent housing; and also, from households able to afford to rent privately but not buy.

Overview of Method

6.2 In summary, the methodology looks at a series of stages as set out below:

- Current affordable housing need (annualised to meet the current need over a period of time);
- Projected newly forming households in need;
- Existing households falling into need; and
- Supply of affordable housing from existing stock

6.3 The first three bullet points above are added together to identify a gross need, from which the supply is subtracted to identify a net annual need for additional affordable housing. Examples of different affordable housing products are outlined in the box below.

Affordable Housing Definitions

Social Rented Homes – are homes owned by local authorities or private registered providers for which rents are determined by the national rent regime (through which a formula rent is determined by the relative value and size of a property and relative local income levels). They are low-cost rented homes.

Affordable Rented Homes are let by local authorities or private registered providers to households who are eligible for social housing. Affordable rents are set at no more than 80% of the local market rent (including service charges).

Rent-to-Buy – where homes are offered, typically by housing associations, to working households at an intermediate rent which does not exceed 80% of the local market rent (including service charges) for a fixed period after which the household has the chance to buy the home.

Shared Ownership – a form of low-cost market housing where residents own a share of their home, on which they typically pay a mortgage; with a registered provider owning the remainder, on which they pay a subsidised rent.

Discounted Market Sale – a home which is sold at a discount of at least 20% below local market value to eligible households, with provisions in place to ensure that housing remains at a discount for future households (or the subsidy is recycled).

First Homes – a form of discounted market sale whereby an eligible First-time Buyer can buy a home at a discount of at least 30% of the market value. LPAs are able to set the discounts and local eligibility criteria out in policies.

Affordability

6.4 An important first part of the affordable needs modelling is to establish the entry-level costs of housing to buy and rent. The affordable housing needs assessment compares prices and rents with the incomes of households to establish what proportion of households can meet their needs in the market, and what proportion require support and are thus defined as having an 'affordable housing need'. To establish the affordable housing need, the analysis focuses on overall housing costs (for all dwelling types and sizes).

6.5 The table below shows estimated current prices to both buy and privately rent a lower quartile home in the Park (excluding newbuild sales when looking at house prices). Across all dwelling sizes, the analysis points to a lower quartile price of £240,000 and a private rent of £875 per month.

Table 6.1 Estimated lower quartile cost of housing to buy (existing dwellings) and privately rent (by size) – North York Moors

	To buy	Privately rent
1-bedroom	£140,000	£600
2-bedrooms	£195,000	£725
3-bedrooms	£240,000	£1,050
4-bedrooms	£360,000	£1,500
All dwellings	£240,000	£875

Source: Land Registry and Internet Price Search

6.6 Next, it is important to understand local income levels as these (along with the price/rent data) will determine levels of affordability (i.e. the ability of a household to afford to buy or rent housing in the market without the need for some sort of subsidy).

6.7 Data about total household income has been based on ONS modelled income estimates, with additional data from the English Housing Survey (EHS) being used to provide information about the distribution of incomes. Data has also been drawn from the Annual Survey of Hours and Earnings (ASHE) to consider changes since the ONS data was published.

6.8 Overall, the average (mean) household income across North York Moors is estimated to be around £49,700, with a median income of £41,700; the lower quartile income of all households is estimated to be £24,000.

6.9 To assess affordability, two different measures are used; firstly, to consider what income levels are likely to be needed to access private rented housing, and secondly, to consider what income level is needed to access owner occupation. This analysis, therefore, brings together the data on household incomes with the estimated incomes required to access private sector housing. For the purposes of analysis, the following assumptions are used:

- Rental affordability – a household should spend no more than 30% of their income on rent; and
- Mortgage affordability – assume a household has a 10% deposit and can secure a mortgage for four and a half times (4.5×) their income.

Need for Affordable Housing

6.10 The sections below work through the various stages of analysis to estimate the need for affordable housing in the Park. Final figures are provided as an annual need (including an allowance to deal with current need). As per 2a-024 of the PPG, this figure can then be compared with the likely delivery of affordable housing.

Current Need

6.11 In line with PPG paragraph 2a-020, the current need for affordable housing has been based on considering the likely number of households with one or more housing problems (housing suitability). The table below sets out estimates of the number of households within each category. This shows an estimated 530 households as living in 'unsuitable housing' (approximately 5% of the estimated number of households). Over a quarter of these currently have no accommodation (homeless or concealed households).

Table 6.2 Estimated number of households living in unsuitable housing (or without housing)

	Households	% of households
Concealed and homeless households	150	28.4%
Households in overcrowded housing	120	22.8%
Existing affordable housing tenants in need	20	3.8%
Households from other tenures in need	237	45.0%
TOTAL	527	100.0%

Source: Iceni analysis

6.12 In taking this estimate forward, the data modelling next estimates the need by tenure and considers affordability. It is estimated that around two-thirds of those households identified above are unlikely to be able to afford market housing; therefore, an estimated current need of around 342 households. From this estimate, households living in affordable housing are excluded (as these households would release a dwelling on moving, and so no net need for affordable housing will arise), and the total current need is estimated to be 285 households.

6.13 For the purposes of analysis, it is assumed that the Authority would seek to meet this need over a period of time. Given that this report typically looks at needs in the period from 2023 to 2045, the need is annualised by dividing by 22 (to give an annual need for around 13 dwellings).

6.14 This does not mean that some households would be expected to wait 22 years for housing, as the need will be dynamic, with households leaving the current need as they are housed, but with other households developing a need over time.

6.15 The table below shows this data split between those unable to Rent OR buy and those able to rent but NOT buy. Given the pricing of housing in the Park, this analysis shows a more modest need for those able to rent but not buy, and the number unable to rent OR buy is notably higher.

Table 6.3 Estimated current affordable housing need by affordability – North York Moors

	Number in need (excluding those in AH)	Annualised		
		TOTAL	Unable to rent OR buy	Able to rent but NOT buy
Number	285	13	11	2
Percentage	-	100%	87%	13%

Source: Iceni analysis

Projected Housing Need

6.16 Projected need is split between newly forming households who are unable to afford market housing and existing households falling into need. For newly forming households, a link is made to demographic modelling, with an affordability test also being applied.

6.17 Overall, it is estimated that 106 new households would form each year and around two-thirds will be unable to afford market housing; this equates a total of 71 newly forming households will have a need per annum on average.

6.18 The second element of the newly arising need is existing households falling into need. To assess this, estimates about households entering the social/affordable rented sector housing have been used to represent the flow of households onto the Housing Register over this period. Following the analysis through suggests a need arising from 36 existing households each year – again, most are households unable to buy OR rent.

6.19 The table below brings together the analysis of newly-forming and existing households falling into need, split into those unable to Rent OR buy and those able to rent but NOT buy – this shows a total need for 107 units per annum, with 79% from households unable to buy OR rent.

Table 6.4 Projected need for affordable housing (per annum) – North York Moors

	Total Additional Need	Unable to rent OR buy	Able to rent but NOT buy
Newly forming households	71	52	18
Existing households falling into need	36	33	4
Total projected need	107	85	22
Percentage	100%	79%	21%

Source: Iceni analysis

Supply of Affordable Housing Through Relets/Resales

6.20 The future supply of affordable housing through relets is the flow of affordable housing arising from the existing stock that is available to meet future need. This focusses on the annual supply of social/affordable rent relets and estimates of resales of affordable home ownership homes (such as shared ownership).

6.21 Information from a range of sources (mainly CoRe and LAHS) has been used to establish past patterns of social housing turnover. This data is only available for local authorities, so this has been used alongside estimates of the current stock in the Park to estimate likely turnover. Overall, it is estimated that 43 affordable homes would become available each year from the existing stock – 38 general needs rented housing and 5 units of affordable homes ownership.

Net Need for Affordable Housing

6.22 The table below shows the overall calculation of affordable housing need. The analysis shows that there is a need for 77 dwellings per annum across the Park. The net need is calculated as follows:

Net Need = Current Need (allowance for) + Need from Newly-Forming Households + Existing Households falling into Need – Supply of Affordable Housing

6.23 The table also splits between households unable to afford to BUY or rent and those able to rent but not buy. For this analysis, it is assumed that the LCHO supply would be meeting the needs of the latter group, although in reality, there will be a crossover between categories. For example, it is likely in some cases that the cost of shared ownership will have an outgoing below that for privately renting and could meet some of the need from households unable to buy or rent – the issue of access to deposits would still be a consideration. The analysis shows a greater need from households unable to buy OR rent and for whom a rented affordable product is likely to be most suitable.

Table 6.5 Estimated Need for Affordable Housing (per annum)

	Unable to buy OR rent	Able to rent but not buy	TOTAL
Current need	11	2	13
Newly forming households	52	18	71
Existing households falling into need	33	4	36
Total gross need	96	24	120
Relet/resale supply	38	5	43
Net need	59	18	77
% in the affordability category	76%	24%	100%

Source: Iceni analysis

Types of Affordable Housing

6.24 The analysis above has clearly pointed to a need for affordable housing, and particularly for households who are unable to buy OR rent in the market. There is a range of affordable housing options that could meet the need, which will include rented forms of affordable housing (such as social or affordable rents) and products which might be described as intermediate housing (such as shared ownership or discounted market housing/First Homes). These are discussed in turn below.

Social and Affordable Rented Housing

6.25 The table below shows estimated current rent levels in the Park for a range of products (figures other than the lower quartile market rents being based on data across North Yorkshire).

6.26 This analysis shows that social rents are significantly lower than affordable rents; the analysis also shows that affordable rents are well below lower quartile market rents, particularly for larger property sizes.

Table 6.6 Comparison of rent levels for different products – North York Moors

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent
1-bedroom	£344	£420	£600
2-bedrooms	£397	£514	£725
3-bedrooms	£434	£566	£1,050
4-bedrooms	£471	£694	£1,500
ALL	£344	£420	£875

Source: RSH and VOA

6.27 To some extent, it is easier to consider the data above in terms of the percentage one housing cost is of another, and this is shown in the tables below. Focusing on 2-bedroom homes, the analysis shows that social rents are significantly cheaper than market rents (and indeed affordable rents) and that affordable rents (as currently charged) represent around 70% of the current lower quartile rent.

Table 6.7 Difference between rent levels for different products – North York Moors

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	82%	57%	70%
2-bedrooms	77%	55%	71%
3-bedrooms	77%	41%	54%
4-bedrooms	68%	31%	46%
ALL	82%	39%	48%

Source: RSH and VOA

6.28 The table below suggests that around 14% of households that cannot afford to rent privately could afford an affordable rent at 80% of market rents, with a further 11% being able to afford current affordable rents. There are also an estimated 18% who can afford a social rent (but not an affordable one).

6.29 A total of 57% of households would need some degree of benefit support (or spend more than 30% of their income on housing) to be able to afford their housing (regardless of the tenure). This analysis points to a clear need for social rented housing.

Table 6.8 Estimated need for affordable rented housing (% of households able to afford to buy OR rent)

	% of households able to afford
Afford 80% of the market rent	14%
Afford current affordable rent	11%
Afford social rent	18%
Need benefit support	57%
All unable to afford market	100%

Source: Affordability analysis

6.30 The analysis indicates that provision of around 75% of rented affordable housing at social rents could be justified; albeit in setting planning policies, this will need to be considered alongside viability evidence. Higher provision of social rents will reduce the support through housing benefits required to ensure households can afford their housing costs.

Intermediate Housing

6.31 As well as rented forms of affordable housing, the authority could seek to provide forms of intermediate housing, with the analysis below considering the potential affordability of shared ownership and discounted market sale housing (which could include First Homes).

6.32 Generally, intermediate housing will be a new build product, sold at a discount (or on a part buy, part rent arrangement with shared ownership) and will therefore be based on the Open Market Value (OMV) of a new home.

6.33 The table below sets out a suggested purchase price for affordable home ownership/First Homes in the North York Moors by size. It works through first (on the left-hand side) what households with an affordable home ownership need could afford (based on a 10% deposit and a mortgage at 4.5 times' income).

6.34 The right-hand side of the table then sets out what Open Market Value (OMV) this might support, based on a 30% discount. The lower end of the range is based on households who could afford to rent privately without financial support at LQ rents, with the upper end based on the midpoint between this and the lower quartile house price.

6.35 Focussing on 2-bedroom homes, it is suggested that an affordable price is between £145,000 and £170,000, and therefore the open market value of homes would need to be in the range of £207,100 and £242,900 (if discounted by 30%).

Table 6.9 Affordable home ownership prices – North York Moors

	What households with an affordable home ownership need could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£120,000-£130,000	£171,400-£185,700
2-bedrooms	£145,000-£170,000	£207,100-£242,900
3-bedrooms	£210,000-£225,000	£300,000-£321,400
4+-bedrooms	£300,000-£330,000	£428,600-£471,400

Source: Iceni analysis

6.36 It is difficult to definitively analyse the cost of newbuild homes as these will vary from site to site and will be dependent on a range of factors such as location, built form and plot size. We have, however, looked at newbuild schemes currently advertised on Rightmove, although there was little evidence of new homes for sale in the Park at the time of the research.

6.37 The analysis identified two 3-bedroom homes with a median price of around £340,000 and six 4-bedroom homes with a median of £535,000. Although a limited sample of homes, this does show the median newbuild price to be above the top end of the OMV required to make homes affordable to those in the gap between buying and renting.

6.38 This analysis shows how important it will be to know the OMV of housing before discount, to be able to determine if a product is going to be genuinely affordable in a local context – providing a discount of 30% will not automatically mean it becomes affordable housing.

6.39 The analysis below moves on to consider shared ownership. For this analysis, an assessment of monthly outgoings has been undertaken with a core assumption being that the outgoings should be the same as for renting privately, so as to make this tenure genuinely affordable.

6.40 The analysis has looked at what the OMV would need to be for a shared ownership to be affordable with a 10%, 25% and 50% share. To work out outgoings, the mortgage part is based on a 10% deposit (for the equity share) and a repayment mortgage over 25 years at 5% with a rent at 2.75% per annum on unsold equity.

6.41 The findings for this analysis are interesting and do point to the possibility of shared ownership being a more affordable tenure than discounted market housing (including First Homes).

6.42 By way of an explanation of this table (focussing on 3-bedroom homes) – if a 50% equity share scheme came forward then it is estimated the OMV could not be above £298,000 if it is to be genuinely affordable (due to the outgoings being in excess of the cost of privately renting). However, given the subsidised rents, the same level of outgoings could be expected with a 10% equity share but a much higher OMV of £414,000.

6.43 Although affordability can only be considered on a scheme by scheme basis, it is notable that we estimate a median 3-bedroom newbuild to cost around £340,000, this points to shared ownership an equity share level of around 35% as being genuinely affordable, although lower shares could increase the number of households able to afford; lower equity shares are likely to be needed for larger (4+-bedroom) homes.

Table 6.10 Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – North York Moors

	50% share	25% share	10% share
1-bedroom	£170,000	£206,000	£236,000
2-bedroom	£206,000	£249,000	£286,000
3-bedroom	£298,000	£361,000	£414,000
4-bedrooms	£426,000	£516,000	£591,000

Source: Iceni analysis

6.44 A further affordable option is Rent to Buy; this is a Government scheme designed to ease the transition from renting to buying the same home. Initially (typically for five years), the newly built home will be provided at the equivalent of an affordable rent (approximately 20% below the market rate).

6.45 The expectation is that the discount provided in the first five years is saved in order to put towards a deposit on the purchase of the same property. Rent to Buy can be advantageous for some households as it allows for a smaller 'step' to be taken on to the home ownership ladder.

6.46 At the end of the five-year period, depending on the scheme, the property is either sold as a shared ownership product or purchased outright as a full market property. If the occupant is not able to do either of these, then the property is vacated.

6.47 In order to access this tenure, it effectively requires the same income threshold for the initial phase as a market rental property, although the cost of accommodation will be that of affordable rent.

6.48 The lower-than-market rent will allow the household to save for a deposit for the eventual shared ownership or market property. In considering the affordability of rent-to-buy schemes, there is a direct read across to the income required to access affordable home ownership (including shared ownership). It should therefore be treated as part of the affordable home ownership products suggested by the NPPF.

Affordable Housing Need - Summary

6.49 The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. The evidence indicates that there is an acute need for affordable housing in the Park. The majority of need is from households who are unable to buy OR rent and therefore points particularly towards a need for rented affordable housing rather than affordable home ownership.

6.50 The analysis suggests there will be a need for both social and affordable rented housing – the latter will be suitable particularly for households who are close to being able to afford to rent privately and possibly also for some households who claim full Housing Benefit. It is, however, clear that social rents are more affordable and could benefit a wider range of households – social rents could therefore be prioritised where delivery does not prejudice the overall delivery of affordable homes.

6.51 The study also considers different types of AHO (notably First Homes and shared ownership) as each may have a role to play. Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to privately rent) as it has the advantage of a lower deposit and subsidised rent. There was no strong evidence of a need for First Homes or discounted market housing more generally.

6.52 In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the authority will need to consider the relative levels of need and also viability issues (recognising for example that providing AHO may be more viable and may therefore allow more units to be delivered, but at the same time noting that households with a need for rented housing are likely to have more acute needs and fewer housing options).

6.53 Overall, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue in the area. It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided. The evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

7. Need for Different Sizes of Homes

Introduction

7.1 This section considers the appropriate mix of housing across North York Moors, with a particular focus on the sizes of homes required in different tenure groups. This section looks at a range of statistics in relation to families (generally described as households with dependent children) before moving on to look at how the number of households in different age groups are projected to change moving forward.

Background Data

7.2 The number of families in North York Moors (defined for the purpose of this assessment as any household which contains at least one dependent child) totalled 1,860 as of the 2021 Census, accounting for 18% of households; this proportion is much lower than seen across other areas.

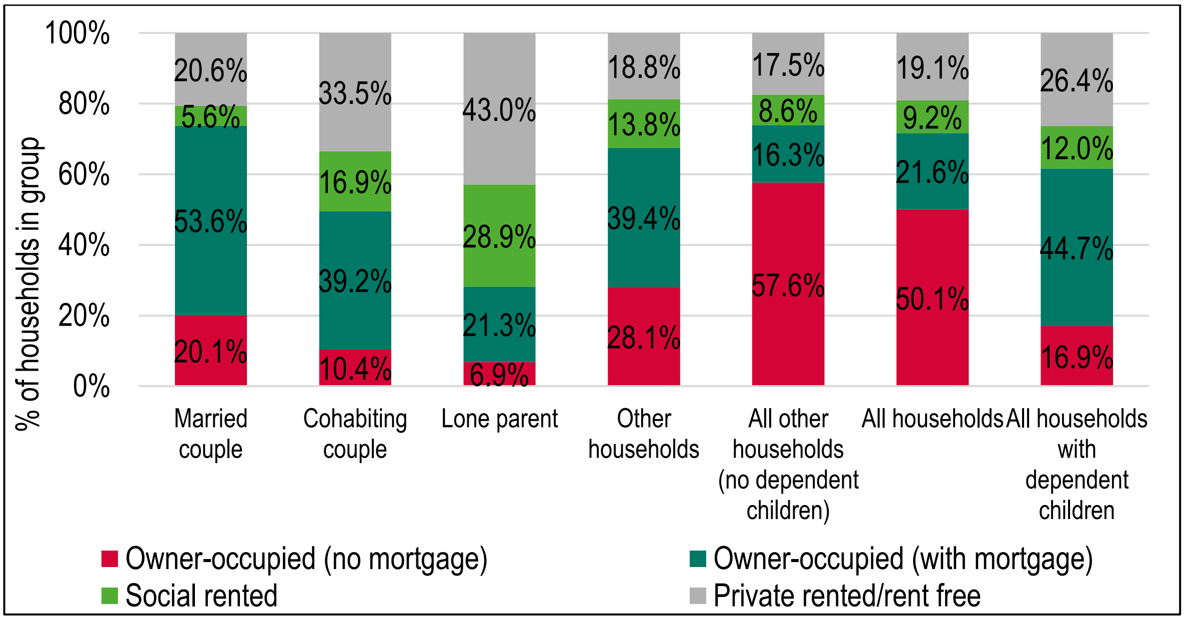
Table 7.1 Households with Dependent Children (2021)

	North York Moors		North Yorkshire	Yorkshire /Humber	England
	No.	%	%	%	%
Married couple	1,054	10.4%	13.3%	13.1%	14.4%
Cohabiting couple	357	3.5%	4.1%	5.1%	4.5%
Lone parent	289	2.8%	5.1%	7.2%	6.9%
Other households	158	1.6%	1.4%	2.2%	2.7%
All other households	8,303	81.7%	76.2%	72.3%	71.5%
Total	10,161	100.0%	100.0%	100.0%	100.0%
Total with dependent children	1,858	18.3%	23.8%	27.7%	28.5%

Source: Census (2021)

7.3 The figure below shows the current tenure of households with dependent children. There are some considerable differences by household type, with lone parents having a very high proportion living in the social rented sector and also in private rented accommodation. Across the Park, only 28% of lone-parent households are owner-occupiers compared with 74% of married couples with children.

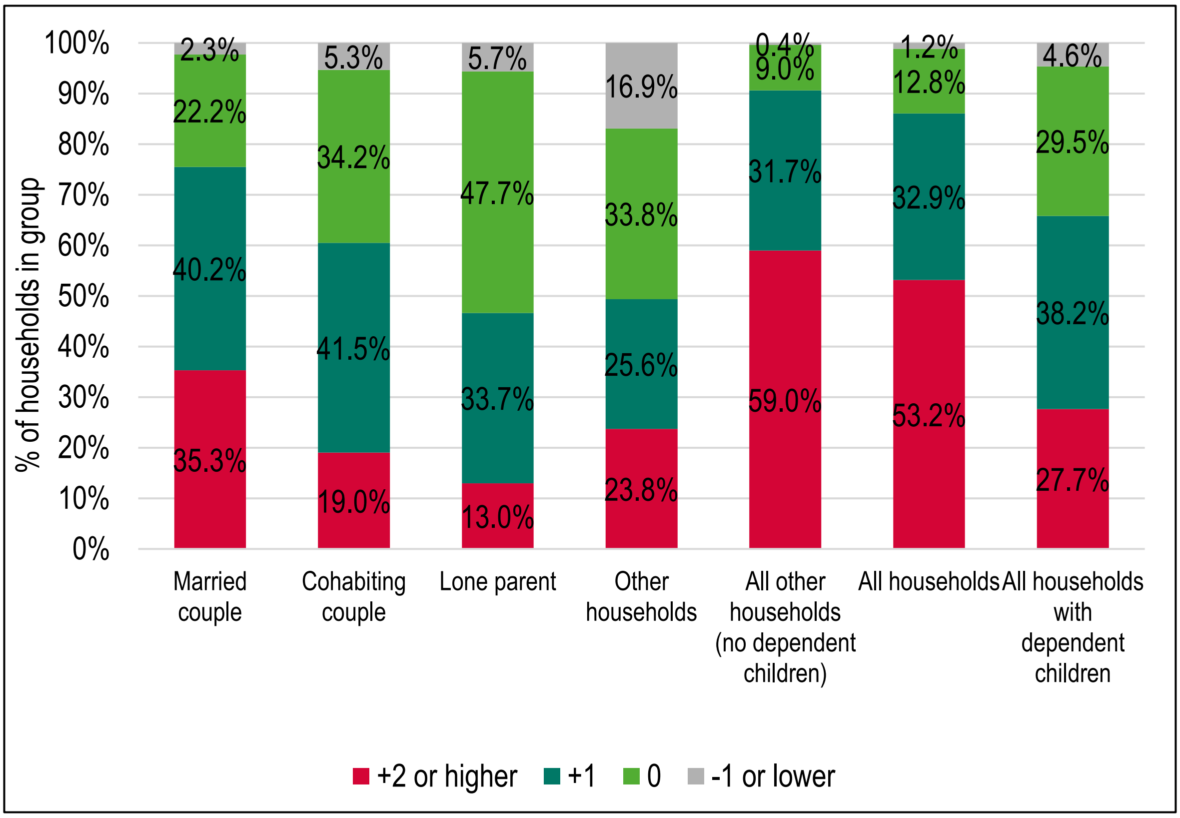
Figure 7.1 Tenure of households with dependent children (2021) – North York Moors



Source: Census (2021)

7.4 The figure below shows levels of overcrowding and under-occupancy of households with dependent children. This shows higher levels of overcrowding (minus figure) for all household types with dependent children, with 6% of all lone parents and 17% of 'other' households being overcrowded. Overall, some 5% of households with dependent children are overcrowded, compared with less than 1% of other households. Levels of under-occupancy (positive figures) are also notably lower in households with dependent children.

Figure 7.2 Occupancy rating of households with dependent children (2021) – North York Moors



Source: Census (2021)

The Mix of Housing

7.5 A model has been developed that starts with the current profile of housing in terms of size (bedrooms) and tenure. Within the data, information is available about the age of households and the typical sizes of homes they occupy. By using demographic projections, it is possible to see which age groups are expected to change in number, and by how much.

7.6 On the assumption that occupancy patterns for each age group (within each tenure) remain the same, it is therefore possible to assess the profile of housing needed is over the assessment period (taken to be 2023-45 to be consistent with other analysis in this report).

7.7 An important starting point is to understand the current balance of housing in the area – the table below profiles the sizes of homes in different tenure groups across areas. The data shows a market stock (owner-occupied) that is dominated by 3+-bedroom homes (making up 77% of the total in this tenure group, a similar proportion to that seen in other areas). The profile of the social rented sector is broadly similar across areas (slightly larger in North York Moors) whilst the private rented sector is generally slightly larger than seen in other locations. Observations about the current mix feed into conclusions about future mix later in this section.

Table 7.2 Number of Bedrooms by Tenure, 2021

		North York Moors	Yorkshire/ Humber	England
Owner-occupied	1-bedroom	2%	2%	4%
	2-bedrooms	21%	21%	21%
	3-bedrooms	41%	50%	46%
	4+-bedrooms	36%	27%	29%
	Total	100%	100%	100%
	Ave. no. beds	3.12	3.01	3.01
Social rented	1-bedroom	21%	29%	29%
	2-bedrooms	42%	37%	36%
	3-bedrooms	34%	30%	31%
	4+-bedrooms	3%	4%	4%
	Total	100%	100%	100%
	Ave. no. beds	2.20	2.09	2.10
Private rented	1-bedroom	8%	17%	21%
	2-bedrooms	37%	39%	39%
	3-bedrooms	37%	33%	29%
	4+-bedrooms	18%	10%	11%
	Total	100%	100%	100%
	Ave. no. beds	2.64	2.37	2.30

Source: Census (2021)

Overview of Methodology

7.8 The method to consider future housing mix looks at the ages of the Household Reference Persons and how these are projected to change over time. The sub-sections to follow describe some of the key analyses.

Understanding How Households Occupy Homes

7.9 Whilst the demographic projections provide a good indication of how the population and household structure will develop; it is not a simple task to convert the net increase in the number of households into a suggested profile for additional housing to be provided. The main reason for this is that in the market sector, households are able to buy or rent any size of property (subject to what they can afford) and therefore knowledge of the profile of households in an area does not directly transfer into the sizes of property to be provided.

7.10 The size of housing which households occupy relates more to their wealth and age than the number of people they contain. For example, there is no reason a single person cannot buy (or choose to live in) a 4-bedroom home as long as they can afford it, and hence projecting an increase in single-person households does not automatically translate into a need for smaller units.

7.11 That said, issues of supply can also impact occupancy patterns, for example, it may be that a supply of additional smaller-level access homes would encourage older people to downsize, but in the absence of such accommodation, these households remain living in their larger accommodation.

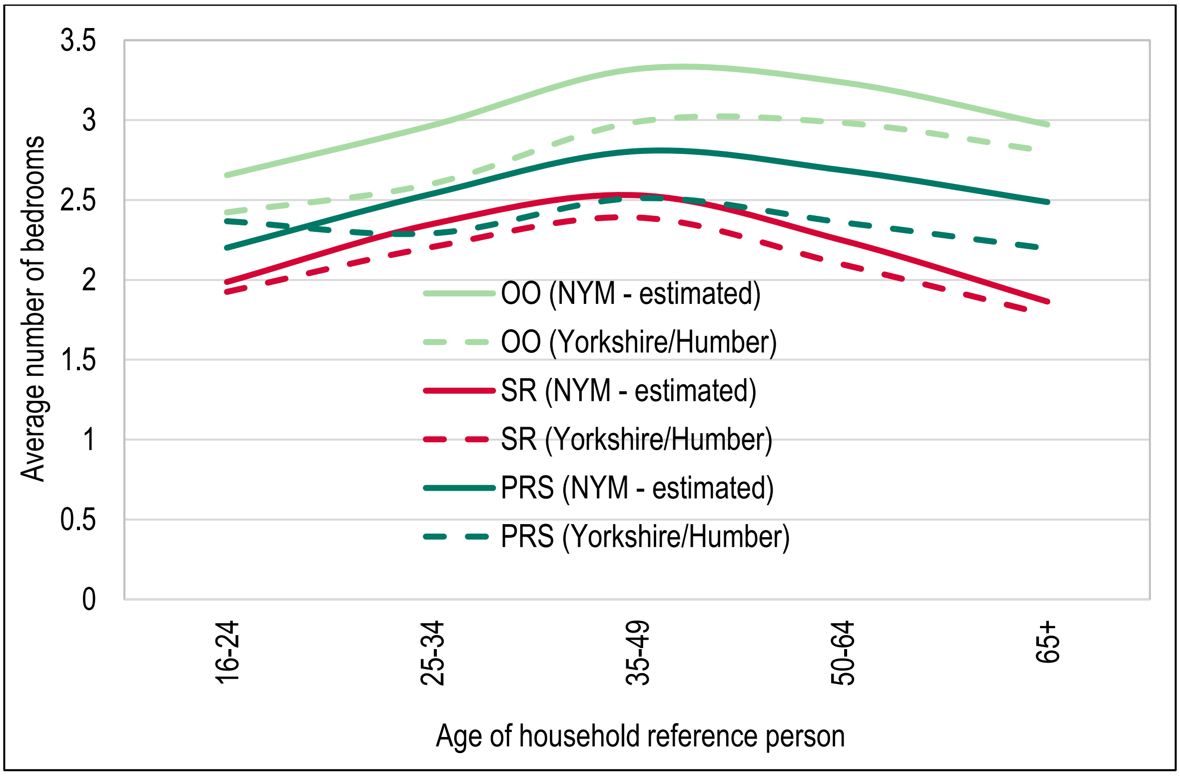
7.12 The issue of choice is less relevant in the affordable sector (particularly since the introduction of the social sector size criteria) where households are allocated properties which reflect the size of the household, although there will still be some level of under-occupation moving forward with regard to older person and working households who may be able to under-occupy housing (e.g. those who can afford to pay the spare room subsidy (‘bedroom tax’)).

7.13 The approach used is to interrogate information derived from the projections about the number of household reference persons (HRPs) in each age group and apply this to the profile of housing within these groups (data being drawn from the 2021 Census).

7.14 The figure below shows an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group for North York Moors and the Yorkshire/Humber region – for NYM data has been taken from North Yorkshire UA and then constrained to tenure and bedroom totals in the Park.

7.15 In all sectors, the average size of accommodation rises over time to typically reach a peak around the age of 50. After peaking, the average dwelling size decreases, as typically some households downsize as they get older. The analysis also shows generally larger dwelling sizes across age and tenure groups across the Park.

Figure 7.3 Average Bedrooms by Age and Tenure in NYM (estimated) and the region



Source: Census (2021)

7.16 The analysis uses the existing occupancy patterns at a local level as a starting point for analysis and applies these to the projected changes in Household Reference Person by age discussed below. The analysis has been used to derive outputs for three broad categories. These are:

- **Market Housing** – which is taken to follow the occupancy profiles in the market sector (i.e. owner-occupiers and the private rented sector);
- **Affordable Home Ownership** – which is taken to follow the occupancy profile in the private rented sector (this is seen as reasonable as the Government's desired growth in home ownership looks to be largely driven by a wish to see households move out of private renting); and
- **Rented Affordable Housing**, which is taken to follow the occupancy profile in the social rented sector. The affordable sector in the analysis to follow would include social and affordable rented housing.

Changes to Households by Age

7.17 The table below presents the projected change in households by age of household reference person. This shows growth as only being expected in older age groups, and in particular those aged 75 and over.

Table 7.3 Projected Change in Household by Age of HRP in North York Moors

	2023	2045	Change in Households	% Change
Under 25	128	119	-9	-7.1%
25-34	701	633	-67	-9.6%
35-49	1,626	1,497	-129	-7.9%
50-64	3,455	2,946	-509	-14.7%
65-74	2,242	2,322	80	3.6%
75-84	1,744	2,454	710	40.7%
85+	630	1,174	544	86.2%
TOTAL	10,526	11,146	620	5.9%

Source: Iceni Analysis

Modelled Outputs

7.18 By following the methodology set out above and drawing on the sources shown, a series of outputs have been derived to consider the likely size requirement of housing within each of the three broad tenures for the Park.

7.19 The analysis is based on considering both local and regional occupancy patterns. The data linking to local occupancy will, to some extent, reflect the role and function of the local area, whilst the regional data will help to establish any particular gaps (or relative surpluses) of different sizes/tenures of homes when considered in a wider context.

7.20 The table below shows the modelled outputs of need by dwelling size in the three broad tenures. Market housing focuses on 2- and 3-bedroom homes, affordable home ownership, also in the size categories and rented affordable housing showing a slightly smaller profile.

Table 7.4 Initial Modelled Mix of Housing by Size and Tenure – North York Moors

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	3%	41%	48%	8%
Affordable home ownership	14%	43%	32%	11%
Affordable housing (rented)	31%	40%	26%	3%

Source: Housing Market Model

Rightsizing

7.21 The analysis above sets out the potential need for housing if occupancy patterns remain the same as they were in 2021 (with differences from the current stock profile being driven by demographic change). It is, however, worth also considering that the 2021 profile will have included households who are overcrowded (and therefore need a larger home than they actually live in) and also those who under-occupy (have more bedrooms than they need).

7.22 There is a case to seek for new stock to more closely match actual size requirements. Whilst it would not be reasonable to expect to remove all under-occupancy (particularly in the market sector), it is the case that in seeking to make the most efficient use of land, it would be prudent to look to reduce this over time. Further analysis has been undertaken to take account of overcrowding and under-occupancy (by tenure).

7.23 The table below shows a cross-tabulation of a household's occupancy rating and tenure (with the second table showing percentages by tenure). This shows a high number of households in the owner-occupied sector with at least 2 spare bedrooms – there are also a small number of overcrowded households.

7.24 In the owner-occupied sector in 2021, there were 4,600 households with some degree of under-occupation and around 40 overcrowded households – some 92% of all owner-occupiers have some degree of under-occupancy. In the social and private rented sector, there are again more under-occupying households than overcrowded, but differences are less marked than seen for owner-occupied housing.

Table 7.5 Cross-tabulation of occupancy rating and tenure – North York Moors

	Owner-occupied	Social rented	Private rented	TOTAL
+2 spare bedrooms	4,583	124	672	5,379
+1 spare bedroom	2,146	376	848	3,370
0 "Right-sized"	519	374	406	1,299
-1 too few bedrooms	36	41	43	120
TOTAL	7,284	915	1,969	10,168

Source: Census (2021)

Table 7.6 Cross-tabulation of occupancy rating and tenure – North York Moors (percentages)

	Owner-occupied	Social rented	Private rented	TOTAL
+2 spare bedrooms	62.9%	13.6%	34.1%	52.9%
+1 spare bedroom	29.5%	41.1%	43.1%	33.1%
0 "Right-sized"	7.1%	40.9%	20.6%	12.8%
-1 too few bedrooms	0.5%	4.5%	2.2%	1.2%
TOTAL	100.0%	100.0%	100.0%	100.0%

Source: Census (2021)

7.25 In using this data in the modelling, an adjustment is made to move some of those who would have been picked up in the modelling as under-occupying into smaller accommodation. Where there is under-occupation by 2 or more bedrooms, the adjustment takes 25% of this group and assigns it to a '+1' occupancy.

7.26 This does need to be recognised as an assumption but can be seen to be reasonable as they do retain some (considerable) degree of under-occupation (which is likely) but also seek to model a better match between household needs and the size of their home.

7.27 For overcrowded households, a move in the other direction is made; in this case, households are moved up as many bedrooms as is needed to resolve the problems (this is applied for all overcrowded households).

7.28 The adjustments for under-occupation and overcrowding lead to the suggested mix as set out in the following table. It can be seen that this tends to suggest a smaller profile of homes as being needed (compared to the initial modelling), with the biggest change being in the market sector, which was the sector where under-occupation is currently most notable.

Table 7.7 Modelled Mix of Housing by Size and Tenure – North York Moors

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	2%	48%	43%	6%
Affordable home ownership	13%	47%	31%	9%
Affordable housing (rented)	30%	42%	24%	4%

Source: Housing Market Model

7.29 Across the Park, the analysis points to approaching a fifth of the social/affordable housing need being for 1-bedroom homes, and it is of interest to see how much of this is due to older person households. In the future, household sizes are projected to drop whilst the population of older people will increase.

7.30 Older person households (as shown earlier) are more likely to occupy smaller dwellings. The impacts of older people on the demand for smaller stock are outlined in the table below.

7.31 This indeed identifies a larger profile of homes needed for households where the household reference person is aged under 65, with a concentration of 1-bedroom homes for older people. This information can be used to inform the mix required for General Needs rather than Specialist Housing, although it does need to be noted that not all older people would be expected to live in homes with some form of care or support.

1.2 The 2, 3, and 4+-bedroom categories have been merged for the purposes of older persons, as we would not generally expect many (if any) households in this category to need (or indeed be able to be allocated) more than 2-bedrooms in the rented affordable housing sector.

Table 7.8 Modelled Mix of Housing by Size and Age – affordable housing (rented) – North York Moors

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	19%	39%	36%	6%
65 and over	40%	60%		
All affordable housing (rented)	30%	42%	24%	4%

Source: Housing Market Model

Indicative Targets for Different Sizes of Property by Tenure

7.32 The analysis below provides some indicative targets for different sizes of homes (by tenure). The conclusions take account of a range of factors, including the modelled outputs and an understanding of the stock profile and levels of under-occupancy and overcrowding.

7.33 The analysis also takes a broader view of issues such as the flexibility of homes to accommodate changes to households (e.g. the lack of flexibility offered by a 1-bedroom home for a couple looking to start a family).

Social/Affordable Rented

7.34 Bringing together the above, a number of factors are recognised. This includes recognising that it is unlikely that all affordable housing needs will be met and that it is likely that households with a need for larger homes will have greater priority (as they are more likely to contain children).

7.35 That said, there is also a possible need for 1-bedroom social housing arising due to homelessness (typically, homeless households are more likely to be younger single people). The following mix of social/affordable rented housing is therefore suggested:

Table 7.9 Recommended Social/ Affordable Rented Housing Mix

	Under 65	65 and over
1-bedroom	20%	40%
2-bedrooms	40%	60%
3-bedrooms	30%	
4+ bedrooms	10%	

Source: Iceni Analysis

7.36 Regarding older persons housing, the above recommendations aim to promote the opportunity for older person households to downsize, with a 2-bed offering being more likely to encourage this than 1-bed homes. Also, whilst technically most older person households will only have a ‘need’ for a 1-bed home, a larger property remains affordable as most older person households are not impacted by the bedroom tax / spare room subsidy.

7.37 While we have identified a need for 40% of affordable older person homes to be 2+ bedrooms, it is likely that delivery will be focused on those with only 2 bedrooms.

Affordable Home Ownership

7.38 In the affordable home ownership sector, a profile of housing that more closely matches the outputs of the modelling is suggested. It is considered that the provision of affordable home ownership should be more explicitly focused on delivering smaller family housing for younger households and childless couples.

7.39 The conclusions also take account of the earlier observation that it may be difficult to make larger homes genuinely affordable for AHO. Based on this analysis, it is suggested that the following mix of affordable home ownership would be appropriate:

Table 7.10 Recommended Affordable Home Ownership Housing Mix

1-bedroom	15%
2-bedrooms	50%
3-bedrooms	30%
4+ bedrooms	5%

Source: Iceni Analysis

Market Housing

7.40 Finally, in the market sector, a balance of dwellings is suggested that takes account of both the demand for homes and the changing demographic profile (as well as observations about the current mix when compared with other locations and also the potential to slightly reduce levels of under-occupancy).

7.41 We have also had regard to the potential for rightsizing, but also recognise that in the market sector, there is limited ability to control what households purchase. This sees a slightly larger recommended profile compared with other tenure groups.

Table 7.11 Recommended Market Housing Mix

1-bedroom	5%
2-bedrooms	45%
3-bedrooms	40%
4+-bedrooms	10%

Source: Iceni Analysis

7.42 Although the analysis has quantified this based on the market modelling and an understanding of the current housing market (including the stock profile in different tenures as set out earlier in this section), it does not necessarily follow that such prescriptive figures should be included in the plan making process (although it will be useful to include an indication of the broad mix to be sought across the Park) – demand can change over time linked to macro-economic factors and local supply. Policy aspirations could also influence the mix sought.

7.43 The suggested figures can be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area.

7.44 The recommendations can also be used as a set of guidelines to consider the appropriate mix on larger development sites, and the authority could expect justification for a housing mix on such sites which significantly differs from that modelled herein.

7.45 Site location and area character are also relevant considerations in to what the appropriate mix of market housing on individual development sites.

Housing Mix - Summary

7.46 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population.

7.47 The proportion of households with dependent children in North York Moors is low, with around 18% of all households containing dependent children in 2021 (compared with around 28-29% regionally and nationally).

7.48 There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas lone parents are particularly likely to live in social or private rented accommodation.

7.49 There is a range of factors which will influence demand for different sizes of homes, including demographic changes, future growth in real earnings and households' ability to save, economic performance and housing affordability.

7.50 The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of both household changes and the ageing of the population as well as seeking to make more efficient use of new stock by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

7.51 In all sectors, the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes. For rented affordable housing for under 65s, there is a clear need for a range of different sizes of homes, including 40% to have at least 3 bedrooms, of which 10% should have at least 4 bedrooms. Our recommended mix is set out below:

Table 7.12 Suggested size mix of housing by tenure – North York Moors National Park

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	5%	15%	20%	40%
2-bedrooms	45%	50%	40%	60%
3-bedrooms	40%	30%	30%	
4+-bedrooms	10%	5%	10%	

Source: Iceni Analysis

7.52 The strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues.

7.53 The mix identified above could inform strategic policies, although a flexible approach should be adopted. For example, in some areas affordable housing registered providers find difficulties selling 1-bedroom affordable home ownership (AHO) homes, and therefore, the 1-bedroom elements of AHO might be better provided as 2-bedroom accommodation. That said, given current house prices there are potential difficulties in making (larger) AHO genuinely affordable.

7.54 Additionally, in applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level. The authority should also monitor the mix of housing delivered.

8. Older Persons and those with a Disability

Introduction

8.1 This section studies the characteristics and housing needs of the older person population and the population with some form of disability. The two groups are taken together as there is a clear link between age and disability. It responds to Planning Practice Guidance on Housing for Older and Disabled People published by Government in June 2019. It includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).

Older People

8.2 The table below provides baseline population data about older persons in North York Moors and compares this with other areas (data for 2022). The table shows the Park has a significantly older age structure to that seen regionally and nationally with 32% of the population being aged 65 and over. The proportion of people aged 75 and over is also notably above equivalent figures for other areas.

Table 8.1 Older Persons Population, 2022

	North York Moors	North Yorkshire	Yorkshire/ Humber	England
Under 65	67.8%	74.6%	80.8%	81.4%
65-74	17.5%	13.0%	10.0%	9.6%
75-84	10.9%	9.0%	6.7%	6.5%
85+	3.8%	3.4%	2.5%	2.5%
Total	100.0%	100.0%	100.0%	100.0%
Total 65+	32.2%	25.4%	19.2%	18.6%
Total 75+	14.7%	12.4%	9.1%	9.0%

Source: ONS

Projected Future Change in the Population of Older People

8.3 Population projections can next be used to provide an indication of how the number of older persons might change in the future, with the table below showing that the Park is projected to see a notable increase in the older person population – the projection is based on delivery at an average of 29 dwellings per annum.

8.4 For the 2023-45 period, a projected increase in the population aged 65+ of around 26% is shown, with this particularly concentrated in those aged 75 and over (increasing by more than 50%) – the population aged under 65 is, in contrast projected to see a decline of 12%.

Table 8.2 Projected Change in Population of Older Persons, 2023 to 2045 – North York Moors

	2023	2045	Change in population	% change
Under 65	15,514	13,704	-1,810	-11.7%
65-74	4,023	4,162	140	3.5%
75-84	2,624	3,670	1,047	39.9%
85+	899	1,657	758	84.3%
Total	23,060	23,194	134	0.6%
Total 65+	7,545	9,490	1,945	25.8%
Total 75+	3,523	5,328	1,805	51.2%

Source: Iceni Analysis

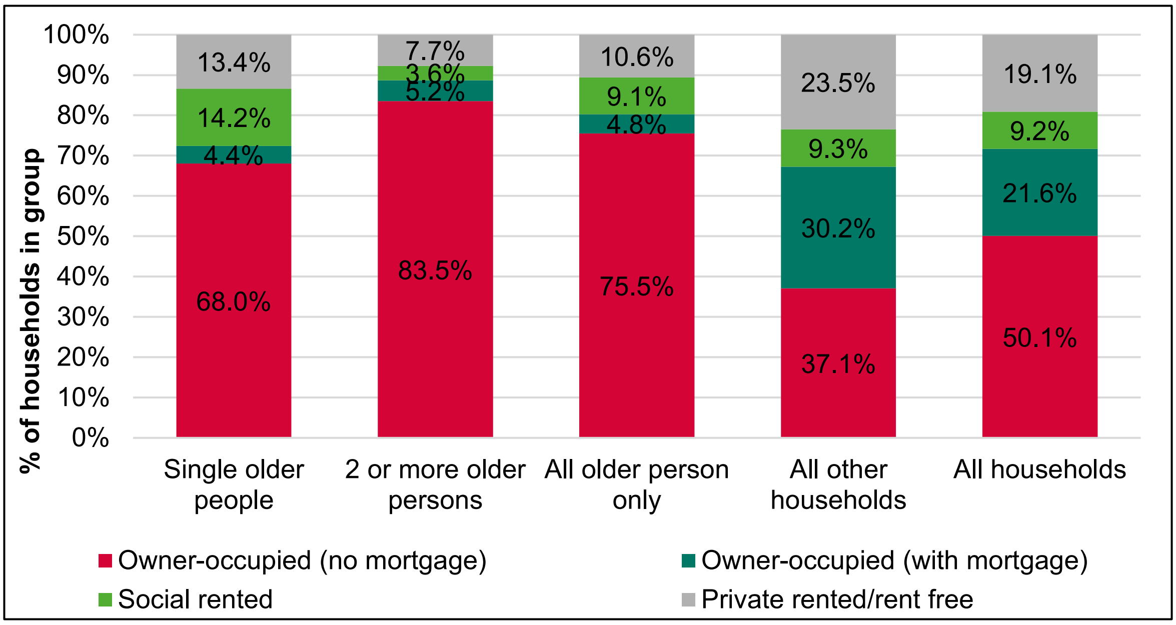
Characteristics of Older Person Households

8.5 The figure below shows the tenure of older-person households. The data has been split between single older person households and those with two or more older people (which will largely be couples).

8.6 The data shows that the majority of older persons households are owner occupiers (80% of older person households), and indeed most are owner-occupiers with no mortgage and thus may have significant equity which can be put towards the purchase of a new home. Some 9% of older persons' households live in the social rented sector, and the proportion of older person households living in the private rented sector is relatively low (about 11%).

8.7 There are also notable differences for different types of older person households, with single older people having a lower level of owner-occupation than larger older person households – this group also has a higher proportion living in the social rented sector.

Figure 8.1 Tenure of Older Persons Households in North York Moors, 2021



Source: 2021 Census

Disabilities

8.8 The table below shows the proportion of people who are considered disabled under the definition within the 2010 Equality Act2, drawn from 2021 Census data. The data suggests that some 19% of the population of the Park has some form of disability.

[2] The Census uses the same definition of disability as described in the Equality Act. This defines disability as a person with a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities.

8.9 This figure is broadly similar to that seen in other areas and is interesting as the older age structure might be expected to see higher levels of disability – the finding points to likely lower levels of age-specific disability (i.e. specific age groups having a lower level of disability than seen in other locations).

Table 8.3 Population with a Disability, 2021

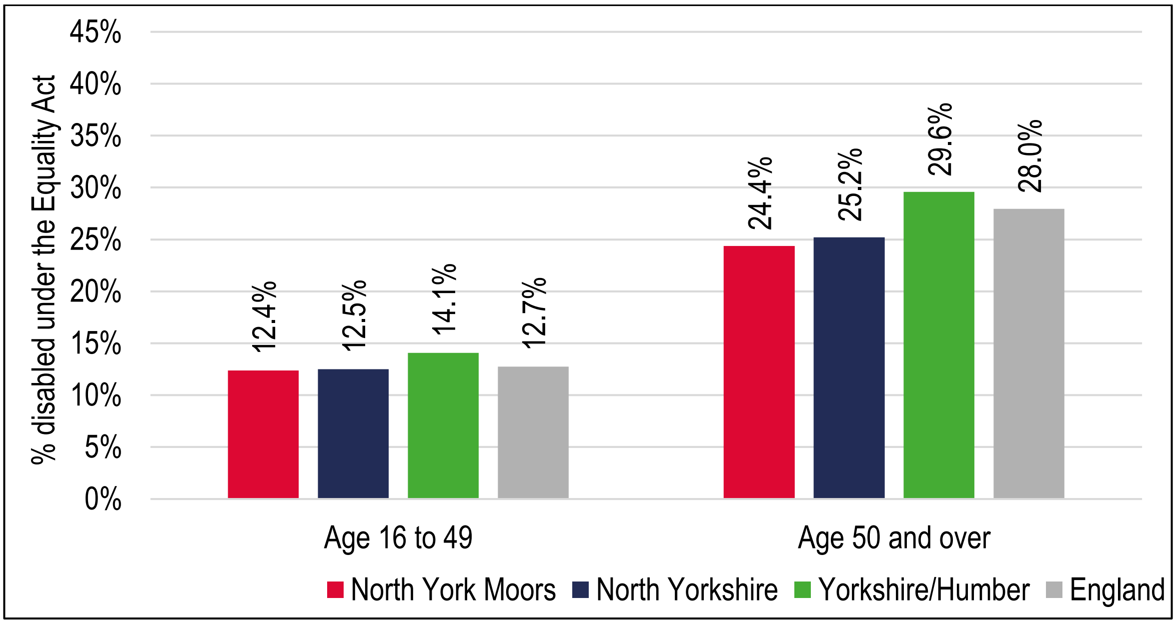
	Population	% of population
North York Moors	4,257	18.6%
North Yorkshire	107,986	17.5%
Yorkshire/Humber	1,021,326	18.6%
England	9,774,510	17.3%

Source: 2021 Census

8.10 As noted, it is likely that the age profile will impact the numbers of people with a disability, as older people tend to be more likely to have a disability. Data on disability by age is difficult to find for National Parks, although Census data does exist to look at the 16-49 and 50 and over age groups.

8.11 From this data, it is clear that those people in the oldest age bands are more likely to have a disability. The analysis also shows lower levels of disability when compared with the regional and national positions.

Figure 4.2: Population with Disability by Age



Source: 2021 Census

Health-Related Population Projections

8.12 The incidence of a range of health conditions is an important component in understanding the potential need for care or support for an ageing population. The analysis undertaken covers both younger and older age groups and draws on prevalence rates from the PANSI (Projecting Adult Needs and Service Information) and POPPI (Projecting Older People Population Information) websites. Adjustments have been made to take account of the age-specific health/disabilities previously shown.

8.13 Of particular note are the large increases in the number of older people with dementia (increasing by 54% from 2023 to 2045 and mobility problems (up 43% over the same period).

8.14 Changes for younger age groups are smaller (negative), reflecting the fact that projections are expecting older age groups to see the greatest proportional increases in population. When related back to the total projected change to the population, the increase of people aged 65+ with a mobility problem represents in excess of 100% of the total projected population growth.

Table 8.4 Projected Changes to Population with a Range of Disabilities – North York Moors

Disability	Age Range	2023	2045	Change	% change
Dementia	65+	430	663	234	54.4%
Mobility problems	65+	1,153	1,645	492	42.6%
Autistic Spectrum Disorders	18-64	110	98	-13	-11.5%
	65+	65	82	17	26.0%
Learning Disabilities	15-64	289	256	-33	-11.6%
	65+	137	171	34	24.6%
Impaired mobility	16-64	825	715	-110	-13.3%

Source: POPPI/PANSI and Demographic Projections

8.15 Invariably, there will be a combination of those with disabilities and long-term health problems that continue to live at home with family, those who choose to live independently with the possibility of incorporating adaptations into their homes and those who choose to move into supported housing.

8.16 The projected change shown in the number of people with disabilities provides clear evidence justifying delivering 'accessible and adaptable' homes as defined in Part M4(2) of Building Regulations, subject to viability and site suitability.

Need for Specialist Accommodation for Older People

8.17 Given the ageing population and higher levels of disability and health problems amongst older people, there is likely to be an increased requirement for specialist housing options moving forward. The box below shows the different types of older persons' housing which are considered.

Definitions of Different Types of Older Persons' Accommodation

Age-restricted general market housing: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities, such as communal gardens, but does not include support or care services.

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

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

Residential care homes and nursing homes (care bedspaces): These have individual rooms within a residential building and provide a high level of care, meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Source: Planning Practice Guidance [63-010]

8.22 The need for specialist housing for older persons is typically modelled by applying prevalence rates to current and projected population changes and considering the level of existing supply. There is no standard methodology for assessing the housing and care needs of older people. The current and future demand for elderly care is influenced by a host of factors, including the balance between demand and supply in any given area and social, political, regulatory and financial issues. Additionally, the extent to which new homes are built to accessible and adaptable standards may, over time, have an impact on specialist demand (given that older people often want to remain at home rather than move to care) – this will need to be monitored.

8.23 There are several 'models' for considering older persons' needs, but they all essentially work in the same way. The model results are, however, particularly sensitive to the prevalence rates applied, which are typically calculated as a proportion of people aged over 75 who could be expected to live in different forms of specialist housing. Whilst the population aged 75 and over is used in the modelling, the estimates of need would include people of all ages.

8.24 Whilst there are no definitive rates, the PPG [63-004] notes that 'the future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector, for example SHOP@ for Older People Analysis Tool)'.

8.25 The PPG does not specifically mention any other tools and therefore seems to be indicating that SHOP@ would be a good starting point for analysis. Since the PPG was published, the Housing Learning and Information Network (Housing LIN) has removed the Shop@ online toolkit, although the base rates used for analysis are known.

8.26 The SHOP@ tool was originally based on data in a 2008 report (More Choice Greater Voice), and in 2011, a further suggested set of rates was published (rates which were repeated in a 2012 publication).

8.27 In 2016, Housing LIN published a review document which noted that the 2008 rates are 'outdated' but also noted that the rates from 2011/12 were 'not substantiated'. The 2016 review document, therefore, set out a series of proposals for new rates to be taken forward onto the Housing LIN website.

8.28 Whilst the 2016 review rates do not appear to have ever led to an update of the website, it does appear from reviewing work by Housing LIN over the past couple of years as if it is these rates which typically inform their own analysis (subject to evidence-based localised adjustments).

Table 8.5 Range of suggested baseline prevalence rates (units per 1,000 people aged over 75) from a number of tools and publications

Type/Rate	SHOP@ (2008)[3]	Housing in Later Life (2012)[4]	2016 Housing LIN Review[5]
Age-restricted general market housing	-	-	25
Retirement living or sheltered housing (housing with support)	125	180	100
Extra care housing or housing-with-care (housing with care)	45	65	30-40 ('proactive range')
Residential care homes	65	(no figure apart from 6 for dementia)	40
Nursing homes (care bedspaces), including dementia	45		45

Source: Housing LIN

[3] Based on the More Choice Greater Voice publication of 2008 (Link). It should be noted that although these rates are from 2008, they are the same rates as were being used in the online toolkit when it was taken offline in 2019.

[4] https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Toolkit/Housing_in_Later_Life_Toolkit.pdf

[5] https://edocs.elmbridge.gov.uk/IAM/IAMCache/3793607/3793607.pdf

8.29 For clarity, the table above shows the base prevalence rates set out in the various documents described above. For the analysis in this report, the age-restricted and retirement/sheltered have been merged into a single category (housing with support).

8.30 In interpreting the different potential prevalence rates, it is clear that:

- The prevalence rates used should be considered and assessed, taking account of an authority's strategy for delivering specialist housing for older people;
- The Housing LIN model has been influenced by existing levels of provision and their view on what future level of provision might be reasonable, taking account of how the market is developing, funding availability, etc. It is more focused towards publicly commissioned provision. There is a degree to which the model and assumptions within it may not fully capture the growing recent private sector interest and involvement in the sector, particularly in extra care; and
- The assumptions in these studies look at the situation nationally. At a more local level, the relative health of an area's population is likely to influence the need for specialist housing, with better levels of health likely to mean residents are able to stay in their own homes for longer.

8.31 These issues are considered to provide appropriate modelling assumptions for assessing future needs. Nationally, there has been a clear focus on strengthening a community-led approach and reducing reliance on residential and nursing care, in particular focussing where possible on providing households with care in their own home.

8.32 This could, however, be provision of care within general needs housing, but also care which is provided in a housing with care development, such as in extra care housing.

8.33 We consider that the prevalence rates shown in the 2016 Housing LIN Review are an appropriate starting point, but that the corollary of lower care home provision should be a greater focus on the delivery of housing with care.

8.34 Having regard to market growth in this sector in recent years, and since the above studies were prepared, we consider that the starting point for housing with care should be the higher rate shown in the SHOP@ report (this is the figure that would align with the PPG).

8.35 Rather than simply taking the base prevalence rates, an initial adjustment has been made to reflect the relative health of the local older person population. This has been based on Census data about the proportion of the population aged 50 and over who have a long-term health problem or disability (LTHPD) compared with the England average (this age group being the oldest for which data was readily available at a Park level).

8.36 In North York Moors, the data shows slightly better health in the 75+ population, and so a modest decrease has been made to the prevalence rates.

8.37 A second local adjustment has been to estimate a tenure split for the housing with support and housing with care categories. This again draws on suggestions in the 2016 Review, which suggests that less deprived local authorities could expect a higher proportion of their specialist housing to be in the market sector.

8.38 Data about deprivation (in this case, the Index of Multiple Deprivation (IMD)) is not available for National Parks, but data cross North Yorkshire generally shows a relatively low level of deprivation, which is considered likely to be the case in NYM. This suggests a slightly greater proportion of market housing than a local authority in the middle of the range (for housing with support and housing with care).

8.39 The following prevalence rates, expressed as a need per 1,000 people aged 75 and over, have been used in the analysis:

- Housing with support (market) – 57 units;
- Housing with support (affordable) – 52 units;
- Housing with care (market) – 27 units;
- Housing with care (affordable) – 13 units;
- Residential care– 35 bedspaces; and
- Nursing care– 39 bedspaces

8.40 The table below shows the estimated need for different types of housing linked to the population projections – this includes data about supply provided by the Elderly Accommodation Counsel (EAC).

8.41 The analysis is separated into the various different types and tenures, although it should be recognised that there could be some overlap between categories (i.e. some households might be suited to more than one type of accommodation).

8.42 For housing with support (e.g. sheltered/retirement housing), the analysis points to a particular need for market housing with a significant current supply in the affordable sector (and therefore no additional need identified).

8.43 For housing with care (e.g. Extra-care), the main need is again likely to be in the market sector, but about 40% is for affordable housing. The analysis also shows a potential need for nursing and residential care bedspaces.

Table 8.6 Specialist Housing Need using adjusted SHOP@Review Assumptions, 2023-45 – North York Moors.

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Add-itional demand to 2045	Shortfall /surplus by 2045
Housing with support	Market	57	16	201	185	103	287
	Affordable	52	320	183	-137	94	-43
Total (housing with support)		109	336	384	48	197	245
Housing with care	Market	27	64	94	30	48	78
	Affordable	13	14	44	30	23	53
Total (housing with care)		39	78	138	60	71	131
Residential care		35	60	123	63	63	126
Nursing care bedspaces		39	0	138	138	71	209
Total bedspaces		74	60	261	201	134	335

Source: Iceni analysis/EAC

8.44 The provision of a choice of attractive housing options to older households is a component of achieving a good housing mix. The availability of such housing options for the ageing population may enable some older households to downsize from homes that no longer meet their housing needs or are expensive to run.

8.45 The availability of housing options which are accessible to older people will also provide the opportunity for older households to 'downsize', which can help improve their quality of life.

8.46 It should also be noted that within any category of need, there may be a range of products. For example, many recent market extra-care schemes have tended to be focused towards the 'top-end' of the market and may have significant service charges (due to the level and quality of facilities and services). Such homes may therefore only be affordable to a small proportion of the potential market, and it will be important for the authority to seek a range of products that will be accessible to a wider number of households if needs are to be met.

Wheelchair User Housing

8.47 The analysis below draws on secondary data sources to estimate the number of current and future wheelchair users and to estimate the number of wheelchair accessible/adaptable dwellings that might be required in the future. Estimates of need produced in this report draw on data from the English Housing Survey (EHS), mainly 2020/21 data. The EHS data used includes the age structure of wheelchair users, information about work needed to homes to make them 'visitable' for wheelchair users and data about wheelchair users by tenure.

8.48 The table below shows, at a national level, the proportion of wheelchair user households by the age of the household reference person. Nationally, around 3.1% of households contain a wheelchair user, with around 1% using a wheelchair indoors. There is a clear correlation between the age of the household reference person and the likelihood of there being a wheelchair user in the household.

Table 8.7 Proportion of wheelchair user households by age of household reference person – England

Age of household reference person	No household members use a wheel-chair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
24 and under	99.4%	0.4%	0.0%	0.1%	100.0%
25-34	99.4%	0.1%	0.1%	0.3%	100.0%
35-49	97.9%	0.4%	0.3%	1.4%	100.0%
50-64	97.1%	0.5%	0.2%	2.2%	100.0%
65 and over	94.3%	1.3%	0.5%	4.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

8.49 The prevalence rate data can be brought together with information about the household age structure and how this is likely to change moving forward – adjustments have also been made to take account of the relative health (by age) of the population. The data estimates a total of 356 wheelchair user households in 2023, and that this will rise to 407 by 2045.

Table 8.8 Estimated number of wheelchair user households (2023-45) – North York Moors

	Preval-ence rate (% of house-holds)	House-holds 2023	House-holds 2045	Wheel-chair user house-holds (2023)	Wheel-chair user house-holds (2045)
24 and under	0.6%	128	119	1	1
25-34	0.5%	701	633	4	3
35-49	2.0%	1,626	1,497	33	30
50-64	2.5%	3,455	2,946	87	74
65 and over	5.0%	4,616	5,950	231	298
All households	-	10,526	11,146	356	407

Source: Iceni analysis

8.50 The finding of an estimated current number of wheelchair user households does not indicate how many homes might be needed for this group – some households will be living in a home that is suitable for wheelchair use, whilst others may need improvements to accommodation, or a move to an alternative home.

8.51 Data from the EHS shows that of the 814,000 wheelchair user households, some 200,000 live in a home that would either be problematic or not feasible to make fully 'visitable' – this is around 25% of wheelchair user households.

8.52 Applying this to the current number of wheelchair user households across the Borough gives a current need for 89 additional wheelchair user homes. If the projected need is also discounted to 25% of the total (on the basis that many additional wheelchair user households will already be in accommodation), then a further need for 13 homes in the 2023-45 period can be identified. Added together, this leads to a need estimate of 102 wheelchair user homes, equating to 5 dwellings per annum.

Table 8.9 Estimated need for wheelchair user homes, 2023-45

	Current need	Projected need (2023-45)	Total current and future need
North York Moors	89	13	102

Source: Iceni Analysis

8.53 Furthermore, information in the EHS (for 2020/21) also provides national data about wheelchair users by tenure. This showed that, at that time, around 6.7% of social tenants were wheelchair users (including 1.8% using a wheelchair indoors/all the time), compared with 2.6% of owner-occupiers (0.8% indoors/all the time).

8.54 These proportions can be expected to increase with an ageing population, but do highlight the likely need for a greater proportion of social (affordable) homes to be for wheelchair users.

Table 8.10 Proportion of wheelchair user households by tenure of household reference person – England

Tenure	No household members use a wheel-chair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
Owners	97.4%	0.6%	0.2%	1.8%	100.0%
Social sector	93.3%	1.3%	0.5%	4.9%	100.0%
Private renters	98.6%	0.2%	0.2%	1.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

8.55 To meet the identified need, the authority could seek a proportion (potentially up to 5%) of all new market homes to be M4(3) compliant and potentially a higher figure in the affordable sector (potentially up to 10%). These figures reflect that not all sites would be able to deliver homes of this type. In the market sector, these homes would be M4(3)A (adaptable) and M4(3)B (accessible) for affordable housing.

8.56 As with M4(2) homes, it may not be possible for some schemes to be built to these higher standards due to built-form, topography, flooding, etc. Furthermore, provision of this type of property may, in some cases, challenge the viability of delivery given the reasonably high build-out costs.

8.57 It is worth noting that the Government has now reported on a consultation (Raising Accessibility Standards for New Homes[6]) on changes to the way the needs of people with disabilities and wheelchair users are planned for as a result of concerns that in the drive to achieve housing numbers, the delivery of housing that

[6] https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes

suits the needs of the households (in particular those with disabilities) is being compromised on viability grounds.

8.58 The key outcome is: 'Government is committed to raising accessibility standards for new homes. We have listened carefully to the feedback on the options set out in the consultation, and the government response sets out our plans to mandate the current M4(2) requirement in Building Regulations as a minimum standard for all new homes'. This change is due to be implemented shortly through a change to building regulations.

8.59 The consultation outcome still requires a need for M4(3) dwellings to be evidenced, stating 'M4(3) (Category 3: Wheelchair user dwellings) would continue as now, where there is a local planning policy in place in which a need has been identified and evidenced. Local authorities will need to continue to tailor the supply of wheelchair user dwellings to local demand'.

8.60 As well as evidence of need, the viability challenge is particularly relevant for M4(3)(B) standards. These make properties accessible from the moment they are built and involve high additional costs that could, in some cases, challenge the feasibility of delivering all or any of a policy target.

8.61 It should be noted that local authorities only have the right to request M4(3)(B) accessible compliance from homes for which they have nomination rights. They can, however, request M4(3)(A) adaptable compliance from the wider (market) housing stock.

Older and Disabled People - Summary

8.62 A range of data sources and statistics have been accessed to consider the characteristics and housing needs of the older person population and the population with some form of disability. The two groups are taken together as there is a clear link between age and disability. The analysis responds to Planning Practice Guidance on Housing for Older and Disabled People published by Government in June 2019 and includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).

8.63 The data shows that the North York Moors has a significantly older age structure than is seen regionally and nationally, and similar levels of disability compared with other areas (lower age-specific disabilities). The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (76% of all older person households are outright owners).

8.64 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase. Key findings for the 2023-45 period include:

8.65 A 26% increase in the population aged 65+ (potentially accounting for in excess of 100% of total population growth);

8.66 a 54% increase in the number of people aged 65+ with dementia and a 43% increase in those aged 65+ with mobility problems;

8.67 a need for around 250 additional housing units with support (sheltered/retirement housing) – all in the market sector;

8.68 a need for around 130 additional housing units with care (e.g. extra-care) – the majority (around 60%) in the market sector;

8.69 a need for additional nursing and residential care bedspaces (around 335 in the period); and

8.70 a need for around 100 dwellings to be for wheelchair users (meeting technical standard M4(3)).

8.71 This would suggest that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings, as well as providing specific provision of older persons housing.

8.72 Given the evidence, the authority could consider (as a start point) requiring all dwellings (in all tenures) to meet the M4(2) standards and around 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of around 10% in the affordable sector).

8.73 Where the authority has nomination rights, the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation), and in the market sector, they should be wheelchair-user adaptable dwellings (constructed to be adjustable for occupation by a wheelchair user).

8.74 It should, however, be noted that there will be cases where this may not be possible (e.g. due to viability or site-specific circumstances) and so any policy should be applied flexibly.

8.75 In framing policies for the provision of specialist older persons' accommodation, the authority will need to consider a range of issues. This will include the different use classes of accommodation (i.e. C2 vs. C3) and requirements for affordable housing contributions (linked to this, the viability of provision).

8.76 There may also be some practical issues to consider, such as the ability of any individual development to have mixed tenure, given the way care and support services are paid for.