

Report to:

**Gosport
Borough Council**

**Demographics and
Housing Need**

Final Report

August 2024

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Summary

Background

1. Justin Gardner Consulting (JGC) have been commissioned by Gosport Borough Council to update the 2019 Demographics Report which includes developing a series of population and household projections for a range of different potential housing delivery scenarios across the Borough.
2. The study also provides a review of the need for affordable housing and the appropriate mix of housing along with studying the projected growth in the older person population and potential needs for specialist accommodation.
3. The modelling in the report largely focuses on two scenarios which are described below; detailed outputs from each of these have been provided as an appendix to the report:
 - Housing Trajectory A: Based on 170 dwellings per annum over the 2024-40 period (a total of 2,720 homes); and
 - Housing Trajectory B: Based on 190 dwellings per annum over the 2024-40 period (a total of 3,040 homes).

Population Trends and Projections

4. As of mid-2022, the population of Gosport is estimated to be 82,300 and since 2012 the Borough's population has fallen by around 1%. The age structure of the population is broadly similar to that seen in other areas (slightly more older people in a regional and national context). Over the decade to 2022, the Borough has seen an ageing of the population, with the number of people aged 65 and over increasing by 21%.
5. The report studied the overall housing need set against the NPPF and the framework of PPG – specifically the Standard Method for assessing housing need. This shows a need for 339 dwellings per annum. This is based on household growth of 272 per annum and an uplift for affordability of 25%.
6. The report has considered whether there are exceptional circumstances to move away from the Standard Method (either in an upward or downward direction). This looked at up-to-date demographic trends and is also mindful of the latest NPPF of December 2023 which points to there being some strengthening of the encouragement for local authorities to consider exceptional circumstances, confirming that the outcome of the Standard Method is an advisory starting-point for establishing a housing requirement for the area.
7. Firstly the report tested the data used in the 2014-projections as ONS has subsequently revised key trend data for migration. In Gosport, the revision were very minor and unlikely to have any notable impact on the projections.

8. The report then looks at more recent demographic trends – taking account of 2021 Census data and ONS mid-year population estimates up to 2022, this data was compared with the 2014-based projections. There are clear differences between sources (trends in Gosport generally being weaker than previously projected). Data about household growth from the Census also showed a similar pattern when compared to the 2014-based projections (recent household growth having been lower than projected). It is considered that this would point to the Standard Method potentially being on the high side.
9. Using recent demographic trends about births, deaths and migration, two trend-based projections were developed, which were then considered using the framework of the Standard Method (projections were based on looking at migration trends over the past 5- and 10-years). The highest of the projections (10-year trends) pointed to household growth of 166 per annum, which with a 25% affordability uplift would give a need for 207 dwellings per annum – notably lower than the Standard Method.
10. Whilst developing trend-based projections and running the outputs through the Standard Method is a useful analysis, it is the case that housing delivery in the Borough is likely to be limited by capacity; two projections were therefore developed linking to delivery of 170 and 190 dwellings per annum over the 2024-40 plan period. The main projection (Trajectory A: 170 dwellings per annum) suggested population growth over the period of around 1,400 people with a continued ageing of the population. A higher population growth (of 2,200 additional people) was projected under Trajectory B (190 dwellings per annum).

Figure 1: Projected change in population by broad age group (2024-40) – Gosport – Trajectory A

	2024	2040	Change	% change
Under 16	13,321	12,059	-1,262	-9.5%
16-64	50,591	47,674	-2,917	-5.8%
65+	18,949	24,575	5,626	29.7%
TOTAL	82,861	84,308	1,447	1.7%

Source: Demographic projections (see Section 2)

11. These projections were then used to see what level of growth might be expected in the economically active population. For both projections a positive change was estimated, ranging from around 60 additional people in the labour supply with Trajectory A and approaching 500 people with Trajectory B.
12. When compared with the 2019 study, this report suggests less ageing of the population and lower reductions in the number of people aged Under 16 and 16-64. This looks to be driven by the notable differences in natural change observed over recent years (and built into the projections). In particular, with life expectancy not projected to be improving at the levels projected at the time of the 2019 study the growth in the number of older persons is lower and therefore the projection generates fewer older person households (and more households aged Under 65).

Affordable Housing Need

13. Analysis has been undertaken to estimate the annual need for affordable housing. The analysis is split between a need for social/affordable rented accommodation (based on households unable to buy or rent in the market) and the need for affordable home ownership (AHO) – this includes housing for those who can afford to rent privately but cannot afford to buy a home.
14. The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. Additionally, when looking at rented needs, consideration is given to estimates of the supply of social/affordable rented housing for relets. For AHO, consideration is given to the potential supply of resales of low-cost home ownership properties (such as shared ownership) and lower quartile sales of existing homes.
15. When looking at needs from households unable to buy OR rent, the analysis suggests a need for 307 affordable homes per annum across the Borough. This is higher than an equivalent analysis in the 2019 study, with the difference looking to mainly be an increased estimate of the number of newly forming households who will have a need (this being driven by high increases in the cost of private rented accommodation in comparison to increases in incomes).

Figure 2: Comparing estimates of affordable need from different studies (annual figures)		
	2019 report	This study
Current need	49	58
Newly forming households	237	316
Existing households falling into need	118	136
Total Gross Need	404	510
Relet Supply	211	203
Net Need	194	307

Source: JGC data modelling (see Section 3)

16. Despite the level of need, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs. The link between affordable need and overall need (of all tenures) is complex and in trying to make a link it must be remembered that many of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home). That said, the level of affordable need does suggest the Council should maximise the delivery of such housing at every opportunity.
17. 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.

18. When looking at AHO products, the analysis is inconclusive about the scale of the need (and indeed if there is one), although the evidence does suggest there are some households in Gosport who are being excluded from the owner-occupied sector (as evidenced by increases in the size of the private rented sector). It is likely that a key issue in the Borough is about access to capital (e.g. for deposits, stamp duty, legal costs) as well as potentially mortgage restrictions (e.g. where employment is temporary) rather than simply the cost of housing to buy. This is the same conclusion as in the 2019 study.
19. The study also considers different types of AHO (notably discounted market housing (including First Homes) and shared ownership) as each will have a role to play – shared ownership is likely to be suitable for households with more marginal affordability as it has the advantage of a lower deposit and subsidised rent.
20. Given the cost of housing locally, it may be difficult for affordable home ownership products to be provided and be considered as ‘genuinely affordable’ – particularly in the case of discounted market housing such as First Homes. This again points to the need for the Council to prioritise delivery of rented affordable housing where possible.
21. In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the Council 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).
22. Overall, the analysis identifies a notable need for affordable housing, and it is clear that 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.**

Need for Different Sizes of Homes

23. 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. The proportion of households with dependent children in Gosport is fairly low with around 26% of all households containing dependent children in 2021 (compared with around 29% both regionally and nationally). There are notable differences between different types of household, 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.
24. 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. 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 – the analysis also models for there to be a modest decrease in levels of under-occupancy (which is notable in the market sector).

25. In all sectors the analysis points to a particular need for 2-bedroom accommodation, with varying proportions of 1-bedroom and 3+-bedroom homes. For general need rented affordable housing there is a clear need for a range of different sizes of homes, including half to have at least 3-bedrooms. Our recommended mix is set out below:

Figure 3: Suggested Mix of Housing by Size and Tenure				
	Market	Affordable home ownership	Affordable housing (rented)	
			General needs	Older persons
1-bedroom	45%	25%	15%	65%
2-bedrooms		45%	35%	35%
3-bedrooms	40%	30%	35%	
4+-bedrooms	15%		15%	

Source: Housing Market Model (see Section 4)

26. 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. The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.
27. 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.
28. 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 Council should also monitor the mix of housing delivered.

Older and Disabled People

29. 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 the latest Planning Practice Guidance on Housing for Older and Disabled People (originally 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).
30. The data shows that Gosport has a slightly older age structure and slightly higher levels of disability when compared with the national average. The older person population does however show high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (73% of all older person households are outright owners).

31. 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 substantially. Key findings for the 2024-40 period include:
- a 30% increase in the population aged 65+ (potentially accounting for over 100% of total population growth);
 - an 45% increase in the number of people aged 65+ with dementia and 39% increase in those aged 65+ with mobility problems;
 - a need for around 550 housing units with support (sheltered/retirement housing) – around 70% in the affordable sector;
 - a need for around 570 additional housing units with care (e.g. extra-care) – again split between market and affordable housing (around 60% market);
 - a need for additional nursing and residential care bedspaces; and
 - a need for approaching 400 dwellings to be for wheelchair users (meeting technical standard M4(3)).
32. 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. Given the evidence, the Council 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 (and a higher proportion of around a tenth in the affordable sector).
33. Where the authority has nomination rights M4(3) 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). 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.
34. In framing policies for the provision of specialist older persons accommodation, the Council 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). There may also be some practical issues to consider, such as the ability of any individual development being mixed tenure (given the way care and support services are paid for).
35. Since the 2019 assessment, JGC have overhauled much of the methodology for looking at older person needs and the need for wheelchair housing – particularly by updating analysis of prevalence rates to reflect best practice and also to draw on more up-to-date information – therefore direct comparisons are difficult. However it is clear from both reports that there is a notable potential need for all types of specialist housing (in both broad tenures) as well as a need for additional homes for wheelchair users.

1. Background

Introduction

- 1.1 This report provides an update to the Demographics Study prepared by Justin Gardner Consulting (JGC) in December 2019¹, which supported the consultation draft Gosport Borough Local Plan 2038 (often referred to as Regulation 18 stage). That study developed a series of population and household projections for different housing delivery scenarios. The study also provided a review of the need for affordable housing, the mix of housing needed (by size and tenure) and linked to the projections, looked at changes in the number of older persons and potential associated housing need.

Background to the Study

- 1.2 Gosport Borough Council is preparing a new Local Plan (the Gosport Borough Local Plan 2040). The current GBLP² was adopted in October 2015 and covers the period to 2029. In the original 2019 demographics study it was proposed that the revised Local Plan would extend the Plan to 2036. Since this date, it had been necessary to extend the plan period to 2038, and more recently to 2040. This is due to the importance of having a minimum 15 year plan period by the time the draft Local Plan goes to examination. The plan period for this study therefore covers a 16 year period between 2024 and 2040.
- 1.3 As with the 2019 study this review develops an understanding of some key demographic trends as a base evidence study for the emerging Local Plan; this in turn will help inform other evidence work including the Council's Infrastructure Assessment Report and transport studies.
- 1.4 The demographics report considers different housing scenarios for the Borough. The Government's National Planning Policy Framework (NPPF) requires local authorities to use the Standard Method in national planning guidance to establish housing need for an area. But, as stated in the latest NPPF (2023) the Standard Method is an advisory starting-point. The Standard Method is based on the ONS Long Term Household Projections (2014-based) plus a component that takes into account housing affordability (the Standard Method is considered in more detail in Section 2 of this report).
- 1.5 The latest Standard Method requirement for Gosport, using the 2014-based Household Projections results in an annual requirement of 339 homes per year. Over the current proposed plan period 2024-2040 (16 years) this represents 5,424 dwellings. Due to the constrained nature of Gosport Borough and the availability of sites, the Council's evidence demonstrates it is not possible to accommodate the Standard Method requirement.

¹ https://www.gosport.gov.uk/media/3178/Demographic-Projections-for-Gosport-Report/pdf/Demographic_Projections_for_Gosport_Report.pdf?m=1631872010967

² www.gosport.gov.uk/localplan2029

- 1.6 The Council's latest work which informs the housing requirement in the draft Local Plan, indicates approximately 170 dwellings per annum can be accommodated. This represents 2,720 dwellings over the 16 year period between 2024 and 2040. In order to understand the potential infrastructure requirements and need for various types of housing it is important to understand what the population projection would be during the plan period based on the Council's proposed housing supply of 170 dwellings per annum.
- 1.7 In addition, to provide sufficient headroom in the Council's analysis, this study also assesses a housing delivery of 190 dwellings per annum, representing 3,040 dwellings over the 16 years between 2024 and 2040.

Key Components of the Study

- 1.8 The previous report was named the Demographic Projection Report (2019) although the analysis within the document went well beyond simply looking at population and household projections – hence this report now being titled 'Demographics and Housing Need Report'. The key components of the study include:
- Section 2 – Population Trends and Projections – including consideration of the latest data on past trends, including information from the 2021 Census. The section also looks at the Standard Method and whether recent trends point to a different assessment of need. The analysis also looks at projections of the number of people who are likely to be economically active. Although a number of projections are developed, the main ones used for analysis are:
 - **Housing Trajectory A:** Based on 170 dwellings per annum over the period between 2024 and 2040. Representing a total of 2,720 homes. The current anticipated rate of delivery for the draft Local Plan and below the Government's Standard Method requirement.
 - **Housing Trajectory B:** Based on 190 dwellings per annum over the period between 2024 and 2040. Representing a total of 3,040 homes. Whilst this is not the current anticipated rate of delivery for the draft Local Plan, potential increases in the availability of sites could lead to such a figure and it would therefore be useful to assess this scenario.
 - Section 3 – Affordable Housing Need – Provides analysis about the need for affordable housing and builds on this by considering the range of tenures of homes which can provide genuinely affordable housing in a local context;
 - Section 4 – Need for Different Sizes of Homes – This section assesses the need for different sizes of homes in the future, modelling the implications of demographic drivers on need/demand for different sizes of homes in different tenures; and
 - Section 5 – Older and Disabled People – Considers the need for specialist accommodation for older people (e.g. sheltered/extra-care) and also the need for homes to be built to Building Regulations M4(2) any M4(3). The section studies a range of data around older persons and people with disabilities.

- 1.9 In addition, Appendix 1 provides detailed outputs from each of the two main (Housing Trajectory) projections developed; this includes data about births and deaths (natural change), migration, age structure changes and estimates of the number of people who are likely to be economically active.
- 1.10 Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100% or to the anticipated row or column 'total' due to the use of rounded decimal figures.

Draft NPPF

- 1.11 On the 30th July 2024, the new Labour Government published a new draft NPPF for consultation – this was released after this report had been drafted. The key part of the draft NPPF as it relates to this report is the inclusion of a new 'mandatory' Standard Method for assessing housing which means that local authorities will be required to plan for the resulting housing need figure and will only be able to plan for a lower figure in circumstances when severe constraints can be demonstrated. For Gosport, it is likely (given housing capacity issues) that a new mandatory figure will not impact on the housing requirements set out in the Local Plan, but it is important for this report to note possible changes to future national policy.

Background: Key Messages

- Justin Gardner Consulting (JGC) have been commissioned by Gosport Borough Council to update the 2019 Demographics Report, producing this Demographics and Housing Need Report, which includes developing a series of population and household projections for a range of different potential housing delivery scenarios across the Borough.
- The study also provides a review of the need for affordable housing and the appropriate mix of housing along with studying the projected growth in the older person population and potential needs for specialist accommodation.
- The modelling in the report largely focuses on two scenarios which are described below; detailed outputs from each of these have been provided as an appendix to the report:
 - Housing Trajectory A: Based on 170 dwellings per annum over the 2024-40 period; and
 - Housing Trajectory B: Based on 190 dwellings per annum over the 2024-40 period.

2. Population Trends and Projections

Introduction

- 2.1 This section studies demographic trends, in particular looking at population change and the components of change (births, deaths and migration). The section also considers overall housing need set against the framework of Planning Practice Guidance (PPG) – specifically the Standard Method for assessing housing need – and considers the recent demographic trends to test if there are ‘exceptional circumstances’ that would point to the Standard Method as no longer representing a realistic housing delivery target.
- 2.2 In reality, given the constrained nature of Gosport it is likely housing delivery and the housing requirement will be capacity led. The section therefore finishes by looking at the implications for population growth of delivery of 170 dwellings per annum and also 190 dwellings per annum. Where projections have been developed a 2024-40 period has been used to align with the emerging Local Plan.

Population Trends

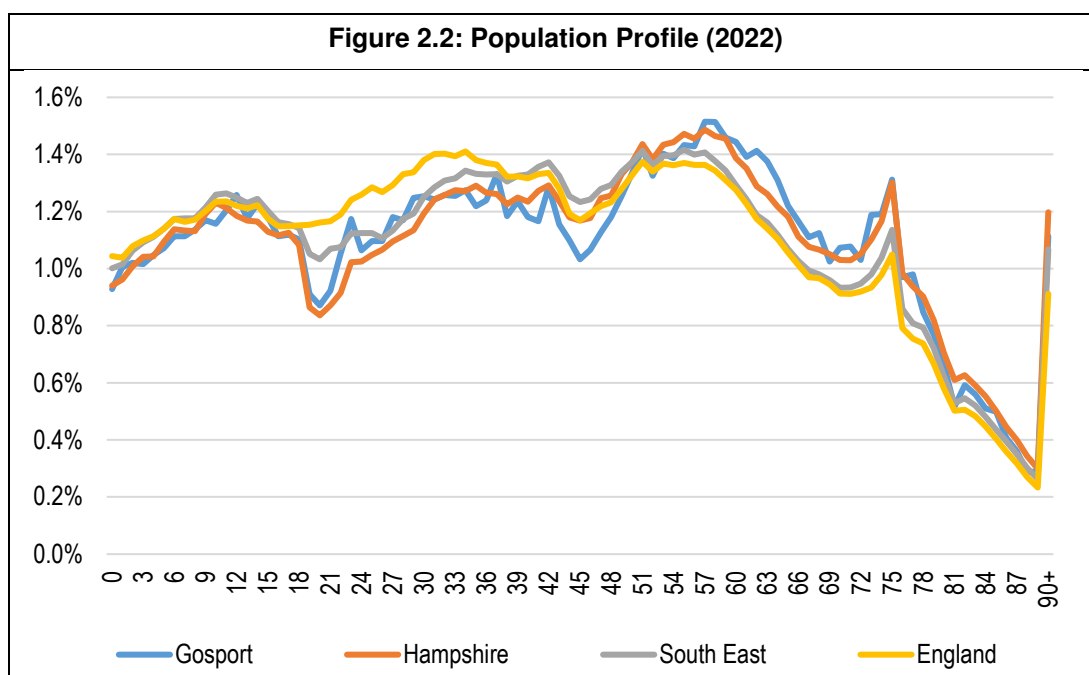
- 2.3 As of mid-2022 (the latest date for which ONS has published mid-year population estimates (MYE)), the population of Gosport is estimated to be 82,300, this is a modest decline of around 800 people over the previous decade. This equates to a decline of around 1% since 2012 which compares with growth of between 6% and 7% across each of the County, the South East region and nationally.

Figure 2.1: Population Change (2012-22)				
	2012	2022	Change	% change
Gosport	83,063	82,285	-778	-0.9%
Hampshire	1,331,572	1,416,808	85,236	6.4%
South East	8,731,840	9,379,833	647,993	7.4%
England	53,506,812	57,106,398	3,599,586	6.7%

Source: ONS mid-year population estimates

Age Structure

- 2.4 The figure below shows the age structure by single year of age (compared with a range of other areas). The data suggests Gosport has a slightly older population structure than seen across the region and nationally, but similar to the profile in Hampshire. The data also shows a drop in people aged in their late teens and early 20s which will be linked to the student age population leaving for further education – this is again a common feature with Hampshire.



Source: ONS mid-year population estimates

- 2.5 The analysis below summarises the above information (including total population numbers for Gosport) 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 highlights a slightly higher proportion of people aged 65 and over when compared with regional and national data.

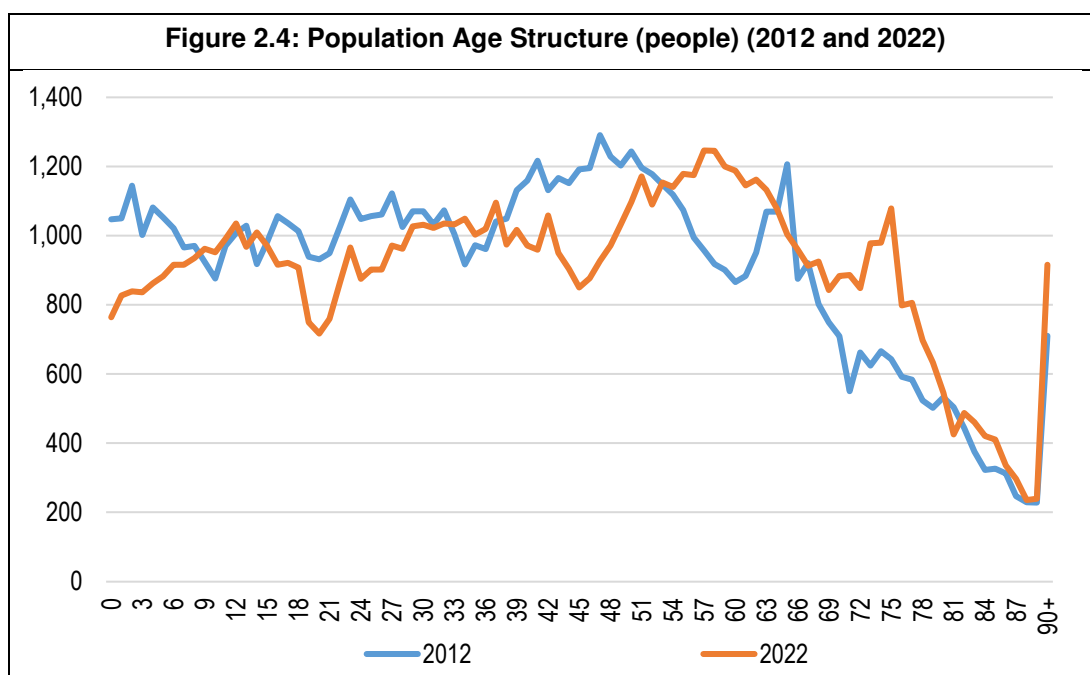
Figure 2.3: Population Profile (2022) – Summary Age Bands

	Gosport		Hampshire	South East	England
	Population	% of population	% of population	% of population	% of population
Under 16	14,664	17.8%	17.8%	18.6%	18.5%
16-64	49,620	60.3%	60.1%	61.7%	62.9%
65+	18,001	21.9%	22.1%	19.7%	18.6%
All Ages	82,285	100.0%	100.0%	100.0%	100.0%

Source: ONS mid-year population estimates

Age Structure Changes

- 2.6 The figure below shows how the age structure of the population has changed in the 10-year period from 2012 to 2022 – the data used is based on population so will also reflect the modest decrease 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 70 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).



Source: ONS mid-year population estimates

- 2.7 The information above is summarised into three broad age bands to ease comparison. The table below shows a 9% decrease in the Under 16 population and a 5% drop in those aged 16–64. An increase (of 21%) is however seen in the 65+ age group.

Figure 2.5: Change in population by broad age group (2012-22) – Gosport

	2012	2022	Change	% change
Under 16	16,039	14,664	-1,375	-8.6%
16-64	52,190	49,620	-2,570	-4.9%
65+	14,834	18,001	3,167	21.3%
TOTAL	83,063	82,285	-778	-0.9%

Source: ONS mid-year population estimates

Components of Population Change

- 2.8 The table below consider the drivers of population change from 2011 to 2022. The main components of change are natural change (births minus deaths) and net migration (internal/domestic and international).
- 2.9 There is also an Unattributable Population Change (UPC) which is a correction made by ONS upon publication of Census data if population has been under- or over-estimated (this is only calculated for the 2011-21 period). There are also 'other changes', which for Gosport are a notable part of population change – these changes are often related to armed forces personnel, the prison population or boarding school pupils. Given Gosport's relationship with the MoD, population change related to armed forces personnel is likely to be an important part of these 'other changes'.

- 2.10 The data shows natural change to generally be dropping over time and for the past four years for which there is data these figures have been negative (i.e. more deaths than births). Migration is variable, and generally on a downward trend, particularly for internal (domestic) movers; international migration is generally quite low (and in both a positive and negative direction on a year-by-year basis) although the figure for 2021/22 is the highest recorded for any period back to 2011.
- 2.11 The analysis also shows (for the 2011-21) period a notable negative level of UPC (totalling over 1,900 people over the 10-year period), this suggests when the 2021 Census was published ONS had previously over-estimated population change.

Figure 2.6: Components of population change, mid-2011 to mid-2022 – Gosport						
	Natural change	Net internal migration	Net international migration	Other changes	Other (unattributable)	Total change
2011/12	247	242	4	69	-168	394
2012/13	131	12	-2	-10	-179	-48
2013/14	168	402	28	133	-177	554
2014/15	134	222	12	81	-184	265
2015/16	123	396	70	229	-176	642
2016/17	124	-155	5	-5	-199	-230
2017/18	5	-379	-61	100	-211	-546
2018/19	-13	-345	-38	-82	-200	-678
2019/20	-115	-290	-45	230	-214	-434
2020/21	-77	-178	14	37	-215	-419
2021/22	-149	56	175	34	0	116

Source: ONS

ONS Admin-based Population Estimates

- 2.12 Over the last couple of years ONS has been developing new 'admin based' population estimates with data now available for mid-2021 to mid-2023 – the latter date therefore being since the most recent MYE. It is therefore of interest to look at population estimates from this source, although it is important to note that ONS state the following on their website:

'These are official statistics in development because we continue to refine our methods. They do not replace official mid-year population and international migration estimates and should not be used for decision making'.

- 2.13 The table below shows population estimates from the admin-based data and also the MYE. For 2021-22 the admin-based figures show a similar population growth to the MYE; and they also include a slightly higher estimated level of growth for the 2022-23 period.

Figure 2.7: ONS admin-based population estimates (2021-23) and comparison with MYE – Gosport				
	ONS MYE	Change	ONS Admin-based Estimate	Change
2021	82,169		82,303	
2022	82,285	116	82,439	136
2023	-	-	82,777	338

Source: ONS

Standard Method Local Housing Need

- 2.14 The NPPF sets out a 'Standard Method' which is used to calculate an area's local housing need, and as set out in paragraph 61 of the NPPF, is intended to be an advisory starting point for establishing a housing requirement within a new local plan.
- 2.15 The Standard Method has a number of steps, as set out in Planning Practice Guidance which generate an annual housing need figure, which is then intended to be applied to the plan period.

Step One: Setting the Baseline

- 2.16 The first step is to establish a demographic baseline of household growth. This baseline is drawn from the 2014-based Household Projections and should be the annual average household growth over a ten-year period, with the current year being the first year i.e. 2024-34. The average household growth projected for Gosport over this period is 272 per annum.

Step Two: Affordability Adjustment

- 2.17 The second step is to consider the application of an uplift on the demographic 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 workplace-based median house price to median earnings ratio for the most recent year for which data is available.
- 2.18 The latest (workplace-based) affordability data is for 2023 and was published by ONS in March 2024. The Government's guidance states that for each 1% increase in the ratio of house prices to earnings, above 4, the average household growth should be increased by 6.25%, with the calculation being shown below. For the Borough, the ratio was 7.95, giving an uplift of 25%. This leads to a housing need of 339 dwellings per annum.

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

Step Three: The Cap

- 2.19 The third step of the Standard Method is to consider the application of a cap on any increase and ensure that the figure which arises through the first two steps does not exceed a level which can be delivered. There are two situations where a cap is applied:
- The first is where an authority has reviewed their plan (including developing an assessment of housing need) or adopted a plan within the last five years. In this instance the need may be capped at 40% above the requirement figure set out in the plan; and
 - The second situation is where plans and evidence are more than five years old. In such circumstances a cap may be applied at 40% of the higher of the projected household growth (step 1) or the housing requirement in the most recent plan, where this exists.
- 2.20 The last Local Plan was adopted in October 2015 and includes a housing target of 170 dwellings per annum. Given this figure and the date of the plan, no capping is relevant for Gosport.

Step Four: Urban Uplift

- 2.21 The fourth and final step in the calculation means that the 20 largest urban areas in England are subject to a further 35% uplift. This uplift ensures that the Government's stated target of 300,000 dwellings per annum is met and that *"homes are built in the right places, to make the most of existing infrastructure, and to allow people to live nearby the service they rely on, making travel patterns more sustainable."* (Paragraph: 035 Reference ID: 2a-035-20201216). Gosport is not listed within the top 20 urban areas in the country and therefore no additional uplift is applied. The only authority required to apply this 35% uplift in the sub-region is Southampton.

Standard Method Calculation

- 2.22 The table below works through the Standard Method calculations for the Borough. This confirms the need for 339 dwellings per annum. The PPG sets out that this figure needs to be kept under review until the point of submission of the Plan. New affordability data is released annually in late March.

Figure 2.8: Standard Method Housing Need Calculations using 2014-based Household Projections	
	Gosport
Households 2024	39,195
Households 2034	41,916
Change in households	2,721
Per annum change	272
Affordability ratio (2023)	7.95
Uplift to household growth	25%
Uncapped need (per annum)	339

Source: JGC analysis of a range of ONS and MHCLG sources

- 2.23 As was noted in Section 1 of this report, at the end of July 2024 the Government released a new draft NPPF for consultation; this included a proposed new Standard Method which for Gosport would point to a higher 'housing need' of 465 dwellings per annum. This figure is included in this report for reference only as the revised NPPF is yet to be adopted, and it is also the case that a lower figure can be planned for where there are constraints on housing delivery (as there are in Gosport).

Divergence from the Standard Method (Exceptional Circumstances)

- 2.24 The table above sets out housing need using the Standard Method and whilst this is a relevant consideration, Planning Practice Guidance does allow for divergence from these figures (in both an upward and downward direction) where exceptional circumstances can be demonstrated. An important start point is to understand Government guidance on this topic. This can be found in Planning Practice Guidance titled 'housing and economic needs assessment' and below are some key quotes for the purposes of this document.

"Is the use of the standard method for strategic policy making purposes mandatory?"

No, if it is felt that circumstances warrant an alternative approach but authorities can expect this to be scrutinised more closely at examination. There is an expectation that the standard method will be used and that any other method will be used only in exceptional circumstances." - Paragraph: 003 Reference ID: 2a-003-20190220.

"If authorities use a different method how will this be tested at examination?"

Where an alternative approach results in a lower housing need figure than that identified using the standard method, the strategic policy-making authority will need to demonstrate, using robust evidence, that the figure is based on realistic assumptions of demographic growth and that there are exceptional local circumstances that justify deviating from the standard method. This will be tested at examination. Any method which relies on using household projections more recently published than the 2014-based household projections will not be considered to be following the standard method." - Paragraph: 015 Reference ID: 2a-015-20190220 (whole paragraph not replicated).

- 2.25 Paragraph 2a-010 also sets out circumstances where it might be appropriate to plan for a higher housing need figure than the Standard Method indicates; this includes noting that the method '*does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates*'.

- 2.26 Regarding demographic trends and projections, the guidance is therefore quite clear: there is an expectation that the 2014-based sub-national household projections (SNHP) should be used but that an alternative approach can be applied where relevant. When using an alternative approach, it is necessary to take account of demographic growth and market signals, but this cannot include using more recent versions of published SNHP. The PPG does not specifically set out examples of exceptional circumstances for demographic trends and projections but it is considered that there are likely to be two main considerations:
- Firstly that demographic data on which projections are based is demonstrably wrong and cannot realistically be used for trend-based projections on which the Standard Method is based; and
 - Secondly that demographic trends have changed so much that it is unrealistic to use a set of projections based on information in a trend period to 2014, which is now over 8-years old.
- 2.27 The analysis below principally focuses on population projections as these are the main driver of household growth. The analysis additionally does not seek to challenge the market signals (affordability) element of the Standard Method.

Data used in 2014-based projections

- 2.28 On the 22nd March 2018 ONS released revised population estimates for England and Wales: mid-2012 to mid-2016. The main justification ONS listed for this were that improvements had been made to international emigration and foreign armed forces dependents and that the distribution of people aged in their 20s and 30s has changed more than for other age groups.
- 2.29 By updating previous estimates of population change and migration (including in the period 2011-14) ONS were essentially changing the data used to underpin part of the 2014-based projections. It is therefore worthwhile seeing how significant these changes were for Gosport and if this updated information points to the 2014-based projections as being substantially wrong.
- 2.30 The table below shows estimated population in 2014 from the original and revised MYE. For the Borough, the revised population estimate for 2014 is slightly higher than for previous data (data used for the 2014-SNPP). This would suggest the 2014-based projections might slightly under-estimate population growth. However, the scale of difference is not considered as substantial (or exceptional) and would be unlikely to have a notable impact on projections.

Figure 2.9: Original & Revised Estimate of Population in 2014			
	Original estimate	Revised estimate	Difference
Gosport	84,287	84,346	+59

Source: ONS

Demographic Trends

- 2.31 The analysis below looks at population trends across the Borough, including more recent demographic data. Two main sources are initially used, these are:
- MYE (unadjusted) – unadjusted ONS mid-year population estimates (MYE) – these are estimates of population made by ONS through its tracking of births, deaths and migration from 2021. This is an important source as the data contained within this data source (notably about migration) is likely to be used by ONS as part of the next round of population projections (2022-based SNPP); and
 - MYE (Census adjusted) – these are estimates of population in 2021 that take account of 2021 Census data. Essentially, ONS use the Census (which dates from March 2021) and roll forward to a mid-year estimates based on births, deaths and migration in the 3 month period. The Census adjusted MYE replace the unadjusted figures as the ONS view of population in 2021.
- 2.32 From these sources there are only two consistent data points (2011 and 2021). Much of the analysis to follow therefore looks at trends in this 10-year period.
- 2.33 Above it was noted that one exceptional circumstance might be that the 2014-based subnational household projections (SNHP) that underpin the Standard Method are clearly wrong – in this instance we are looking to consider if the trends that have actually occurred are substantially different from those projected back in 2014 and that this is locally exceptional. One way of considering this is to compare data for 2021 with recently published Census data and also MYE data (prior to a Census adjustment). Comparisons are made for both population (as this underpins the household projections) and household estimates.
- 2.34 2014-based projections had projected the population of the Borough to reach 86,100 by 2021 and ONS in their monitoring of data had estimated a lower population figure (84,100). Following publication of the 2021 Census, ONS has further revised downwards its estimate of population in 2021 to 82,200 – a figure well below the 2014-based projections.
- 2.35 This does suggest that demographic trends have not been as strong as was projected in the 2014-based projections and there may be a case to consider a lower housing number based on recent trends.

Figure 2.10: Estimated Population in 2011 and 2021 – Gosport				
	2011	2021	Change	% change
2014-based SNPP/SNHP	83,063	86,097	3,034	3.7%
MYE (unadjusted)	83,063	84,092	1,029	1.2%
MYE (Census adjusted)	83,063	82,169	-894	-1.1%

Source: ONS

- 2.36 In terms of more recent trends, we can also look at household changes as projected in the 2014-SNHP and as now shown by the Census, this is shown in the table below. This shows that household growth in the 10-year period to 2021 was projected to be at a notably higher level in the 2014-SNHP than the Census has now shown. This again does point to some weakening of demographic trends and the possibility of considering a lower estimate of housing need.

Figure 2.11: Estimated Households in 2011 and 2021 – range of sources				
	2011	2021	Change	% change
2014-based SNHP	35,447	38,397	2,950	8.3%
Census	35,430	35,923	493	1.4%

Source: ONS

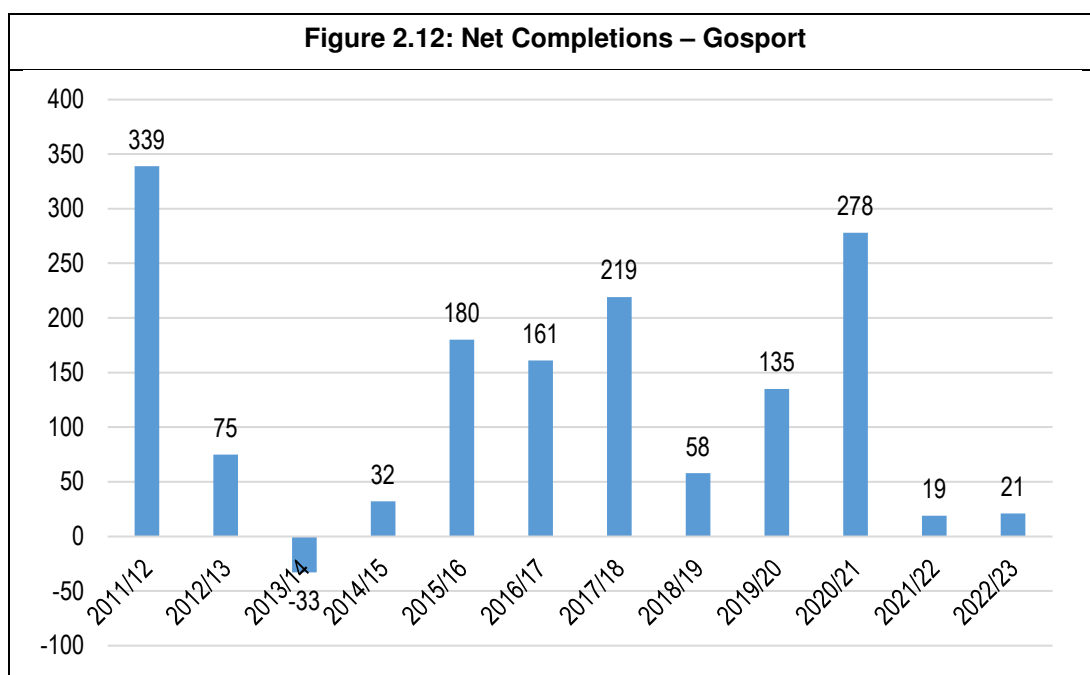
- 2.37 The demographic evidence does seem to point to a set of exceptional circumstances which justify moving away from the Standard Method. The data suggests the Standard Method is likely to be on the high side in estimating housing need for the Borough with recent trends looking to be notably below those projected in the 2014-based household projections.

Historic Completions Trends

- 2.38 A further consideration is to look at past housing delivery. This is a key part of the PPG, which says (2a-010):

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

- 2.39 The chart below shows variable delivery over time – an average of 124 dwellings per annum delivered since 2011 and a lower figure (102 dwellings average) over the last five years (2018-23). These figures would point to a housing need (through the Standard Method) of 339 per annum as being on the high side – this figure has not been achieved for any year in the past decade. It is understood that prior to this, higher housing delivery was achieved but was largely reliant on large-scale land releases such as at Cherque Farm, Lee-on-the-Solent, and Priddy's Hard and Royal Clarence Yard, Gosport. Such opportunities are now more limited.



Source: Gosport Authority Monitoring Report and MHCLG Live Table 122

Developing Trend-Based Projections

- 2.40 The purpose of this sub-section is to develop trend-based population projections using the latest available demographic information. A key driver of this is due to publication of new 2021 Census data which has essentially reset estimates of population (size and age structure) compared with previous mid-year population estimates (MYE) from ONS (ONS has subsequently updated 2021 MYE figures to take account of the Census). In addition, a 2022 MYE is now available plus estimates of population in 2023 (from the admin-based source). Given the existence of some baseline data for 2023, the projections developed look at a 2023-2040 period with data for 2024-34 being presented to align with the Standard Method.
- 2.41 Two projections have been developed looking at estimated migration trends over the past 5- and 10-years. A 5-year period has been chosen as it is consistent with the time period typically used by ONS when developing subnational population projections; 10-years has been used as it provides a longer and arguably more stable trend period (it should be noted ONS typically also look at a 10-year variant when developing projections). The two projections can therefore be summarised as:
- 5-year trend using migration estimates in the MYE for the 2017-22 period; and
 - 10-year trend using migration estimates in the MYE for the 2012-22 period.
- 2.42 Below the general method used for each of the components and the outputs from the trend-based projections are set out. The latest ONS projections are a 2018-based set of SNPP and whilst these are not directly used in the analysis they are used as a base position from which adjustments for recent trends can be applied.

Natural Change

- 2.43 Natural change is made up of births and deaths and analysis above has shown a general downward trend over time. To project trends forward, the analysis looks at each of births and deaths separately and compares projected figures in the 2018-SNPP with actual recorded figures in the MYE. The analysis also takes account of differences between the estimated population size and structure in 2021 (in the 2018-SNPP) and the ONS MYE (as revised to take account of Census data). Overall, it is estimated recent trends show a slightly lower birth rate and slightly higher death rate and so modest adjustments have been made to each of these components.

Migration

- 2.44 When looking at migration our start point is to consider levels of migration over the past 5- and 10-years (to 2022). Information about migration estimates is shown in the table below with average figures provided for the last 5- and 10-years. In both cases the data points to a level of net out-migration (comprising domestic out-migration) and a balancing but lower level of international migration). The 10-year period shows a lower level of net out-migration.

Figure 2.13: Past trends in net migration – Gosport			
	Internal (domestic)	International	All net migration
2012/13	12	-2	10
2013/14	402	28	430
2014/15	222	12	234
2015/16	396	70	466
2016/17	-155	5	-150
2017/18	-379	-61	-440
2018/19	-345	-38	-383
2019/20	-290	-45	-335
2020/21	-178	14	-164
2021/22	56	175	231
Average (2017-22)	-227	9	-218
Average (2012-22)	-26	16	-10

Source: ONS

- 2.45 As with fertility and mortality data, the information above has been used to make adjustments to the 2018-based SNPP to reflect recent trends – this has been done separately for both internal and international migration.

Population Projection Outputs

- 2.46 The above estimates of fertility, mortality and migration (including changes over time) have been modelled to develop a projection for the period to 2040 (the end of the plan period). The table below shows projected population growth for each of the scenarios (for the 2024-34 period). With a 5-year migration trend, there is projected to be a notable decrease in population (of 4,400 people) – generated by a high net out-migration. With a 10-year migration trend, there is more modest population decline (around 2,200 people) – this is due to a lower level of net out-migration when compared with the 5-year trend but a continued reduction in natural change.

Figure 2.14: Projected population growth under a range of scenarios				
	Population 2024	Population 2034	Change	% change
5-year trend (MYE)	82,422	77,982	-4,440	-5.4%
10-year trend (MYE)	82,630	80,409	-2,221	-2.7%

Source: Demographic projections

Household Projections

- 2.47 To understand what this means for housing need the population growth is translated into household growth using household representative rates and data about the communal (institutional) population³. These have again been updated using data from the Census with the table below summarising the assumptions used.
- 2.48 Consistent with the ONS approach, the projections assume that the number of people aged under 75 living in Communal Establishments will remain constant over the projection period; however, it is the proportion of people aged 75 or over that is held constant by sex.
- 2.49 For households representative rates (HRRs) the figures are calculated as at the time of the Census and have been held constant moving forward. If ONS follow the method used in their most recent projections for future releases then they are likely to build in the trend between the last three Census points (2001, 2011 and 2021). However, the analysis below does not build in any trend; were it to do so it would generally reduce the HRRs over time and levels of projected household growth would be lower. However, that would arguably build in a degree of suppression in the formation of households and has therefore not been considered as a robust approach.
- 2.50 In interpreting the table below (by way of examples) the data shows around 9% of females aged 85-89 live in a communal establishment (i.e. are not part of the household population) whilst around 77% of males aged 50-54 are considered to be a 'head of household' (where they are living in a household). Generally the HRRs increase by age, this is due to older people being more likely to live alone, often following the death of a spouse or partner.

³ A communal establishment resident is a person whose place of usual residence is in managed residential accommodation. Types of communal establishment could include: non-self-contained sheltered or supported housing, small hotels, guest houses, bed & breakfasts and inns and pubs with residential accommodation, student halls of residence, armed forces or nurses accommodation.

Figure 2.15: Communal Population and Household Representative Rates from 2021 Census – Gosport				
	Communal population		Household Representative Rates	
	Male	Female	Male	Female
Age 0 to 15	4	4	-	-
Age 16 to 19	43	7	0.009	0.023
Age 20 to 24	174	11	0.179	0.170
Age 25 to 29	90	9	0.461	0.329
Age 30 to 34	63	4	0.633	0.382
Age 35 to 39	25	10	0.711	0.393
Age 40 to 44	13	5	0.750	0.418
Age 45 to 49	22	8	0.754	0.452
Age 50 to 54	22	7	0.768	0.474
Age 55 to 59	14	8	0.773	0.498
Age 60 to 64	17	113	0.778	0.488
Age 65 to 69	9	9	0.698	0.472
Age 70 to 74	20	25	0.744	0.514
Age 75 to 79	0.016	0.012	0.810	0.606
Age 80 to 84	0.025	0.041	0.865	0.704
Age 85 to 89	0.041	0.092	0.872	0.826
Age 90 or over	0.102	0.207	0.923	0.908

Source: Census 2021 (mainly Tables CT 106 and 107)

- 2.51 Applying these figures to the population projections projects a decrease of 28 households per annum over the 2024-34 period with the 5-year trend projection and positive growth (of 166 households per annum) with 10-year trends (see table below). If the latter of these figures were used within the framework of the Standard Method (i.e. to add 25% for the affordability adjustment) then there would be a housing need of 207 dwellings per annum shown. This analysis does point to the Standard Method being too high on the basis of recent demographic trends.

Figure 2.16: Projected change in households – range of scenarios				
	Households 2024	Households 2034	Change in households	Per annum
5-year trend	36,571	36,286	-284	-28
10-year trend	36,723	38,381	1,657	166

Source: Demographic projections

Developing Capacity-led Projections

- 2.52 Following on from looking at the implications of recent demographic trends, the analysis below develops two projections linking to the Council's estimated housing capacity (based on land availability) of the Borough over the period to 2040 (data presented from 2024). The method used is similar to that of looking at projections linking to past trends, but in this case inputs a housing figure and works backwards to see what level of migration might be required for the population to change sufficiently for homes to be filled.

2.53 The only other difference is the modelling assumes a small allowance for vacant homes – this is set at 3% (which is fairly standard for analysis of this nature) and therefore means that the number of additional homes will be 3% higher than the number of additional households. To confirm, the two projections developed are:

- Housing Trajectory A: Based on delivery of 170 dwellings per annum in the 2024-40 period (a total of 2,720 homes) – this is the figure used in the latest work by the Council on the Local Plan; and
- Housing Trajectory B: Based on delivery of 190 dwellings per annum in the 2024-40 period (a total of 3,040 homes) – this includes a degree of headroom above the 170 figure above.

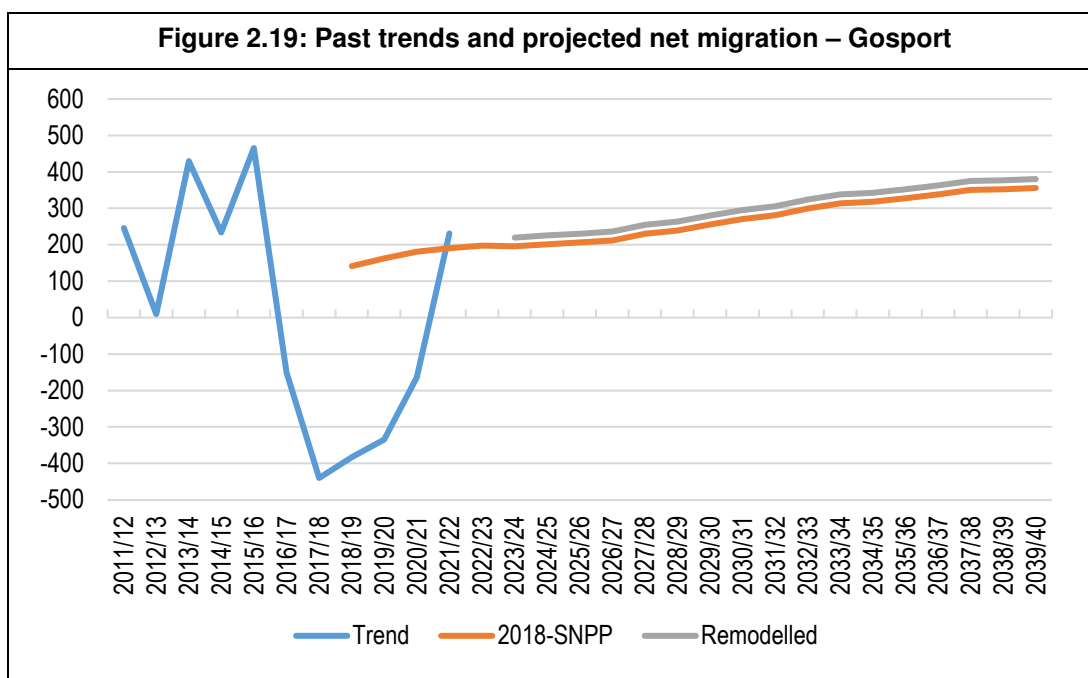
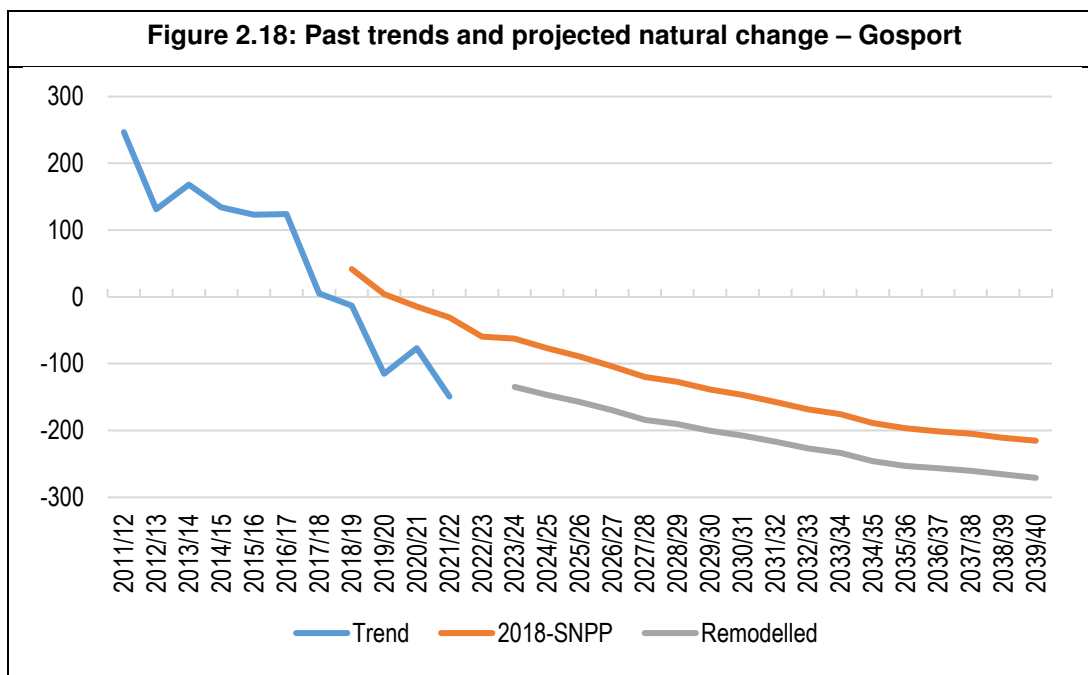
2.54 The table below shows projected population growth with these two scenarios, both see a positive level of population growth – ranging from around 1,400 to 2,200 additional people (a 2-3% increase over the period).

Figure 2.17: Projected population growth under a range of scenarios				
	Population 2024	Population 2040	Change	% change
Trajectory A (170 dpa)	82,861	84,308	1,447	1.7%
Trajectory B (190 dpa)	82,905	85,138	2,233	2.7%

Source: Demographic projections

2.55 In taking these projections forward, the main focus is on Trajectory A (170 dwellings per annum) as this is the main capacity figure considered deliverable by the Council and being used in the Local Plan. This projection has been used so that further analysis in the report can readily be undertaken. For example, when looking at older persons' needs it is necessary to understand how the older person population might grow and - for the mix of housing - a model has been used that looks at the implications of demographic change.

2.56 Below are a series of charts showing key components of population change (using the Trajectory A projection (170 dwellings per annum)). For contrast, data is compared with that from the 2018-based SNPP, that being the most recent projection released by ONS.



2.57 The table below shows estimated population growth across the Borough split into 3 broad age bands (which can generally be described as a) children, b) working age and c) pensionable age). This confirms population being projected to increase by around 1,400 people – this is a 1.7% increase over the 16-year period. The population aged 65 and over is projected to see the largest increase, with the population aged under 16 and 16-64 projected to see declines in population numbers.

Figure 2.20: Projected change in population by broad age group (2024-40) – Gosport				
	2024	2040	Change	% change
Under 16	13,321	12,059	-1,262	-9.5%
16-64	50,591	47,674	-2,917	-5.8%
65+	18,949	24,575	5,626	29.7%
TOTAL	82,861	84,308	1,447	1.7%

Source: Demographic projections

Comparison with Previous Assessment

- 2.58 The age structure from this projection (Trajectory A: 170 dwellings per annum) can be compared with a similar projection developed in the 2019 demographics report. In the 2019 report age structure data was presented in 5-year age bands and so we have gone back to the original projections to provide a direct comparison. It should also be noted that previous projections looked at a 20-year period (2016-36) and so will differ slightly from the above.
- 2.59 The outputs show a much greater ageing of the population projected in the 2019 study than this 2024 report (and also higher reductions in the number of people aged Under 16 and 16-64 in the 2019 report). This looks to be driven by the notable differences in natural change observed over recent years (and built into the projections). In particular, with life expectancy not projected to be improving at the levels projected at the time of the 2019 study the growth in the number of older persons is lower and therefore the projection generates fewer older person households (and more households where the HRP is aged Under 65).

Figure 2.21: Projected change in population by broad age group (2016-36) – Gosport – data from 2019 assessment				
	2016	2036	Change	% change
Under 16	16,056	13,414	-2,642	-16.5%
16-64	52,844	47,551	-5,293	-10.0%
65+	16,592	25,028	8,436	50.8%
TOTAL	85,492	85,993	501	0.6%

Source: Demographic projections in 2019 assessment

Relationship Between Housing and Economic Growth

- 2.60 The analysis to follow considers the relationship between housing and economic growth; seeking to understand what level of change might be expected in the resident labour supply given projected changes to the population and its age structure.
- 2.61 The approach taken in this report is to derive a series of age and sex specific economic activity rates and use these to estimate how many people in the population will be economically active as projections develop. This is a fairly typical approach with data being drawn in this instance from the Office for Budget Responsibility (OBR) – July 2018 (Fiscal Sustainability Report) – this data has then been rebased to information in the 2021 Census (on age, sex and economic activity).
- 2.62 The table below shows the assumptions made for the Borough. The analysis shows that the main changes to economic activity rates are projected to be in the 60-69 age groups – this will to a considerable degree link to changes to pensionable age, as well as general trends in the number of older people working for longer (which in itself is linked to general reductions in pension provision).

Figure 2.22: Projected changes to economic activity rates (2024 and 2040) – Gosport						
	Males			Females		
	2024	2040	Change	2024	2040	Change
16-19	45.4%	45.9%	0.5%	46.3%	46.7%	0.4%
20-24	85.5%	85.5%	0.0%	79.2%	79.2%	0.0%
25-29	89.0%	89.0%	0.0%	79.0%	79.0%	0.0%
30-34	89.4%	89.4%	0.0%	79.7%	79.7%	0.0%
35-39	89.0%	88.8%	-0.2%	80.3%	81.3%	0.9%
40-44	89.0%	88.1%	-0.9%	82.3%	84.4%	2.1%
45-49	89.2%	88.0%	-1.2%	83.4%	86.8%	3.5%
50-54	86.5%	85.9%	-0.6%	79.3%	83.2%	3.9%
55-59	83.0%	82.5%	-0.5%	71.5%	73.4%	1.9%
60-64	70.8%	75.3%	4.5%	58.4%	63.3%	4.9%
65-69	30.3%	40.7%	10.4%	23.8%	34.3%	10.5%
70-74	9.1%	11.8%	2.7%	6.3%	12.5%	6.2%
75-89	3.9%	4.2%	0.3%	2.2%	4.6%	2.4%

Source: Based on OBR and Census (2021) data

- 2.63 Working through an analysis of age and sex specific economic activity rates it is possible to estimate the overall change in the number of economically active people in the Borough – this is set out in the table below. The analysis shows that under both scenarios there is projected to be a very modest increase in the economically active population.

Figure 2.23: Estimated change to the economically active population (2024-40) – Gosport				
	Economically active (2024)	Economically active (2040)	Total change in economically active	% change
Trajectory A (170 dpa)	40,757	40,816	59	0.1%
Trajectory B (190 dpa)	40,782	41,265	483	1.2%

Source: Demographic projections

- 2.64 In the 2019 study both the equivalent housing trajectory projections saw a reduction in the number of people who were economically active (declining by 1,600 people in the case of Trajectory A). It needs to be remembered that the time period used in the 2019 report was 20-year (2016-36) but the difference is driven by the point made above about lower improvements to life expectancy generally driving more growth (lower declines) in the population aged Under 65 for a given number of homes.

Population Trends and Projections: Key Messages

- As of mid-2022, the population of Gosport is estimated to be 82,300 and since 2012 the Borough's population has fallen by around 1%. The age structure of the population is broadly similar to that seen in other areas (slightly more older people in a regional and national context). Over the decade to 2022, the Borough has seen an ageing of the population, with the number of people aged 65 and over increasing by 21%.
- The report studied the overall housing need set against the NPPF and the framework of PPG – specifically the Standard Method for assessing housing need. This shows a need for 339 dwellings per annum. This is based on household growth of 272 per annum and an uplift for affordability of 25%.
- The report has considered whether there are exceptional circumstances to move away from the Standard Method (either in an upward or downward direction). This looked at up-to-date demographic trends and is also mindful of the latest NPPF of December 2023 which points to there being some strengthening of the encouragement for local authorities to consider exceptional circumstances and the Standard Method being an 'advisory starting-point'.
- Firstly the report tested the data used in the 2014-projections as ONS has subsequently revised key trend data for migration. In Gosport, the revision were very minor and unlikely to have any notable impact on the projections.
- The report then looks at more recent demographic trends – taking account of 2021 Census data and ONS mid-year population estimates up to 2022, this data was compared with the 2014-based projections. There are clear differences between sources (trends in Gosport generally being weaker than previously projected). Data about household growth from the Census also showed a similar pattern when compared to the 2014-based projections (recent household growth having been lower than projected). It is considered that this would point to the Standard Method potentially being on the high side.
- Using recent demographic trends about births, deaths and migration, two trend-based projections were developed, which were then considered using the framework of the Standard Method (projections were based on looking at migration trends over the past 5- and 10-years). The highest of the projections (10-year trends) pointed to household growth of 166 per annum, which with a 25% affordability uplift would give a need for 207 dwellings per annum – notably lower than the 339 dwellings per annum shown by the Standard Method.
- Whilst developing trend-based projections and running the outputs through the Standard Method is a useful analysis, it is the case that housing delivery in the Borough is likely to be limited by capacity; two projections were therefore developed linking to delivery of 170 and 190 dwellings per annum over the 2024-40 plan period. The main projection (Trajectory A: 170 dwellings per annum) suggested population growth over the period of around 1,400 people with a continued ageing of the population. A higher population growth (of 2,200 additional people) was projected under Trajectory B.
- These projections were then used to see what level of growth might be expected in the economically active population. For both projections a positive change was estimated, ranging from around 60 additional people in the labour supply with Trajectory A and approaching 500 people with Trajectory B.
- When compared with the 2019 study, this report suggests less ageing of the population and lower reductions in the number of people aged Under 16 and 16-64. This looks to be driven by the notable differences in natural change observed over recent years (and built into the projections). In particular, with life expectancy not projected to be improving at the levels projected at the time of the 2019 study the growth in the number of older persons is lower and therefore the projection generates fewer older person households (and more households aged Under 65).

3. Affordable Housing Need

Introduction

- 3.1 This section provides an assessment of the need for affordable housing in Gosport. The analysis specifically considers general needs housing, with further analysis of specialist housing (e.g. for older people) being discussed later in the report.
- 3.2 The analysis follows the PPG titled 'housing and economic needs assessment' (Sections 2a-018 to 2a-024) and provides two main outputs, linked to the affordable housing definition in Annex 2 of the NPPF – this is firstly an assessment of the need from households unable to buy OR rent housing and secondly from households able to rent but not buy. For convenience these analyses are labelled as a need for 'social/affordable rented housing' and 'affordable home ownership' although in reality it is possible for a home ownership product to fit into the rented category (as long as the price is sufficiently low) or for a rented product (such as rent-to-buy) to be considered as affordable home ownership.
- 3.3 The analysis also considers First Homes, which is a new tenure introduced in May 2021 (potentially replacing other forms of affordable home ownership). Further information about First Homes is set out in Planning Practice Guidance: First Homes.

Methodology Overview

- 3.4 The method for studying the need for affordable housing has been enshrined in Government guidance for many years, with an established approach to look at the number of households who are unable to afford market housing (to either rent or buy) – it is considered that this group will mainly be a target for rented affordable homes (social/affordable rented) and therefore the analysis looks at need for 'affordable housing for rent' as set out in Annex 2 of the NPPF. The methodology for looking at the need for rented (social/affordable) housing considers the following:
- **Current affordable housing need:** an estimate of the number of households who have a need now, at the point of the assessment, based on a range of secondary data sources – this figure is then annualised so as to meet the current need over a period of time;
 - **Projected newly forming households in need:** using demographic projections to establish gross household formation, and then applying an affordability test to estimate numbers of such households unable to afford market housing;
 - **Existing households falling into need:** based on studying past trends in the types of households who have accessed social/affordable rented housing; and
 - **Supply of affordable housing:** an estimate of the likely number of lettings that will become available from the existing social/affordable housing stock.
- 3.5 The first three bullet points above are added together to identify a gross need, from which the supply of relets of existing properties is subtracted to identify a net annual need for additional affordable housing. For the purposes of this assessment, this analysis is used to identify the overall (net) need for social/affordable rented housing.

- 3.6 This approach has traditionally been used to consider the needs of households who have not been able to afford market housing (either to buy or to rent). As the income necessary to afford to rent homes without financial support is typically lower than that needed to buy, the ability of households to afford private rents has influenced whether or not they are in need of affordable housing.
- 3.7 The NPPF and associated guidance has expanded the definition of those in affordable housing need to include households who might be able to rent without financial support but who aspire to own a home, and require support to do so. The PPG includes households that “cannot afford their own homes, either to rent, or to own, where that is their aspiration” as having an affordable housing need.
- 3.8 This widened definition has been introduced by national Government to support increased access to home ownership, given evidence of declining home ownership and growth in private renting over the last 20 years or so. The PPG does not however provide specific guidance on how the needs of such households should be assessed and so this study adopts a broadly consistent methodology to that identified in the PPG, and considers a current need; a newly-arising need on an annual basis; existing households falling into need; and an annual estimate of supply.
- 3.9 The analysis of affordable housing need is therefore structured to consider the need for rented affordable housing, and separately the need for affordable home ownership. The overall need is expressed as an annual figure, which can then be compared with likely future delivery (as required by Section 2a-024 of the PPG).
- 3.10 Whilst the need for social/affordable rented housing and affordable home ownership are analysed separately, there are a number of pieces of information that are common to both assessments. In particular, this includes an understanding of local housing costs, incomes and affordability. The sections below therefore look at these factors.

Local Prices and Rents

- 3.11 An important part of the affordable needs model 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’. For the purposes of establishing affordable housing need, the analysis focuses on overall housing costs (for all dwelling types and sizes).
- 3.12 The analysis below considers the entry-level costs of housing to both buy and rent across the Borough. The analysis is largely based on an online market survey of homes for sale or rent. The analysis indicates that rents start at around £800 per month for 1-bed properties, with a lower quartile of £950 per month across all sizes. House prices in the Borough start at £120,000 for 1-bed properties, with a lower quartile price of £190,000 across all property types.

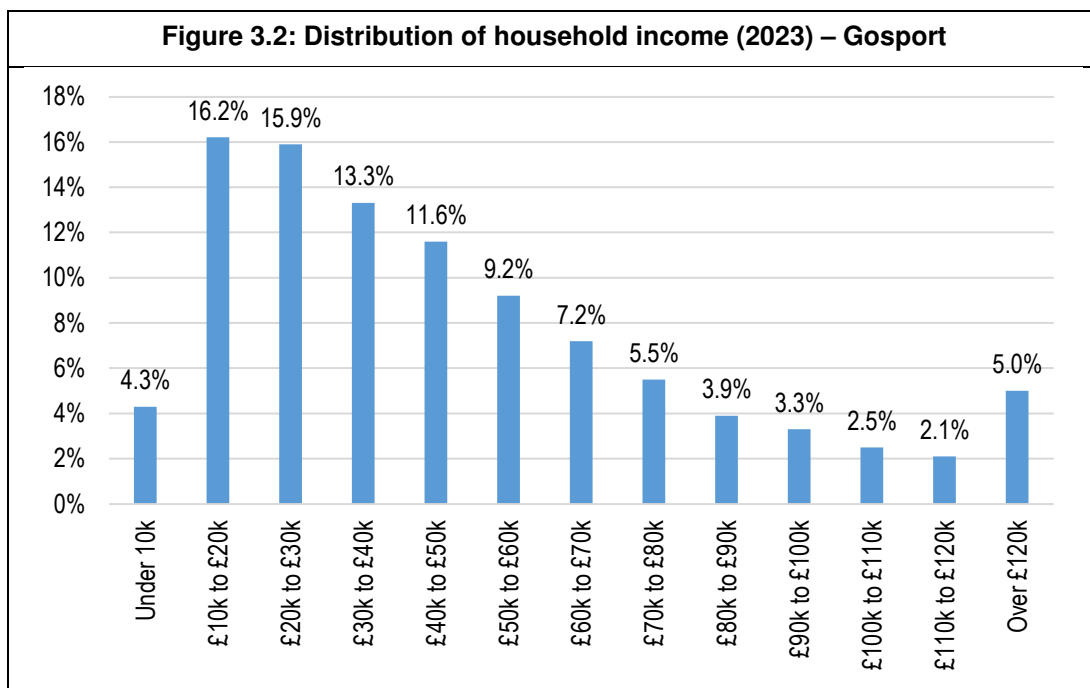
Figure 3.1: Estimated lower quartile cost of housing to buy (existing dwellings) and privately rent by size– Gosport

	Lower quartile price	Lower Quartile rent, pcm
1-bedroom	£120,000	£800
2-bedrooms	£165,000	£1,000
3-bedrooms	£235,000	£1,200
4-bedrooms	£330,000	£1,500
All Dwellings	£190,000	£950

Source: Land Registry and Internet Price Search

Household Incomes

- 3.13 Following on from the assessment of local prices and rents 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). Data about total household income has been based on ONS modelled income estimates updated to a 2023 base using data from the Annual Survey of Hours and Earnings (ASHE). Additional data from the English Housing Survey (EHS) has been used to provide information about the distribution of incomes.
- 3.14 Drawing this data together an income distribution for all households across the Borough has been constructed for 2023. The figure below shows that around a fifth of households have incomes below £20,000 with a 29% in the range of £20,000 to £40,000. Overall, the average (mean) income is estimated to be around £49,300, with a median income of £40,200; the lower quartile income of all households is estimated to be £22,700.



Source: JGC analysis of a range of data including ONS, ASHE and EHS

Affordability Thresholds

- 3.15 To assess affordability two different measures are used; firstly to consider what income levels are likely to be needed to access private rented housing (this establishes those households in need of social/affordable rented housing) and secondly to consider what income level is needed to access owner occupation (this, along with the first test helps to identify households in the 'gap' between renting and buying). This analysis therefore brings together the data on household incomes with the estimated incomes required to access private sector housing. Additionally, different affordability tests are applied to different parts of the analysis depending on the group being studied (e.g. recognising that newly forming households are likely on average to have lower incomes than existing households).
- 3.16 The analysis of affordability links back to income estimates although it does need to be recognised that access to deposits will also be an issue for many households when looking at access to housing (particularly for owner-occupation, but also rented accommodation). The analysis does not specifically factor in deposits due to good local information not typically being available; however, the English Housing Survey (2021-22) did collect data on savings (nationally) and this showed that 22% of owners, 48% of households in the private rented sector and 74% of social tenants did not have any savings. Access to deposits are therefore a potential further barrier to accessing housing for some groups.
- 3.17 The analysis indicates that having regard to local incomes it is reasonable to assume that a households will spend up to 30% of gross income on rent; with the ability to buy influenced by households ability to provide a 10% deposit and be able to get a mortgage for 4 times their income. The table below shows the estimated incomes required to both buy and rent (privately) across the Borough.

Figure 3.3: Estimated Household Income Required to Buy and Privately Rent			
	To buy	To rent (privately)	Income gap
Gosport	£42,750	£38,000	£4,750

Source: Based on Housing Market Cost Analysis

Need for Social/Affordable Rented Housing

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

Current Need

- 3.19 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. The table below sets out the categories in the PPG and the sources of data being used to establish numbers. The PPG also includes a category where households cannot afford to own despite it being their aspiration – this category is considered separately in this report (under the title of the need for affordable home ownership).

Figure 3.4: Main Sources for Assessing the Current Need for Affordable Housing		
	Source	Notes
Homeless households (and those in temporary accommodation)	MHCLG Statutory Homelessness data	Household in temporary accommodation at end of quarter.
Households in overcrowded housing ⁴	2021 Census table RM099	Analysis undertaken by tenure
Concealed households ⁵	2021 Census table RM009	Number of concealed families
Existing affordable housing tenants in need	Modelled data linking to past survey analysis	Excludes overcrowded households
Households from other tenures in need	Modelled data linking to past survey analysis	

Source: PPG [2a-020]

- 3.20 The table below sets out the categories in the PPG and estimates of the number of households within each need category. This shows an estimated need from around 2,400 households.

Figure 3.5: Estimated housing need by category of household		
	Households	% of households
Concealed/homeless household	464	19.6%
Households in overcrowded housing	980	41.4%
Existing affordable housing tenants in need	127	5.4%
Households from other tenures in need	795	33.6%
TOTAL	2,367	100.0%

Source: JGC analysis

⁴ <https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2199>

⁵ <https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2109>

- 3.21 In taking this estimate forward, the data modelling next estimates the need by tenure and considers affordability. The affordability in different groups is based on estimates of how incomes are likely to vary, for owner-occupiers there is a further assumption about potential equity levels. For homeless and concealed households it is assumed incomes will be low and households unlikely to be able to afford to rent privately. The table below shows just under three-fifths of those households identified above are unlikely to be able to afford market housing to buy OR rent and therefore there is a current need from 1,388 households.

Figure 3.6: Estimated housing need and affordability by tenure			
	Number in need	% unable to afford	Current need after affordability
Owner-occupied	557	5.3%	30
Affordable housing	520	87.1%	454
Private rented	825	53.4%	441
No housing (homeless/concealed)	464	100.0%	464
TOTAL	2,367	58.6%	1,388

Source: JGC analysis

- 3.22 Finally, from these estimates, 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). The total current need is therefore estimated to be 935 – for the purposes of analysis, it is assumed that the local authority would seek to meet this need over a period of time. Given that this report typically looks at needs in the period from 2024-40, the need is annualised by dividing by 16 (to give an annual need for 58 dwellings across all areas). This does not mean that some households would be expected to wait 16-years for housing as the need is likely to be dynamic, with households leaving the current need as they are housed but with other households developing a need over time.

Newly-Forming Households

- 3.23 The number of newly forming households has been estimated through demographic modelling with an affordability test also being applied. This has been undertaken by considering the changes in households in specific 5-year age bands relative to numbers in the age band below, 5 years previously, to provide an estimate of gross household formation.
- 3.24 The number of newly-forming households is limited to households forming who are aged under 45 – this is consistent with CLG guidance (from 2007) which notes after age 45 that headship (household formation) rates ‘plateau’. There may be a small number of household formations beyond age 45 (e.g. due to relationship breakdown) although the number is expected to be fairly small when compared with formation of younger households.
- 3.25 In assessing the ability of newly forming households to afford market housing, data has been drawn from previous surveys undertaken nationally by JGC. This establishes that the average income of newly forming households is around 84% of the figure for all households. This figure is remarkably consistent across areas (and is also consistent with analysis of English Housing Survey data at a national level).

- 3.26 The analysis has therefore adjusted the overall household income data to reflect the lower average income for newly forming households. The adjustments have been made by changing the distribution of income by bands such that average income level is 84% of the all household average. In doing this it is possible to calculate the proportion of households unable to afford market housing. For the purposes of the need for social/affordable rented housing this will relate to households unable to afford to buy OR rent in the market.
- 3.27 Figures have been based on outputs from the two housing trajectory projections and the assessment also suggests that over half of newly forming households will be unable to afford market housing (to rent privately). This equates to a total of 316 newly forming households that will have a need per annum on average across the Borough using Trajectory A and a very slightly higher figure of 322 per annum with Trajectory B. For the purposes of further analysis, the Trajectory A figures only have been taken forward.

Figure 3.7: Estimated Need for Social/Affordable Rented Housing from Newly Forming Households (per annum)			
	Number of new households	% unable to afford	Annual newly forming households unable to afford to buy or rent
Trajectory A (170 dpa)	567	55.8%	316
Trajectory B (190 dpa)	578	55.8%	322

Source: Projection Modelling/Affordability Analysis

Existing Households Falling into Affordable Housing Need

- 3.28 The second element of newly arising need is existing households falling into need. To assess this, information about past lettings of social/affordable rented has been used. The assessment looked at households who have been housed in general needs housing over the past three years – this group will represent the flow of households onto the Housing Register over this period. From this, newly forming households (e.g. those currently living with family) have been discounted as well as households who have transferred from another social/affordable rented property. Data has been drawn from a number of sources, including Local Authority Housing Statistics (LAHS) and Continuous Recording of Sales and Lettings (CoRe).
- 3.29 This method for assessing existing households falling into need is consistent with former guidance (2007 SHMA guide⁶) which says on page 46 that ‘Partnerships should estimate the number of existing households falling into need each year by looking at recent trends. This should include households who have entered the housing register and been housed within the year as well as households housed outside of the register (such as priority homeless household applicants)’.

⁶ www.gov.uk/government/publications/strategic-housing-market-assessments-practice-guidance

- 3.30 In addition, analysis has considered trends in the Housing Register, recognising an increase in numbers would point to a higher level of need than is indicated from past lettings (and vice versa). Over the past few years the number of households on the Register has been variable, but with no clear trend. Therefore, no further adjustments have been made from estimates based on past lettings.
- 3.31 Following the analysis through suggests a need arising from 136 existing households each year across the Borough.

Supply of Social/Affordable Rented Housing Through Relets

- 3.32 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.
- 3.33 The Practice Guidance suggests that the estimate of likely future relets from the social/affordable rented stock should be based on past trend data which can be taken as a prediction for the future. Information from a range of sources (LAHS, CoRe and Council data) has been used to establish past patterns of social housing turnover. The figures are for general needs lettings but exclude lettings of new properties and also exclude an estimate of the number of transfers from other social rented homes. These exclusions are made to ensure that the figures presented reflect relets from the existing stock.
- 3.34 On the basis of past trend data it has been estimated that 203 units of social/affordable rented housing are likely to become available each year moving forward for occupation by households in need.

Figure 3.8: Analysis of Past Social/Affordable Rented Housing Supply, 2020/21 – 2022/23 (average per annum) – Gosport					
	Total Lettings	% as Non-New Build	Lettings in Existing Stock	% Non-Transfers	Lettings to New Tenants
2020/21	248	99.2%	246	62.5%	154
2021/22	392	99.7%	391	68.1%	266
2022/23	305	99.0%	302	62.6%	189
Average	315	99.4%	313	64.9%	203

Source: CoRe

- 3.35 The PPG model also includes the bringing back of vacant homes into use and the pipeline of affordable housing as part of the supply calculation. These have however not been included within the modelling in this report. Firstly, there is no evidence of any substantial stock of vacant homes (over and above a level that might be expected to allow movement in the stock). Secondly, with the pipeline supply, it is not considered appropriate to include this as to net off new housing would be to fail to show the full extent of the need. That said, it is important to look at the pipeline supply (outside of the estimated need) and in monitoring it will be important to net off these dwellings as they are completed.

Net Need for Social/Affordable Housing

- 3.36 The table below shows the overall calculation of affordable housing need. The analysis shows that there is a need for 307 dwellings per annum across the area. The net need is calculated as follows:

$$\text{Net Need} = \text{Current Need (allowance for)} + \text{Need from Newly-Forming Households} + \text{Existing Households falling into Need} - \text{Supply of Affordable Housing}$$

Figure 3.9: Estimated level of Affordable Housing Need (households unable to buy or rent) – per annum	
	Gosport
Current need	58
Newly forming households	316
Existing households falling into need	136
Total Gross Need	510
Relet Supply	203
Net Need	307

Source: JGC analysis

Comparison with Previous Assessment of Affordable Housing Need

- 3.37 The table below provides a comparison on the estimated affordable need in this study with a similar analysis back in 2019. This shows a notably higher level of need with the difference being largely attributable to an increased estimated of the number of newly forming households in need (up from 237 per annum to 316). This itself has been driven by worsening affordability (for private rented housing) with an estimated 56% of newly forming households estimated as unable to afford in this study, compared with 43% in 2019.
- 3.38 Regardless of any differences, it is clear that both reports clearly demonstrate a need for affordable housing and that the Council should seek to provide affordable homes at every opportunity.

Figure 3.10: Comparing estimates of affordable need from different studies (annual figures)		
	2019 report	This study
Current need	49	58
Newly forming households	237	316
Existing households falling into need	118	136
Total Gross Need	404	510
Relet Supply	211	203
Net Need	194	307

Source: 2019 data from Figure 3.11 of 2019 report

The Relationship Between Affordable Need and Overall Housing Numbers

- 3.39 The PPG encourages local authorities to consider increasing planned housing numbers where this can help to meet the identified affordable need. Specifically, the wording of the PPG [2a-024] states:

'The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the strategic plan may need to be considered where it could help deliver the required number of affordable homes'

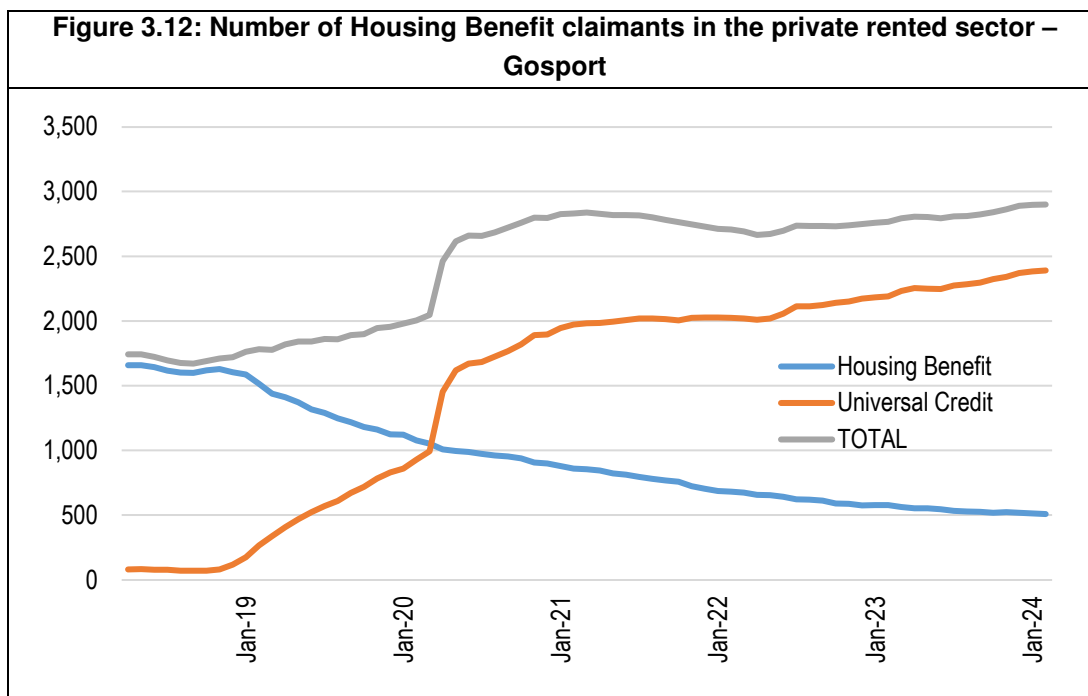
- 3.40 However, the relationship between affordable housing need and overall housing need is complex. This was recognised in the Planning Advisory Service (PAS) Technical Advice Note of July 2015. PAS conclude that there is no arithmetical way of combining the overall need for housing (calculated through demographic projections or the Standard Method) and the affordable need. There are a number of reasons why the two cannot be 'arithmetically' linked.
- 3.41 Firstly, the modelling contains a category in the projection of 'existing households falling into need'; these households already have accommodation and hence if they were to move to alternative accommodation, they would release a dwelling for use by another household – there is no net need to provide additional homes. The modelling also contains 'newly forming households'; these households are a direct output from the demographic modelling and are therefore already included in the overall housing need figures.
- 3.42 It is possible to investigate this in some more detail by re-running the model and excluding those already living in accommodation. This is shown in the table below which identifies that meeting these needs would lead to an affordable need for 142 homes per annum across the Borough – less than half the figure from the main assessment. This figure is theoretical and should not be seen to be minimising the need (which is clearly acute). It does however serve to show that there is a substantial difference in the figures when looking at overall housing shortages.
- 3.43 The analysis is arguably even more complex than this – it can be observed that the main group of households in need are newly forming households. These households are already included within demographic projections and so the demonstrating of a need for this group again should not be seen as additional to that estimated through demographic projections (including the Standard Method).

Figure 3.11: Estimated Need for Affordable Housing (social/affordable rented) excluding households already in accommodation – Gosport		
	Including existing households	Excluding existing households
Current need	58	29
Newly forming households	316	316
Existing households falling into need	136	0
Total Gross Need	510	345
Relet Supply	203	203
Net Need	307	142

Source: JGC analysis

- 3.44 Additionally, it should be noted that the need estimate is on a per annum basis and should not be multiplied by the plan period to get a total need. Essentially, the estimates are for the number of households who would be expected to have a need in any given year (i.e. needing to spend more than 30% of income on housing). In reality, some (possibly many) households would see their circumstances change over time such that they would ‘fall out of need’ and this is not accounted for in the analysis. One example would be a newly forming household with an income level that means they spend more than 30% of income on housing, as the household’s income rises they would potentially pass the affordability test and therefore not have an affordable need. Additionally, there is the likelihood when looking over the longer-term that a newly-forming household will become an existing household in need and would be counted twice if trying to multiply the figures out for a whole plan period.
- 3.45 The discussion above has already noted that the need for affordable housing does not generally lead to a need to increase overall provision. It is however worth briefly thinking about how affordable need works in practice and the housing available to those unable to access market housing without Housing Benefit. In particular, the role played by the Private Rented Sector (PRS) in providing housing for households who require financial support in meeting their housing needs should be recognised.
- 3.46 Whilst the Private Rented Sector (PRS) does not fall within the types of affordable housing set out in the NPPF (other than affordable private rent which is a specific tenure separate from the main ‘full market’ PRS), it has evidently been playing a role in meeting the needs of households who require financial support in meeting their housing need. Government recognises this, and indeed legislated through the 2011 Localism Act to allow Councils to discharge their “homelessness duty” through providing an offer of a suitable property in the PRS.
- 3.47 It is also worth reflecting on the NPPF (Annex 2) definition of affordable housing. This says: ‘Affordable housing: housing for sale or rent, for those whose **needs are not met by the market**’ [emphasis added]. Clearly where a household is able to access suitable housing in the private rented sector (with or without Housing Benefit) it is the case that these needs are being met by the market (as within the NPPF definition). As such the role played by the private rented sector should be recognised – it is evidently part of the functioning housing market.
- 3.48 Data from the Department of Work and Pensions (DWP) has been used to look at the number of Housing Benefit supported private rented homes. As of February 2024, it is estimated that there were 2,900 benefit claimants in the private rented sector in Gosport. From this, it is clear that the PRS contributes to the wider delivery of ‘affordable homes’ with the support of benefit claims, and further complicates any attempts to find a relationship between affordable need and overall housing need.
- 3.49 It should however be noted that it may be difficult for households to access private rented housing where they are reliant on Housing Benefit/Universal Credit. In some cases Local Housing Allowance (LHA) levels will be low compared to the rent being sought and there will also be cases where landlords do not let homes to households claiming benefits (LHA levels are discussed later in this section). Therefore, whilst the private rented sector does release some pressure from affordable housing, it should not be considered as an affordable tenure.

- 3.50 The figure below shows the trend in the number of claimants in the Borough. This shows there has been a notable increase since March 2020, which is likely to be related to the Covid-19 pandemic. However, even the more historical data shows a substantial number of households claiming benefit support for their housing in the private sector (typically over 1,700 households).



Source: Department of Work and Pensions

- 3.51 Whilst housing delivery through the Local Plan can be expected to secure additional affordable housing it needs to be noted that delivery of affordable housing through planning obligations is an important, but not the only means, of delivering affordable housing; and the Council should also work with housing providers to secure funding to support enhanced affordable housing delivery on some sites and through use of its own land assets.
- 3.52 Overall, it is difficult to link the need for affordable housing to the overall housing need; indeed, there is no justification for trying to make the link. Put simply the two do not measure the same thing and in interpreting the affordable need figure, consideration needs to be given to the fact that many households already live in housing, and do not therefore generate an overall net need for an additional home. Further issues arise as the need for affordable housing is complex and additionally the extent of concealed and homeless households needs to be understood as well as the role played by the private rented sector.
- 3.53 Regardless of the discussion above, the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue across the Borough. 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. As noted previously, the evidence does however suggest that affordable housing delivery should be maximised where opportunities arise.

Split Between Social and Affordable Rented Housing

- 3.54 The analysis above has studied the overall need for social and affordable rented housing with a focus on households who cannot afford to rent in the market. These households will therefore have a need for some form of rented housing at a cost below typical market rates. Typically, there are two main types of rented affordable accommodation (social and affordable rented) with the analysis below initially considering what a reasonable split might be between these two tenures.
- 3.55 The table below shows current rent levels in the Borough for a range of products along with relevant local housing allowance (LHA). Data about average social and affordable rents has been taken from the Regulator of Social Housing (RSH) and this is compared with lower quartile market rents (as derived earlier in this section). This analysis shows that social rents are lower than affordable rents; the analysis also shows that affordable rents (as currently charged) are notably lower than lower quartile market rents.
- 3.56 The LHA rates for all sizes of home are below lower quartile market rents. This does mean that households seeking accommodation in many locations may struggle to secure sufficient benefits to cover their rent (even where they can find a landlord willing to accept benefit tenants).

Figure 3.13: Comparison of rent levels for different products – Gosport				
	Social rent	Affordable rent	Lower quartile market rent	LHA (Portsmouth)
1-bedroom	£334	£490	£800	£693
2-bedrooms	£412	£580	£1,000	£843
3-bedrooms	£439	£671	£1,200	£997
4-bedrooms	£492	£823	£1,500	£1,296
All	£394	£604	£950	-

Source: RSH, market survey and VOA

- 3.57 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. Caution should be exercised when looking at the overall averages as these will be influenced by the profile of stock in each category and so the discussion focusses on 2-bedroom homes. This shows that social rents are significantly cheaper than market rents (and indeed affordable rents) and that affordable rents (as currently charged) represent 58% of a current lower quartile rent.

Figure 3.14: Difference between rent levels for different products –Gosport			
	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	68%	42%	61%
2-bedrooms	71%	41%	58%
3-bedrooms	66%	37%	56%
4-bedrooms	60%	33%	55%
All	65%	41%	64%

Source: RSH, market survey and VOA

- 3.58 The table below suggests that around 9% of households who cannot afford to rent privately could afford an affordable rent at 80% of market rents, with a further 12% being able to afford current affordable rents. There are also an estimated 25% who can afford a social rent (but not an affordable one). A total of 54% of households would need some degree of benefit support (or spend more than 30% of 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.

Figure 3.15: Estimated need for affordable rented housing (% of households able to afford)	
	% of households able to afford
Afford 80% of market rent	9%
Afford current affordable rent	12%
Afford social rent	25%
Need benefit support	54%
All unable to afford market	100%

Source: Affordability analysis

- 3.59 The analysis indicates that provision of at least 25% of rented affordable housing at social rents could be justified (and up to 80%); albeit in setting planning policies, this will need to be considered alongside viability evidence. Higher provision at social rents will reduce the support through housing benefits required to ensure households can afford their housing costs.

Establishing a Need for Affordable Home Ownership

- 3.60 The Planning Practice Guidance confirms a widening definition of those to be considered as in affordable need; now including 'households which can afford to rent in the private rental market, but cannot afford to buy despite a preference for owning their own home'. However, at the time of writing, there is no guidance about how the number of such households should be measured.
- 3.61 The methodology used in this report therefore draws on the current methodology, and includes an assessment of current needs, and projected need (newly forming and existing households). The key difference is that in looking at affordability an estimate of the number of households in the 'gap' between buying and private renting is used. There is also the issue of establishing an estimate of the supply of affordable home ownership homes – this is considered separately below.
- 3.62 The analysis has been developed in the context of First Homes with the Government saying that this tenure 'should account' for 25% of all affordable housing secured through developer contributions. A definition of First Homes (from the relevant PPG (70-001)) can be found later in this document.

Gross Need for Affordable Home Ownership

- 3.63 The first part of the analysis seeks to understand what the gap between renting and buying actually means in the Borough – in particular establishing the typical incomes that might be required. The information about incomes required to both buy and rent in different locations has already been provided earlier in this section and so the discussion below is a broad example.

- 3.64 Using the income distributions developed (as set out earlier in this section) along with data about price and rents, it has been estimated that of all households living in the private rented sector, around 40% already have sufficient income to buy a lower quartile home, with 6% falling in the rent/buy 'gap'. The final 53% are estimated to have an income below which they cannot afford to rent privately (i.e. would need to spend more than the calculated threshold of their income on housing costs) although in reality it should be noted that many households will spend a higher proportion of their income on housing.
- 3.65 These figures have been based on an assumption that incomes in the private rented sector are around 88% of the equivalent figure for all households (a proportion derived from the English Housing Survey) and are used as it is clear that affordable home ownership products are likely to be targeted at households living in, or who might be expected to access, this sector (e.g. newly forming households).

Figure 3.16: Estimated proportion of households living in Private Rented Sector able to buy and/or rent market housing			
	Can afford to buy OR rent	Can afford to rent but not buy	Cannot afford to buy OR rent
TOTAL	40%	6%	53%

Source: JGC analysis

- 3.66 The finding that a proportion of households in the private rented sector are likely to have an income that would allow them to buy a home is also noteworthy and suggests for some households, barriers to accessing owner-occupation are less about income/the cost of housing and more about other factors (which could for example include the lack of a deposit or difficulties obtaining a mortgage (for example due to a poor credit rating or insecure employment)). However, some households will choose to privately rent, for example as it is a more flexible option that may be more suitable for a particular household's life stage (e.g. if moving locations with employment).
- 3.67 To study current need, an estimate of the number of households living in the Private Rented Sector (PRS) has been established, with the same (rent/buy gap) affordability test (as described above) then applied. The start point is the number of households living in private rented accommodation; as of the 2021 Census there were some 6,700 households living in the sector across the Borough (renting from private landlord or letting agency).
- 3.68 Additional data from the EHS suggests that 60% of all PRS households expect to become an owner at some point (4,000 households if applied to Gosport) and of these some 40% (1,600 households) would expect this to happen in the next 2-years. These figures are taken as the number of households potentially with a current need for affordable home ownership before any affordability testing.
- 3.69 As noted above, on the basis of income it is estimated that around 6% of the private rented sector sit in the gap between renting and buying (varying by location). Applying this proportion to the above figures would suggest a current need for around 100 affordable home ownership units (6 per annum if annualised over a 16-year period).

- 3.70 In projecting forward, the analysis can consider newly forming households and also the remaining existing households who expect to become owners further into the future. Applying the same affordability test (albeit on a very slightly different income assumption for newly forming households) suggests an annual need from these two groups of around 46 dwellings (37 from newly forming households and 9 from existing households in the private rented sector).
- 3.71 Bringing together the above analysis suggests that there is a need for around 52 affordable home ownership homes (priced for households able to afford to rent but not buy a home priced at the lower quartile) per annum across the Borough. This is before any assessment of the potential supply of housing is considered.

Figure 3.17: Estimated Gross Need for Affordable Home Ownership (per annum)				
	Current need	Newly forming households	Existing households falling into need	Total Gross Need
TOTAL	6	37	9	52

Source: JGC analysis

Potential Supply of Housing to Meet the Affordable Home Ownership Need and Net Need

- 3.72 As with the need for social/affordable rented housing, it is also necessary to consider if there is any supply of affordable home ownership products from the existing stock of housing. As with assessing the need for affordable home ownership, it is the case that at present the PPG does not include any suggestions about how the supply of housing to meet these needs should be calculated.
- 3.73 One source is likely to be resales of low cost home ownership products with data from the Regulator of Social Housing showing a total stock in 2023 of 486 homes. If these homes were to turnover at the same rate as the social rented stock (around 3.8% based on earlier relet data) then they would be expected to generate around 18 resales each year. These properties would be available for these households and can be included as the potential supply.
- 3.74 In addition, it should be noted that the analysis looks at households unable to afford a lower quartile property price. By definition, a quarter of all homes sold will be priced at or below a lower quartile level. According to the Land Registry, in Gosport there were a total of 1,132 resales (i.e. excluding newly-built homes) in the last year (year to March 2023) and therefore around 283 would be priced below the lower quartile. This is 283 homes that would potentially be affordable to the target group for affordable home ownership products and is a potential supply that is in excess of the level of need calculated.

- 3.75 It is then possible to provide a best estimate of the supply of lower quartile homes that are bought by the target group of households (assumed to be first-time buyers). Whilst dated from 2010, a report by Bramley and Wilcox (2010) (Evaluating requirements for market and affordable housing) noted that around 40% of first-time buyers with a mortgage buy at or below the lower quartile⁷. Other recent data suggests that first time buyers account for around half of home purchase loans⁸ with a total of around 65% of all homes being bought with a loan (35% as cash buyers⁹).
- 3.76 Bringing this together would point to 32.5% of homes being bought by first-time buyers and around 13% of all homes being a lower quartile home bought by a first-time buyer ($32.5\% \times 40\%$) – this would point to around half of all lower quartile sales as being to first-time buyers (as half of 25% is 12.5%). Therefore, for the purposes of estimating a 'need' half of all lower quartile sales are included in the supply.
- 3.77 We can therefore now provide three supply estimates which can be considered in the context of the estimated need. These are:
- Only count the supply from affordable home ownership resales (18 per annum);
 - Include the supply from affordable home ownership and half of resales of lower quartile homes (160 per annum (142+18)); and
 - Include the supply from affordable home ownership and all resales of lower quartile homes (301 per annum (283+18)).
- 3.78 The table below shows the estimated net need from applying these three supply scenarios. Only including the resales of AHO shows a need for 34 dwellings per annum and this becomes a surplus if 50% of lower quartile sales are included. If all lower quartile sales are included in the supply, then there is a substantial surplus of affordable home ownership shown.

Figure 3.18: Estimated Net Need for Affordable Home Ownership (per annum)			
	AHO resales only	AHO resales plus 50% of LQ sales	AHO resales plus 100% of LQ sales
Total gross need	52	52	52
LCHO supply	18	160	301
Net need	34	-108	-249

Source: JGC analysis

- 3.79 A similar analysis was carried out as part of the 2019 study with focus being on the middle of the three scenarios above (50% of LQ sales) – this also showed a negative net need, although at 65 per annum, a lower 'surplus' than shown in this report.

⁷ https://thinkhouse.org.uk/site/assets/files/1614/2010_20nhpau_202.pdf

⁸ <https://www.mortgagesolutions.co.uk/news/2022/01/24/first-time-buyer-numbers-rose-to-nearly-410000-in-2021/#:~:text=First%2Dtime%20buyers%20accounted%20for,39%20per%20cent%20in%202009>

⁹ <https://www.ft.com/content/e0ad2830-094f-4e61-acaa-d77457e2edbb>

Different Affordable Home Ownership Products

- 3.80 Overall, the analysis shows it is difficult to conclude what the need for affordable home ownership is (and indeed if there is one). However, it is possible that delivery of affordable home ownership could help to 'loosen up' the supply of second-hand homes at the bottom end of the market (e.g. below lower quartile) as they will provide a wider choice and additional 'competition'. The analysis below focusses on the cost of discounted market sale (which would include First Homes) to make them genuinely affordable before moving on to consider shared ownership with different equity shares.
- 3.81 The table below sets out a suggested purchase price for affordable home ownership/First Homes in Gosport 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 times' income). 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.
- 3.82 Focussing on 3-bedroom homes, it is suggested that an affordable price is between £213,000 and £224,000 and therefore the open market value of homes would need to be in the range of £305,000 and £320,000 (if discounted by 30%). Given the £250,000 price cap on First Homes, this data suggests it might be very difficult to make First Homes genuinely affordable in a local context for larger (4+-bedroom) homes.

Figure 3.19: Affordable home ownership prices – Gosport		
	What households with an affordable home ownership need could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£120,000	£171,400
2-bedrooms	£165,000	£235,700
3-bedrooms	£213,300-£224,200	£304,800-£320,200
4+-bedrooms	£266,700-£298,300	£381,000-£426,200

Source: JGC market survey

- 3.83 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 with the table below providing a general summary of existing schemes.
- 3.84 This analysis is interesting as it shows the median newbuild price for all sizes of homes are above the top end of the OMV required to make homes affordable to those in the gap between buying and renting. That said, homes at the bottom end of the price range could potentially be discounted by 30% and considered as affordable.

- 3.85 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. Overall, it is considered the evidence does not support central Government's position that 25% of affordable housing should be provided as First Homes.

Figure 3.20: Estimated newbuild housing cost by size – Gosport			
	No. of homes advertised	Range of prices	Median price
1-bedroom	8	£135,000-£295,000	£230,000
2-bedrooms	9	£170,000-£400,000	£340,000
3-bedrooms	5	£375,000-£450,000	£385,000
4+-bedrooms	2	£800,000	-

Source: JGC market survey

- 3.86 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. The analysis has looked at what the OMV would need to be for a shared ownership to be affordable with a 25% and 50% share.
- 3.87 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). That said, even with 25% equity shares the OMVs needing to be achieved are below the newbuild prices shown above for 4+-bedroom homes.

Figure 3.21: Estimated OMV of Shared Ownership with a 50% and 25% Equity Share by Size – Gosport		
	50% share	25% share
1-bedroom	£227,000	£275,000
2-bedroom	£284,000	£344,000
3-bedroom	£341,000	£413,000
4-bedrooms	£426,000	£516,000

Source: JGC analysis

- 3.88 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). The expectation is that the discount provided in that 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.
- 3.89 At the end of the five-year period, depending on the scheme, the property is either sold as a shared ownership product or to be purchased outright as a full market property. If the occupant is not able to do either of these then the property is vacated.

- 3.90 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. 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.

Implications of the Analysis

- 3.91 Given the analysis above, there may be a case to conclude that there is a need to provide housing under the definition of 'affordable home ownership' – although this conclusion is largely based on only considering supply from resales of affordable housing. If supply estimates are expanded to include market housing for sale below a lower quartile price then the need for AHO is less clear-cut. Regardless, the analysis is clear of much greater needs for rented forms of affordable housing.
- 3.92 Regardless, it does seem that there are many households in Gosport who are being excluded from the owner-occupied sector (although they can afford private rented housing). This can be seen by analysis of tenure change, which saw the number of households living in private rented accommodation increasing by 16% from 2011 to 2021 (following a much higher increase in the 2001-11 period. Over the same period (2011-21), the number of owners with a mortgage decreased by 17%. That said, some households will choose to privately rent, for example as it is a more flexible option that may be more suitable for a particular household's life stage (e.g. if moving locations with employment).
- 3.93 On this basis, and as previously noted, it seems likely in Gosport that access to owner-occupation is being restricted by access to capital (e.g. for deposits, stamp duty, legal costs) as well as potentially some mortgage restrictions (e.g. where employment is temporary) rather than simply being due to the cost of housing to buy (although this will be a factor).
- 3.94 The NPPF gives a clear direction that 10% of all new housing (on larger sites) should be for affordable home ownership (in other words, if 20% of homes were to be affordable then half would be affordable home ownership) and it is now the case that policy compliant planning applications would be expected to deliver a minimum of 25% affordable housing as First Homes (as a proportion of the total affordable housing), with Councils being able to specify the requirement for any remaining affordable housing (subject to at least 10% of all housing being for AHO).
- 3.95 Firstly regarding the 10%, it is not clear that this is the best solution in the Borough. The NPPF does provide some examples of where the 10% might not be required (paragraph 65), most notably that the 10% would be expected unless this would '*significantly prejudice the ability to meet the identified affordable housing needs of specific groups*'. In Gosport, the clear need for additional rented housing would arguably mean that providing the affordable home ownership would 'prejudice the ability' to meet the needs of the 'specific group' requiring rented accommodation.

- 3.96 Regarding the 25% of affordable housing as First Homes, it is not clear whether there is any scope to challenge the 'minimum of 25%', nor what role other tenures of affordable home ownership (such as shared ownership) might play. It is possible that provision of First Homes could squeeze out other forms of LCHO such as shared ownership, although it is likely that there will still be a role for this type of housing given typically lower deposit requirements.
- 3.97 Whilst there are clearly many households in the gap between renting and buying, they in some cases will be able to afford homes below lower quartile housing costs. That said, it is important to recognise that some households will have insufficient savings to be able to afford to buy a home on the open market (particularly in terms of the ability to afford a deposit) and low-cost home ownership homes – and shared ownership homes in particular – will therefore continue to play a role in supporting some households.
- 3.98 The evidence points to a clear and acute need for rented affordable housing for lower income households, and it is important that a supply of rented affordable housing is maintained to meet the needs of this group including those to which the authorities have a statutory housing duty. Such housing is notably cheaper than that available in the open market and can be accessed by many more households (some of whom may be supported by benefit payments).
- 3.99 There may also be a role for AHO on any 100% affordable housing schemes that may come forward (as well as through Section 106). Including a mix of both rented and intermediate homes to buy would make such schemes more viable, as well as enabling a range of tenures and therefore potential client groups to access housing.
- 3.100 In addition, it should also be noted that the finding of a 'need' for affordable home ownership does not have any impact on the overall need for housing. It seems clear that this group of households is simply a case of seeking to move households from one tenure to another (in this case from private renting to owner-occupation); there is therefore no net change in the total number of households, or the number of homes required.

Affordable Housing Need: Key Messages

- Analysis has been undertaken to estimate the annual need for affordable housing. The analysis is split between a need for social/affordable rented accommodation (based on households unable to buy or rent in the market) and the need for affordable home ownership (AHO) – this includes housing for those who can afford to rent privately but cannot afford to buy a home.
- The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. Additionally, when looking at rented needs, consideration is given to estimates of the supply of social/affordable rented housing for relets. For AHO, consideration is given to the potential supply of resales of low-cost home ownership properties (such as shared ownership) and lower quartile sales of existing homes.
- When looking at needs from households unable to buy OR rent, the analysis suggests a need for 307 affordable homes per annum across the Borough. This is higher than an equivalent analysis in the 2019 study, with the difference looking to mainly be an increased estimate of the number of newly forming households who will have a need (this being driven by high increases in the cost of private rented accommodation in comparison to increases in incomes).
- Despite the level of need, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs. The link between affordable need and overall need (of all tenures) is complex and in trying to make a link it must be remembered that many of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home). That said, the level of affordable need does suggest the Council should maximise the delivery of such housing at every opportunity.
- 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.
- When looking at AHO products, the analysis is inconclusive about the scale of the need (and indeed if there is one), although the evidence does suggest there are some households in Gosport who are being excluded from the owner-occupied sector (as evidenced by increases in the size of the private rented sector). It is likely that a key issue in the Borough is about access to capital (e.g. for deposits, stamp duty, legal costs) as well as potentially mortgage restrictions (e.g. where employment is temporary) rather than simply the cost of housing to buy. This is the same conclusion as in the 2019 study.
- The study also considers different types of AHO (notably discounted market housing (including First Homes) and shared ownership) as each will have a role to play – shared ownership is likely to be suitable for households with more marginal affordability as it has the advantage of a lower deposit and subsidised rent.
- Given the cost of housing locally, it may be difficult for affordable home ownership products to be provided and be considered as 'genuinely affordable' – particularly in the case of discounted market housing such as First Homes. This again points to the need for the Council to prioritise delivery of rented affordable housing where possible.

Affordable Housing Need: Key Messages (cont...)

- In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the Council 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).
- Overall, the analysis identifies a notable need for affordable housing, and it is clear that 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.

4. Need for Different Sizes of Homes

Introduction

- 4.1 This section considers the appropriate mix of housing across Gosport, 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.

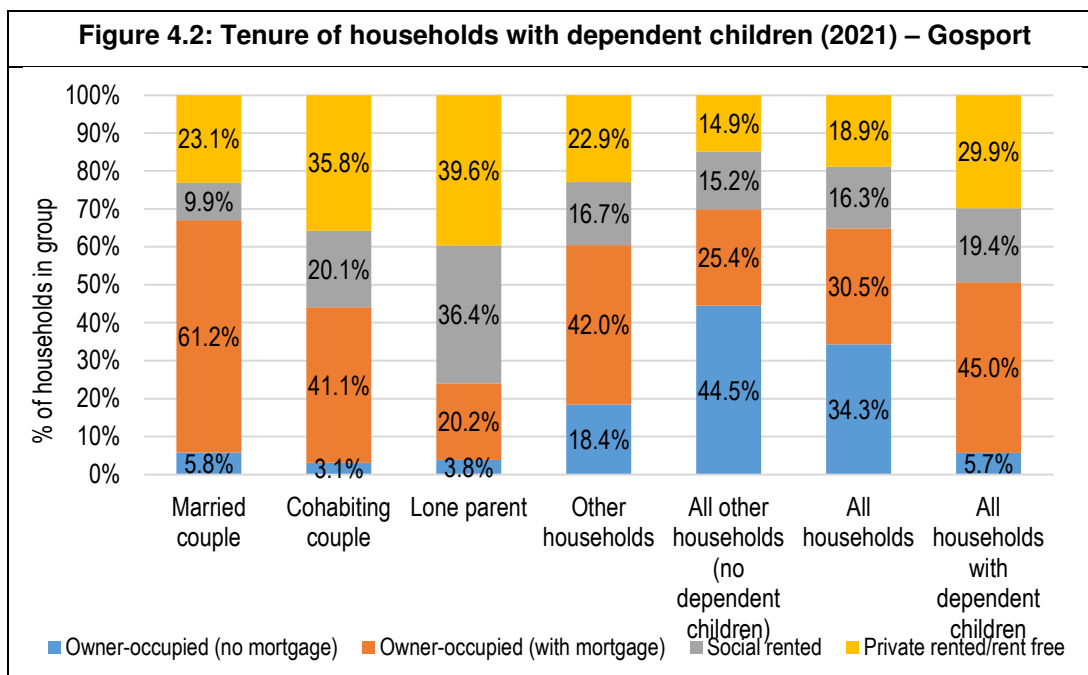
Background Data

- 4.2 The number of families in Gosport (defined for the purpose of this assessment as any household which contains at least one dependent child) totalled 9,500 as of the 2021 Census, accounting for 26% of households; this proportion is lower than seen across the County, region and nationally although the proportion of lone parent households is higher than in any of those areas.

Figure 4.1: Households with dependent children (2021)					
	Gosport		Hampshire	South East	England
	No.	%	%	%	%
Married couple	4,419	12.3%	16.0%	16.3%	14.4%
Cohabiting couple	1,766	4.9%	4.3%	4.4%	4.5%
Lone parent	2,543	7.1%	5.4%	6.0%	6.9%
Other households	739	2.1%	2.0%	2.5%	2.7%
All other households	26,456	73.6%	72.3%	70.9%	71.5%
Total	35,923	100.0%	100.0%	100.0%	100.0%
Total with dependent children	9,467	26.4%	27.7%	29.1%	28.5%

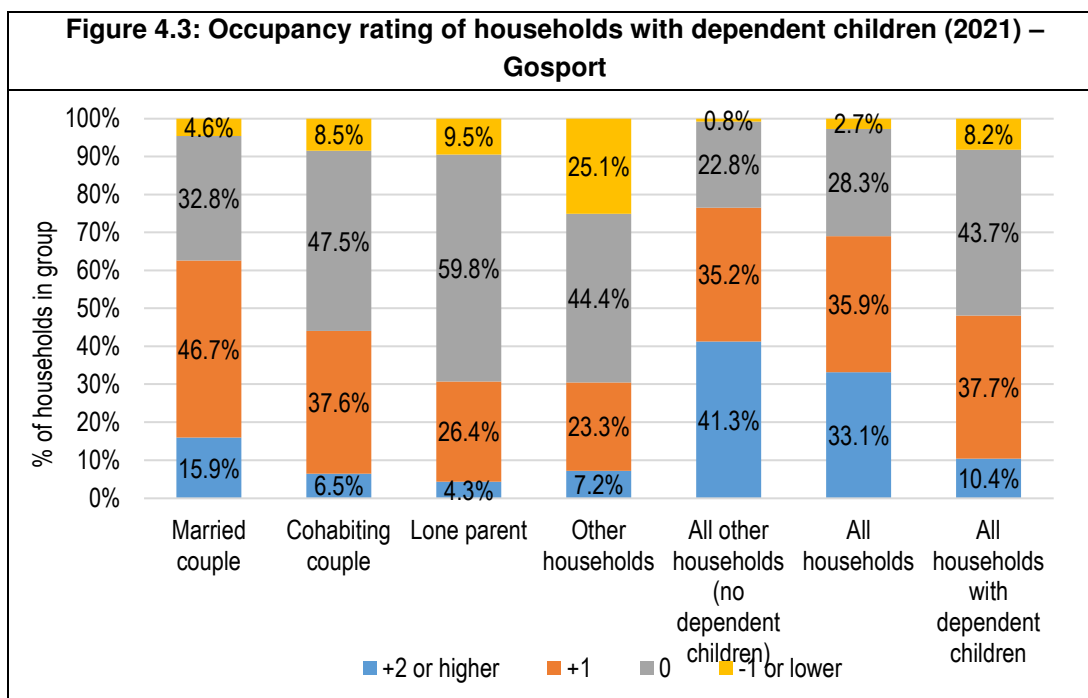
Source: Census (2021)

- 4.3 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. In Gosport, only 24% of lone parent households are owner-occupiers compared with 67% of married couples with children.



Source: Census (2021)

- 4.4 The figure below shows levels of overcrowding and under-occupancy of households with dependent children. This shows higher levels of overcrowding for all household types with dependent children with 10% of all lone parents and 25% of 'other' households being overcrowded. Overall, some 8% of households with dependent children are overcrowded, compared with less than 1% of other households. Levels of under-occupancy are also notably lower in households with dependent children.



Source: Census (2021)

Mix of Housing

- 4.5 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 (in this case the Trajectory A projection – 170 dwellings per annum), it is possible to see which age groups are expected to change in number, and by how much.
- 4.6 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 over the assessment period (taken to be 2024-40 to be consistent with other analysis in this report).
- 4.7 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 70% of the total in this tenure group, although this is a lower proportion to that seen in other areas). The profile of the social rented sector is of slightly smaller homes whilst the private rented sector is broadly similar to other locations. Observations about the current mix feed into conclusions about future mix later in this section.

Figure 4.4: Number of Bedrooms by Tenure, 2021					
		Gosport	Hampshire	South East	England
Owner-occupied	1-bedroom	4%	4%	4%	4%
	2-bedrooms	26%	19%	21%	21%
	3-bedrooms	51%	43%	42%	46%
	4+-bedrooms	19%	34%	33%	29%
	Total	100%	100%	100%	100%
	Ave. no. beds	2.84	3.08	3.04	3.01
Social rented	1-bedroom	39%	28%	31%	29%
	2-bedrooms	28%	36%	35%	36%
	3-bedrooms	29%	32%	31%	31%
	4+-bedrooms	4%	4%	4%	4%
	Total	100%	100%	100%	100%
	Ave. no. beds	1.98	2.12	2.08	2.10
Private rented	1-bedroom	18%	19%	24%	21%
	2-bedrooms	42%	37%	38%	39%
	3-bedrooms	33%	33%	27%	29%
	4+-bedrooms	8%	11%	12%	11%
	Total	100%	100%	100%	100%
	Ave. no. beds	2.31	2.36	2.27	2.30

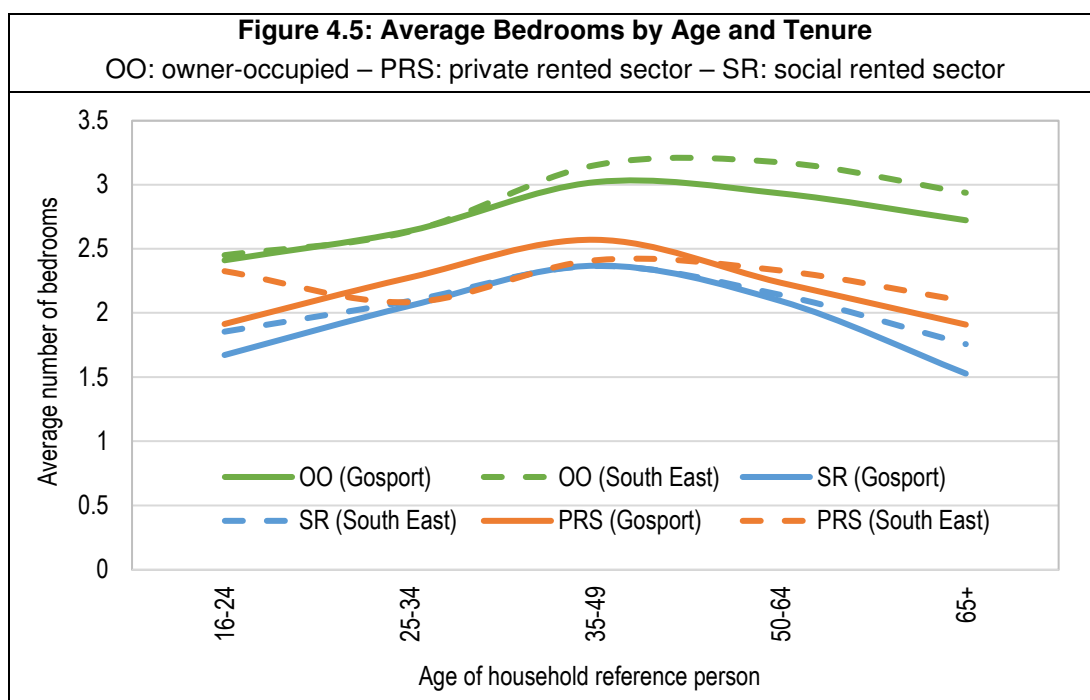
Source: Census (2021)

Overview of Methodology

- 4.8 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 the key analysis.

Understanding How Households Occupy Homes

- 4.9 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.
- 4.10 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 why 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.
- 4.11 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.
- 4.12 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')).
- 4.13 The approach used is to interrogate information derived in 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).
- 4.14 The figure below show an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group for Gosport and the South East region. 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 identifies both Gosport and the region as following similar patterns by age in all tenures although slightly smaller dwelling sizes for older people (particularly in the market) are also evident.



4.15 The analysis uses the existing occupancy patterns at a local level as a start 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 owner-occupied (OO) sector;
- **Affordable Home Ownership** – which is taken to follow the occupancy profile in the private rented sector (PRS) (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 (SR). The affordable sector in the analysis to follow would include social and affordable rented housing.

Changes to Households by Age

4.16 The table below presents the projected change in households by age of household reference person, this shows growth as being expected in most age groups and in particular older age groups. The number of households headed by someone aged 50-64 is however projected to see a notable decrease over the period studied. The analysis is aligned to the growth scenario based on 170 dwellings per annum (Trajectory A).

Figure 4.6: Projected Change in Household by Age of HRP in Gosport				
	2024	2040	Change in Households	% Change
Under 25	749	744	-5	-0.6%
25-34	4,327	4,633	307	7.1%
35-49	8,347	8,185	-162	-1.9%
50-64	10,743	9,291	-1,452	-13.5%
65-74	5,598	6,627	1,030	18.4%
75-84	5,011	6,785	1,774	35.4%
85+	1,958	3,107	1,150	58.7%
TOTAL	36,732	39,373	2,641	7.2%

Source: Demographic Projections

Initial Modelled Outputs

- 4.17 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 at a local authority level. 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.
- 4.18 The analysis for rented affordable housing can also draw on data from the local authority Housing Register with regards to the profile of need. The data shows a need across all dwelling sizes and with a particular focus on 3-bedroom homes.

Figure 4.7: Size of Social/Affordable Rented Housing – Housing Register Information (March 2023)		
	Number of households	% of households
1-bedroom	163	17%
2-bedrooms	213	22%
3-bedrooms	518	53%
4+-bedrooms	77	8%
TOTAL	971	100%

Source: LAHS

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

Figure 4.8: Initial Modelled Mix of Housing by Size and Tenure				
	1- bedroom	2-bedrooms	3-bedrooms	4+- bedrooms
Market	7%	34%	46%	14%
Affordable home ownership	26%	43%	25%	6%
Affordable housing (rented)	40%	30%	26%	3%

Source: Housing Market Model

Adjustments for Under-Occupation and Overcrowding

- 4.20 The analysis above sets out the potential need for housing if occupancy patterns remained 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).
- 4.21 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 adjustments to the modelled figures above have therefore been made to take account of overcrowding and under-occupancy (by tenure).
- 4.22 The table below shows a cross-tabulation of a household's occupancy rating and the number of bedrooms in their home (for owner-occupiers). This shows a high number of households with at least 2 spare bedrooms who are living in homes with 3 or more bedrooms. There are also a small number of overcrowded households. Overall, in the owner-occupied sector in 2021, there were 19,600 households with some degree of under-occupation and around 300 overcrowded households.

Figure 4.9: Cross-tabulation of occupancy rating and number of bedrooms (owner-occupied sector)					
Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2	0	0	7,277	3,363	10,640
+1	0	4,878	3,322	790	8,990
0	1,007	990	1,205	165	3,367
-1	31	105	125	25	286
TOTAL	1,038	5,973	11,929	4,343	23,283

Source: Census (2021)

- 4.23 For completeness the tables below show the same information for the social and private rented sectors. In both cases there are more under-occupying households than overcrowded, but differences are less marked than seen for owner-occupied housing.

Figure 4.10: Cross-tabulation of occupancy rating and number of bedrooms (social rented sector)					
Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2	0	0	397	69	466
+1	0	655	521	82	1,258
0	2,178	850	638	77	3,743
-1	105	140	140	10	395
TOTAL	2,283	1,645	1,696	238	5,862

Source: Census (2021)

Figure 4.11: Cross-tabulation of occupancy rating and number of bedrooms (private rented sector)					
Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2	0	0	543	255	798
+1	0	1,521	933	180	2,634
0	1,128	1,170	668	78	3,044
-1	58	135	88	18	299
TOTAL	1,186	2,826	2,232	531	6,775

Source: Census (2021)

- 4.24 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 to a '+1' occupancy. 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 does also seek to model a better match between household needs and the size of their home. 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).
- 4.25 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 set out above) with the biggest change being in the market sector – which was the sector where under-occupation is currently most notable.

Figure 4.12: Adjusted Modelled Mix of Housing by Size and Tenure				
	1- bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	6%	42%	41%	11%
Affordable home ownership	26%	45%	24%	6%
Affordable housing (rented)	39%	32%	24%	5%

Source: Housing Market Model

- 4.26 Across the Borough, the analysis points to around two-fifths 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. Older person households (as shown earlier) are more likely to occupy smaller dwellings. The impacts of older people have on demand for smaller stock is outlined in the table below.
- 4.27 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.
- 4.28 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.

Figure 4.13: Adjusted Modelled Mix of Housing by Size and Age – affordable housing (rented) – Gosport				
	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	17%	42%	33%	8%
65 and over	64%	36%		
All affordable housing (rented)	39%	32%	24%	5%

Source: Housing Market Model

- 4.29 A further analysis of the need for rented affordable housing is to compare the need with the supply (turnover) of different sizes of accommodation. This links back to estimates of affordable housing need in the previous section (an annual need for 307 dwellings per annum) with additional data from CoRe about the sizes of homes let over the past three years.
- 4.30 This analysis is quite clear in showing the very low supply of larger homes relative to the need for 3- and 4+-bedroom accommodation where it is estimated the supply is only around 14% of the need arising each year, whereas for 1-bedroom homes some 68% of the need can be met.

Figure 4.14: Need for general needs rented affordable housing by number of bedrooms					
	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	159	109	51	16.6%	68.1%
2-bedrooms	186	58	128	41.7%	31.1%
3-bedrooms	135	32	102	33.3%	24.0%
4+-bedrooms	30	4	26	8.4%	14.2%
Total	510	203	307	100.0%	39.8%

Source: JGC analysis

Indicative Targets for Different Sizes of Property by Tenure

- 4.31 The analysis below provides some indicative targets for different sizes of home (by tenure). The conclusions take account of a range of factors, including the modelled outputs and an understanding of the stock profile. The analysis (for rented affordable housing) also draws on the Housing Register data as well as taking 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

- 4.32 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). 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 conclusions also take account of different levels of turnover of different sizes of accommodation – for example the finding that very little of the 4+-bedroom need can be met through relets of the current stock. Overall, it is suggested that the following mix of social/affordable rented housing would be appropriate:

General Needs	Housing for Older People
<ul style="list-style-type: none">• 1-bedroom: 15%• 2-bedroom: 35%• 3-bedroom: 35%• 4+-bedroom: 15%	<ul style="list-style-type: none">• 1-bedroom: 65%• 2+-bedroom: 35%

Affordable Home Ownership

- 4.33 In the affordable home ownership sector a profile of housing that 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. Based on this analysis, it is suggested that the following mix of affordable home ownership would be appropriate:

- 1-bedroom: 25%
- 2-bedroom: 45%
- 3+-bedroom: 30%

Market Housing

- 4.34 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).

- 4.35 We have also had regard to the potential for rightsizing, but recognise that in the market sector there is limited ability to control what households purchase; and some of the wider evidence which continues to point towards demand for larger homes. This sees a slightly larger recommended profile compared with other tenure groups:
- 1- and 2- bedroom: 45%
 - 3-bedroom: 40%
 - 4+-bedroom: 15%
- 4.36 Although the analysis has quantified this on the basis of the market modelling and an understanding of the current housing market, 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 Borough) – demand can change over time linked to macro-economic factors and local supply. Policy aspirations could also influence the mix sought.
- 4.37 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. The recommendations can also be used as a set of guidelines to consider the appropriate mix on larger development sites, and the Council could expect justification for a housing mix on such sites which significantly differs from that modelled herein. Site location and area character are also relevant considerations as to what the appropriate mix of market housing on individual development sites.

Comparison with Previous Assessment

- 4.38 The 2019 study undertook a similar assessment of the mix of housing required (again linking demographic projections to occupancy patterns) and therefore a comparison of the two reports can be made. It should however be noted there are a number of differences in the analysis which will have an impact on the outputs. These include:
- This study is using 2021 Census data (2011 Census in the 2019 study)
 - The 2019 study did not include the step of making adjustments for overcrowding and under-occupation;
 - The 2019 study did not separate out general needs from older persons housing in the social/affordable rented sector; and
 - The 2019 study (like this one) looked at modelling set against both local and regional occupancy patterns and so in the table to follow a range is shown from the 2019 data.
- 4.39 The table below shows a comparison between the figures with those from this study being taken before any adjustment for overcrowding and under-occupation – there are some differences in the figures. In the market, this study suggests a slightly higher proportion of homes with 4+-bedrooms although overall the figures are similar. For affordable home ownership, this report also points to a slightly larger mix of homes when compared with 2019 (although not hugely significant differences). For rented affordable housing this report points to a greater need for homes with 3-bedrooms, which is consistent with data from the Housing Register which has a focus on this dwelling size.

- 4.40 Overall, and across all tenures it is not considered that differences are that substantial. However, given the additional steps taken in this report (to look at overcrowding and under-occupation and to separate out general needs and older persons housing) it is considered that the conclusions from this report should be preferred.

Figure 4.15: Comparing Modelled Mix of Housing by Size and Tenure (2019 and 2023 reports)					
		1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	This study	7%	34%	46%	14%
	2019 study	7-10%	39-41%	42-45%	6-10%
Affordable home ownership	This study	26%	43%	25%	6%
	2019 study	30-35%	42-46%	20-23%	-1-5%
Affordable housing (rented)	This study	40%	30%	26%	3%
	2019 study	43-57%	22-31%	19-24%	2%

Source: 2019 data from Figures 5.3 and 5.4 of 2019 report

Need for Different Sizes of Homes: Key Messages

- 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. The proportion of households with dependent children in Gosport is fairly low with around 26% of all households containing dependent children in 2021 (compared with around 29% both regionally and nationally). There are notable differences between different types of household, with married couples (with dependent children) seeing a high level of owner-occupation, whereas as lone parents are particularly likely to live in social or private rented accommodation.
- 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. 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 – the analysis also models for there to be a modest decrease in levels of under-occupancy (which is notable in the market sector).
- In all sectors the analysis points to a particular need for 2-bedroom accommodation, with varying proportions of 1-bedroom and 3+-bedroom homes. For general need rented affordable housing there is a clear need for a range of different sizes of homes, including half to have at least 3-bedrooms. Our recommended mix is set out below:

	Market	Affordable home ownership	Affordable housing (rented)	
			General needs	Older persons
1-bedroom	45%	25%	15%	65%
2-bedrooms		45%	35%	35%
3-bedrooms	40%	30%	35%	
4+-bedrooms	15%		15%	

- 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. The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.
- 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.
- 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 Council should also monitor the mix of housing delivered.

5. Older and Disabled People

Introduction

- 5.1 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).

Understanding the Implications of Demographic Change

- 5.2 At a national level, the population of older persons is increasing, and this will potentially drive a need for housing which is capable of meeting the needs of older persons. Initially below a series of statistics about the older person population of Gosport are presented.

Current Population of Older People

- 5.3 The table below provides baseline population data about older persons in Gosport and compares this with other areas. The table shows the Borough has a slightly older age structure than seen regionally or nationally with 22% of the population being aged 65 and over – half of these being aged 75 and over. The age profile is however similar to that seen across Hampshire.

Figure 5.1: Older Persons Population, 2022				
	Gosport	Hampshire	South East	England
Under 65	78.1%	77.9%	80.3%	81.4%
65-74	11.2%	10.9%	9.9%	9.6%
75-84	7.7%	8.0%	7.0%	6.5%
85+	3.0%	3.2%	2.8%	2.5%
Total	100.0%	100.0%	100.0%	100.0%
Total 65+	21.9%	22.1%	19.7%	18.6%
Total 75+	10.7%	11.2%	9.8%	9.0%

Source: ONS mid-year population estimates

Projected Future Change in the Population of Older People

- 5.4 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 Gosport is projected to see a notable increase in the older person population. The projection linked to delivery of 170 dpa (Trajectory A) shows a projected increase in the population aged 65+ of around 30% - the population aged Under 65 is in contrast projected to see a notable decrease (6.5% decline).

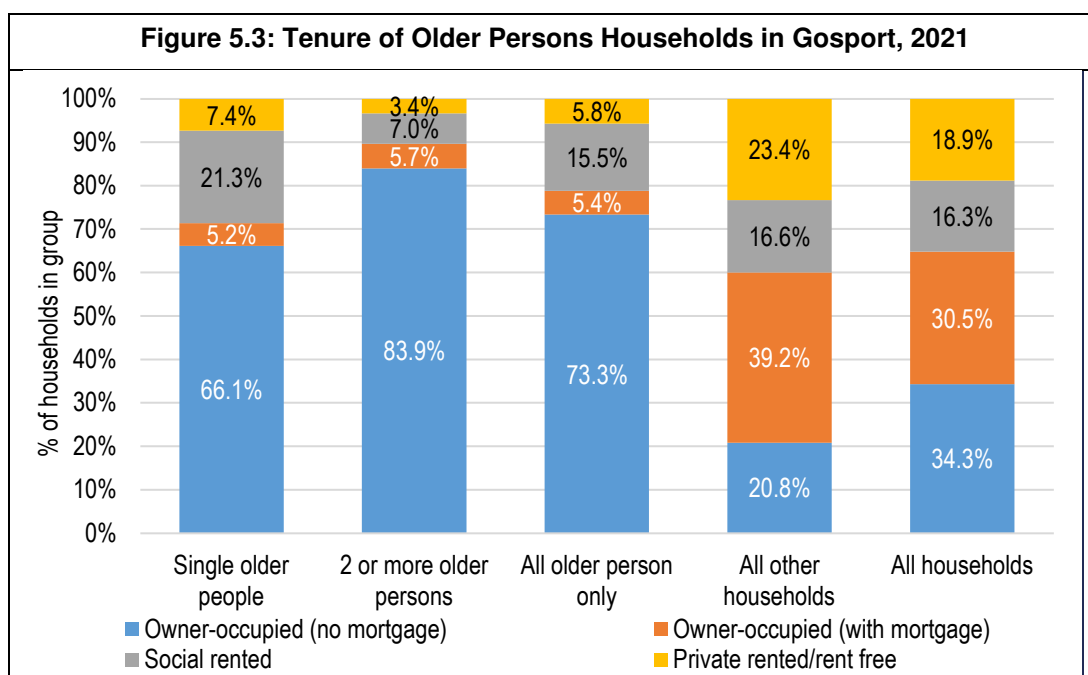
- 5.5 In total population terms, the projections show an increase in the population aged 65 and over of 5,600 people. This is against a backdrop of an overall increase of 1,400 – population growth of people aged 65 and over therefore accounts for over 100% of the total projected population change.

Figure 5.2: Projected Change in Population of Older Persons, 2024 to 2040 – Gosport (linking to Trajectory A: 170 dwellings per annum)				
	2024	2040	Change in population	% change
Under 65	63,912	59,733	-4,179	-6.5%
65-74	9,388	11,126	1,738	18.5%
75-84	7,032	9,449	2,417	34.4%
85+	2,528	4,000	1,471	58.2%
Total	82,861	84,308	1,447	1.7%
Total 65+	18,949	24,575	5,626	29.7%
Total 75+	9,561	13,449	3,888	40.7%

Source: Demographic projections

Characteristics of Older Person Households

- 5.6 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). The data shows that the majority of older persons households are owner occupiers (79% 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 15% 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 6%).
- 5.7 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 –single older people also have a much higher proportion living in the social rented sector.



Source: 2021 Census

Prevalence of Disabilities

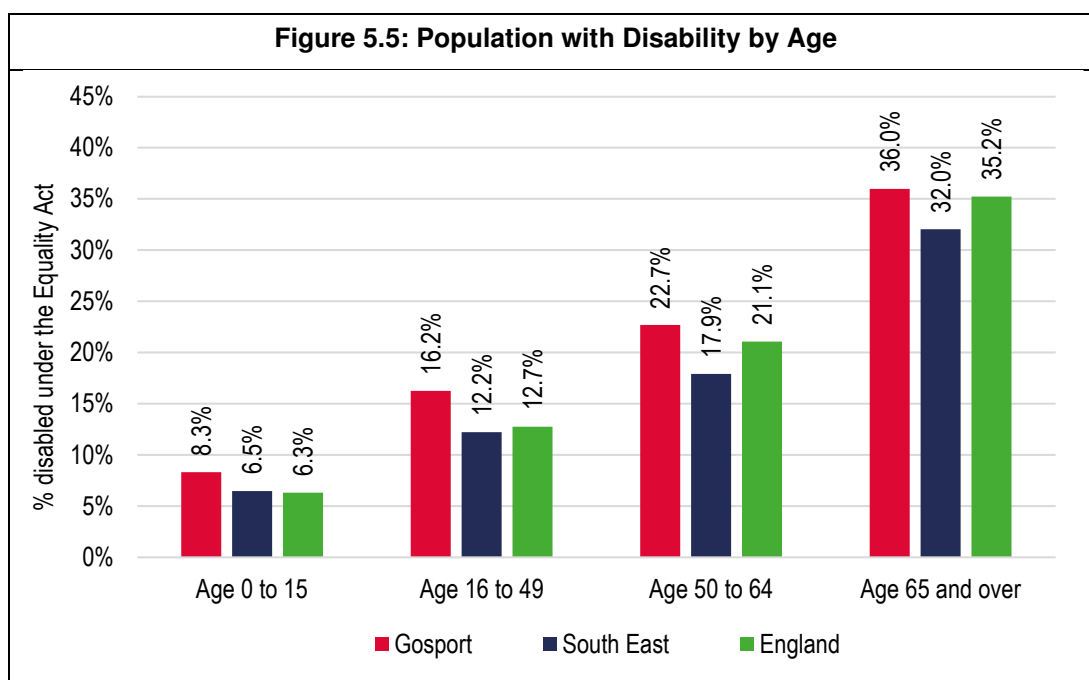
- 5.8 The table below shows the proportion of people who are disabled under the Equality Act drawn from 2021 Census data, and the proportion of households where at least one person has a disability. The data suggests that some 36% of households in the Borough contain someone with a disability. This figure is higher than seen across other areas. The figures for the population with a disability also show higher levels in comparison with other areas – some 20% of the population having a disability.

Figure 5.4: Households and People with a Disability, 2021

	Households Containing Someone with a Disability		Population with a Disability	
	No.	%	No.	%
Gosport	12,796	35.6%	16,714	20.4%
Hampshire	177,182	30.1%	229,545	16.4%
South East	1,144,084	30.0%	1,496,340	16.1%
England	7,507,886	32.0%	9,774,510	17.3%

Source: 2021 Census

- 5.9 As noted, it is likely that the age profile will impact upon the numbers of people with a disability, as older people tend to be more likely to have a disability. The figure below shows the age bands of people with a disability. It is clear from this analysis that those people in the oldest age bands are more likely to have a disability. The analysis also shows higher levels of disability in each age band within Gosport when compared with the national position, with an even more notable difference when compared with regional data.



Source: 2021 Census

Health Related Population Projections

- 5.10 The incidence of a range of health conditions is an important component in understanding the potential need for care or support for a growing older 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.
- 5.11 Of particular note are the large increases in the number of older people with dementia (increasing by 45% from 2024 to 2040 and mobility problems (up 39% over the same period). 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 around 95% of total projected population growth.

Figure 5.6: Projected Changes to Population with a Range of Disabilities – Gosport

Disability	Age Range	2024	2040	Change	% Change
Dementia	65+	1,360	1,972	612	45.0%
Mobility problems	65+	3,562	4,937	1,375	38.6%
Autistic Spectrum Disorders	18-64	564	539	-25	-4.4%
	65+	181	234	53	29.5%
Learning Disabilities	15-64	1,479	1,394	-84	-5.7%
	65+	401	519	118	29.4%
Impaired mobility	16-64	3,419	3,060	-359	-10.5%

Source: POPPI/PANSI and Demographic Projections

- 5.12 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 chose to live independently with the possibility of incorporating adaptations into their homes and those who choose to move into supported housing.
- 5.13 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. The Council should ensure that the viability of doing so is also tested as part of drawing together its evidence base although the cost of meeting this standard is unlikely to have any significant impact on viability and would potentially provide a greater number of homes that will allow households to remain in the same property for longer.

Need for Specialist Accommodation for Older People

- 5.14 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 in line with Planning Practice Guidance.

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]

- 5.15 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.

- 5.16 There are a number of '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.
- 5.17 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)*'. 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.
- 5.18 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 publications). In 2016, Housing LIN published a review document which noted that the 2008 rates are 'outdated' but also noting 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.
- 5.19 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).
- 5.20 For clarity, the table below 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).

Figure 5.7: Range of suggested baseline prevalence rates from a number of tools and publications (per 1,000 people aged 75+)			
Type/Rate	SHOP@ (2008) ¹⁰	Housing in Later Life (2012) ¹¹	2016 Housing LIN Review
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

5.21 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 degree for instance which the Council want to require extra care housing as an alternative to residential care provision would influence the relative balance of need between these two housing types;
- 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.

5.22 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. 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.

¹⁰ Based on the More Choice Greater Voice publication of 2008 (https://www.housinglin.org.uk/assets/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf). 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.

¹¹ https://www.housinglin.org.uk/assets/Resources/Housing/Support_materials/Toolkit/Housing_in_Later_Life_Toolkit.pdf

- 5.23 We consider that the prevalence rates shown in the 2016 Housing LIN Review is an appropriate starting point; but that the corollary of lower care home provision should be a greater focus on delivery of housing with care. 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).
- 5.24 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 75 and over who have a long-term health problem or disability (LTHPD) compared with the England average. In Gosport, the data shows slightly worse health in the older person population and so a modest increase has been made to the prevalence rates.
- 5.25 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. Using 2019 Index of Multiple Deprivation (IMD) data, the analysis suggests Gosport is the 130th most deprived local authority in England (out of 317) – i.e. a very slightly higher than average level of deprivation – this suggests a slightly greater proportion of affordable housing than a local authority in the middle of the range (for housing with support and housing with care).
- 5.26 The table below shows estimated needs for different types of housing linked to the population projections. 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).
- 5.27 Overall, the analysis suggests that there will be a need for housing with support (retirement/sheltered housing) with around 70% in the affordable sector – current supply and demand are broadly in balance. The analysis also points to a strong potential need for housing with care (e.g. extra-care) in both the market and affordable sectors (three-fifths market housing). The analysis also suggests a need for some additional nursing and residential care bedspaces.

Figure 5.8: Specialist Housing Need using adjusted SHOP@Review Assumptions, 2024-40 – Gosport

		Housing demand per 1,000 75+	Current supply (EAC data)	Current demand	Current shortfall/surplus (-ve)	Additional demand to 2040	Shortfall/surplus by 2040
Housing with support	Market	47	472	453	-19	184	166
	Affordable	81	707	776	69	316	384
Total (housing with support)		129	1,179	1,229	50	500	550
Housing with care	Market	25	0	238	238	97	335
	Affordable	21	50	204	154	83	237
Total (housing with care)		46	50	443	393	180	572
Residential care bedspaces		41	218	393	175	160	335
Nursing care bedspaces		46	410	443	33	180	212
Total bedspaces		87	628	836	208	340	548

Source: Derived from Demographic Projections and Housing LIN/EAC (Elderly Accommodation Counsel)

- 5.28 The provision of a choice of attractive housing options to older households is a component of achieving good housing mix. The availability of such housing options for the growing older population may enable some older households to downsize from homes which no longer meet their housing needs or are expensive to run. The availability of housing options which are accessible to older people will also provide the opportunity for older households to 'rightsize' which can help improve their quality of life.
- 5.29 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 Council 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

- 5.30 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 2018/19 data. The EHS data used includes the age structure of wheelchair users, information about work needed to homes to make them 'vitable' for wheelchair users and data about wheelchair users by tenure.
- 5.31 The table below shows at a national level the proportion of wheelchair user households by the age of household reference person. Nationally, around 3.4% of households contain a wheelchair user – with around 1% using a wheelchair indoors. There is a clear correlation between the age of household reference person and the likelihood of there being a wheelchair user in the household.

Figure 5.9: Proportion of wheelchair user households by age of household reference person – England					
Age of household reference person	No household members use a wheelchair	Uses wheelchair all the time	Uses wheelchair indoors only	Uses wheelchair outdoors only	TOTAL
24 and under	99.4%	0.3%	0.0%	0.3%	100.0%
25-34	99.3%	0.3%	0.1%	0.2%	100.0%
35-49	98.2%	0.5%	0.1%	1.2%	100.0%
50-64	96.9%	0.7%	0.4%	2.0%	100.0%
65 and over	93.1%	0.9%	0.4%	5.6%	100.0%
All households	96.6%	0.6%	0.3%	2.5%	100.0%

Source: English Housing Survey (2018/19)

- 5.32 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. For Gosport, the data estimates a total of 1,331 wheelchair user households in 2022, and that this will rise to 1,547 by 2040.

Figure 5.10: Estimated number of wheelchair user households (2022-40) – Gosport					
	Prevalence rate (% of households)	Households 2022	Households 2040	Wheelchair user households (2022)	Wheelchair user households (2040)
24 and under	0.6%	749	744	5	5
25-34	0.8%	4,327	4,633	34	36
35-49	2.0%	8,347	8,185	167	164
50-64	2.8%	10,743	9,291	305	264
65 and over	6.5%	12,566	16,520	820	1,078
All households	-	36,732	39,373	1,331	1,547

Source: JGC analysis

- 5.33 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. Data from the EHS (2014-15) 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.
- 5.34 Applying this to the current number of wheelchair user households gives a current need for 333 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 54 homes in the 2024-40 period can be identified. Added together this leads to a need estimate of 387 wheelchair user homes – equating to 24 dwellings per annum.

Figure 5.11: Estimated need for wheelchair user homes, 2024-40			
	Current need	Projected need (2024-40)	Total current and future need
Gosport	333	54	387

Source: JGC analysis

- 5.35 Furthermore, information in the EHS (for 2018/19) also provides national data about wheelchair users by tenure. This showed that, at that time, around 7.1% of social tenants were wheelchair users (including 2.2% using a wheelchair indoors), compared with 3.1% of owner-occupiers (0.7% indoors). 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.

Figure 5.12: Proportion of wheelchair user households by tenure of household reference person – England					
	No household members use a wheelchair	Uses wheelchair all the time	Uses wheelchair indoors only	Uses wheelchair outdoors only	TOTAL
Owners	96.9%	0.5%	0.2%	2.4%	100.0%
Social sector	92.9%	1.6%	0.6%	4.8%	100.0%
Private renters	98.8%	0.1%	0.1%	0.9%	100.0%
All households	96.6%	0.6%	0.3%	2.5%	100.0%

Source: English Housing Survey (2018/19)

- 5.36 To meet the identified need, the Council could seek a proportion (maybe up to 5%) of all new market homes to be M4(3) compliant and potentially a higher figure in the affordable sector (say 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.
- 5.37 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 (see table below).
- 5.38 It is worth noting that the Government has reported on a consultation 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 suits the needs of the households (in particular those with disabilities) is being compromised on viability grounds¹².
- 5.39 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 through a change to building regulations.

¹² <https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes>

- 5.40 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*'.
- 5.41 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. The table below shows estimated costs for different types of accessible dwellings, taken from research sitting behind the initial PPG on accessible housing – these costings are now 10-years old but do still provide an indication of the relative costs of different options.

Figure 5.13: Access Cost Summary					
	1-Bed Apartment	2-Bed Apartment	2-Bed Terrace	3-Bed Semi Detached	4-Bed Semi- Detached
M4(2)	£940	£907	£523	£521	£520
M4(3)(A) – Adaptable	£7,607	£7,891	£9,754	£10,307	£10,568
M4(3)(B) – Accessible	£7,764	£8,048	£22,238	£22,791	£23,052

Source: EC Harris, 2014

- 5.42 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.
- 5.43 A further option for the Council would be to consider seeking a higher contribution, where it is viable to do so, from those homes to which they have nomination rights. This would address any under delivery from other schemes (including schemes due to their size e.g. less than 10 units or 1,000 square metres) but also recognise the fact that there is a higher prevalence for wheelchair use within social rent tenures. This should be considered when setting policy.

Comparison with Previous Assessment

- 5.44 Since the 2019 assessment, JGC have overhauled much of the methodology for looking at older person needs and the need for wheelchair housing – particularly by updating analysis of prevalence rates to reflect best practice (sources discussed above) and also to draw on more up-to-date information – therefore direct comparisons are difficult. However it is clear from both reports that there is a notable potential need for all types of specialist housing (in both broad tenures) as well as a need for additional homes for wheelchair users.

Older and Disabled People: Key Messages

- 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).
- The data shows that Gosport has a slightly older age structure and slightly higher levels of disability when compared with the national average. The older person population does however show high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (73% of all older person households are outright owners).
- 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 substantially. Key findings for the 2024-40 period include:
 - a 30% increase in the population aged 65+ (potentially accounting for over 100% of total population growth);
 - an 45% increase in the number of people aged 65+ with dementia and 39% increase in those aged 65+ with mobility problems;
 - a need for around 550 housing units with support (sheltered/retirement housing) – around 70% in the affordable sector;
 - a need for around 570 additional housing units with care (e.g. extra-care) – again split between market and affordable housing (around three-fifths market);
 - a need for additional nursing and residential care bedspaces; and
 - a need for approaching 400 dwellings to be for wheelchair users (meeting technical standard M4(3)).
- 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. Given the evidence, the Council 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 a tenth in the affordable sector).
- Where the authority has nomination rights M4(3) 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). 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.
- In framing policies for the provision of specialist older persons accommodation, the Council 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). There may also be some practical issues to consider, such as the ability of any individual development being mixed tenure given the way care and support services are paid for.
- Since the 2019 assessment, JGC have overhauled much of the methodology for looking at older person needs and the need for wheelchair housing – particularly by updating analysis of prevalence rates to reflect best practice and also to draw on more up-to-date information – therefore direct comparisons are difficult. However it is clear from both reports that there is a notable potential need for all types of specialist housing (in both broad tenures) as well as a need for additional homes for wheelchair users.

Appendix 1: Detailed Population Projection Outputs

HOUSING TRAJECTORY A – based on 170 dwellings per annum (2024-40)

Components of change	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	
Births	792	791	790	790	792	796	800	805	811	816	822	829	836	842	847	850	
Deaths	939	948	960	975	983	996	1,008	1,022	1,037	1,050	1,068	1,082	1,093	1,102	1,113	1,120	
Natural change	-147	-157	-170	-184	-190	-200	-207	-217	-227	-233	-246	-253	-257	-260	-266	-271	
In-migration	3,976	3,988	4,000	4,015	4,032	4,049	4,065	4,079	4,094	4,108	4,120	4,131	4,140	4,147	4,152	4,156	
Out-migration	3,750	3,758	3,764	3,760	3,769	3,769	3,770	3,773	3,770	3,769	3,778	3,778	3,777	3,772	3,775	3,775	
Net migration	226	230	236	255	263	280	295	306	324	339	342	352	363	375	377	381	
Population (broad age groups)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Age 0-4	4,029	4,008	3,995	3,988	3,986	3,987	3,992	4,002	4,017	4,037	4,060	4,086	4,116	4,148	4,181	4,213	4,243
Age 5-9	4,429	4,309	4,173	4,052	3,966	3,954	3,936	3,925	3,919	3,919	3,921	3,925	3,934	3,948	3,967	3,990	4,016
Age 10-14	4,863	4,683	4,619	4,530	4,419	4,290	4,171	4,035	3,919	3,836	3,825	3,808	3,798	3,793	3,794	3,795	3,800
Age 15-19	4,658	4,801	4,801	4,779	4,726	4,650	4,509	4,450	4,362	4,258	4,135	4,012	3,878	3,768	3,691	3,679	3,664
Age 20-24	4,138	4,148	4,226	4,354	4,486	4,558	4,687	4,719	4,740	4,722	4,689	4,611	4,571	4,493	4,410	4,296	4,182
Age 25-29	4,669	4,637	4,564	4,520	4,529	4,502	4,519	4,603	4,737	4,879	4,967	5,094	5,154	5,206	5,205	5,188	5,133
Age 30-34	5,099	5,032	5,030	4,976	4,905	4,891	4,853	4,782	4,725	4,718	4,697	4,715	4,799	4,931	5,073	5,166	5,289
Age 35-39	5,216	5,208	5,216	5,260	5,240	5,195	5,131	5,116	5,066	5,002	4,978	4,939	4,870	4,807	4,792	4,773	4,793
Age 40-44	4,988	5,039	5,061	4,992	4,972	5,022	5,021	5,038	5,083	5,069	5,031	4,970	4,948	4,900	4,839	4,812	4,771
Age 45-49	4,467	4,492	4,510	4,596	4,715	4,748	4,791	4,812	4,757	4,746	4,793	4,797	4,820	4,866	4,857	4,824	4,765
Age 50-54	5,397	5,279	5,012	4,842	4,665	4,617	4,650	4,679	4,768	4,883	4,919	4,955	4,974	4,929	4,924	4,972	4,981
Age 55-59	5,972	5,803	5,837	5,722	5,652	5,497	5,380	5,128	4,960	4,792	4,752	4,793	4,833	4,927	5,040	5,077	5,108
Age 60-64	5,987	6,123	6,139	6,168	6,149	6,082	5,930	5,959	5,854	5,787	5,639	5,526	5,288	5,125	4,968	4,937	4,987
Age 65-69	5,102	5,308	5,466	5,619	5,731	5,848	5,990	6,018	6,053	6,039	5,980	5,842	5,868	5,772	5,709	5,567	5,457
Age 70-74	4,286	4,271	4,377	4,523	4,676	4,876	5,072	5,232	5,386	5,504	5,626	5,770	5,806	5,847	5,838	5,790	5,669
Age 75-79	4,474	4,484	4,467	4,238	4,140	4,045	4,038	4,136	4,271	4,413	4,596	4,773	4,926	5,074	5,191	5,313	5,451
Age 80-84	2,558	2,752	2,975	3,327	3,522	3,673	3,685	3,668	3,492	3,423	3,358	3,362	3,449	3,566	3,691	3,847	3,998
Age 85+	2,528	2,559	2,540	2,590	2,665	2,780	2,939	3,080	3,363	3,539	3,704	3,788	3,835	3,874	3,917	3,958	4,000
Total population	82,861	82,938	83,010	83,074	83,143	83,215	83,294	83,381	83,470	83,566	83,671	83,767	83,866	83,973	84,087	84,198	84,308
Change from previous year	77	72	64	69	72	79	87	88	97	105	96	99	106	115	111	110	
Households	36,732	36,914	37,090	37,265	37,435	37,618	37,802	37,975	38,151	38,322	38,491	38,657	38,809	38,965	39,110	39,239	39,373
Change from previous year	182	176	176	169	184	184	173	176	171	169	166	152	156	145	130	134	
Dwelling need	187	181	181	175	189	189	178	182	176	174	171	156	161	149	134	138	
Economically active population	40,757	40,812	40,909	40,951	41,002	41,001	41,003	40,986	40,963	40,960	40,922	40,874	40,857	40,854	40,858	40,838	40,816
Change from previous year	55	98	41	51	-1	3	-17	-23	-3	-38	-48	-17	-3	4	-20	-22	

HOUSING TRAJECTORY B – based on 190 dwellings per annum (2024-40)

Components of change	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	
Births	793	793	793	794	797	801	806	812	818	825	832	839	847	854	859	862	
Deaths	939	949	961	976	984	998	1,010	1,024	1,040	1,053	1,072	1,086	1,097	1,107	1,118	1,126	
Natural change	-146	-156	-168	-182	-188	-197	-204	-212	-222	-228	-240	-247	-250	-253	-259	-263	
In-migration	3,998	4,011	4,023	4,038	4,055	4,072	4,088	4,102	4,117	4,131	4,144	4,154	4,163	4,171	4,175	4,180	
Out-migration	3,729	3,737	3,743	3,738	3,748	3,747	3,749	3,752	3,749	3,748	3,757	3,757	3,755	3,750	3,753	3,753	
Net migration	270	274	280	299	308	325	339	350	369	383	387	397	408	420	422	426	
Population (broad age groups)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Age 0-4	4,032	4,015	4,005	4,001	4,003	4,009	4,018	4,032	4,051	4,075	4,103	4,134	4,167	4,203	4,240	4,277	4,310
Age 5-9	4,431	4,314	4,180	4,062	3,979	3,970	3,955	3,948	3,946	3,949	3,955	3,964	3,978	3,996	4,019	4,047	4,077
Age 10-14	4,865	4,687	4,625	4,537	4,428	4,301	4,185	4,051	3,937	3,858	3,850	3,836	3,829	3,828	3,832	3,838	3,847
Age 15-19	4,662	4,807	4,810	4,789	4,739	4,664	4,525	4,468	4,381	4,279	4,158	4,037	3,905	3,798	3,723	3,715	3,703
Age 20-24	4,144	4,160	4,245	4,378	4,516	4,592	4,725	4,760	4,783	4,766	4,736	4,658	4,620	4,544	4,462	4,348	4,237
Age 25-29	4,674	4,647	4,579	4,541	4,555	4,534	4,558	4,649	4,789	4,938	5,031	5,162	5,225	5,279	5,280	5,265	5,211
Age 30-34	5,103	5,041	5,043	4,993	4,927	4,918	4,885	4,819	4,767	4,766	4,750	4,775	4,866	5,005	5,154	5,253	5,380
Age 35-39	5,219	5,214	5,225	5,273	5,257	5,216	5,156	5,145	5,100	5,040	5,021	4,986	4,922	4,864	4,855	4,841	4,868
Age 40-44	4,990	5,044	5,068	5,001	4,984	5,036	5,039	5,059	5,107	5,098	5,064	5,006	4,988	4,945	4,888	4,865	4,829
Age 45-49	4,469	4,496	4,516	4,604	4,725	4,761	4,806	4,829	4,776	4,767	4,818	4,825	4,851	4,901	4,896	4,867	4,812
Age 50-54	5,399	5,283	5,018	4,850	4,673	4,628	4,662	4,694	4,785	4,903	4,940	4,979	5,000	4,958	4,955	5,006	5,018
Age 55-59	5,975	5,807	5,843	5,730	5,662	5,509	5,394	5,142	4,976	4,809	4,771	4,813	4,856	4,952	5,068	5,107	5,140
Age 60-64	5,989	6,127	6,146	6,176	6,159	6,095	5,944	5,975	5,872	5,807	5,660	5,548	5,311	5,149	4,994	4,964	5,016
Age 65-69	5,103	5,311	5,471	5,626	5,740	5,859	6,002	6,033	6,069	6,058	6,001	5,864	5,892	5,797	5,736	5,596	5,487
Age 70-74	4,287	4,273	4,380	4,527	4,681	4,883	5,081	5,242	5,398	5,518	5,643	5,789	5,827	5,870	5,863	5,816	5,696
Age 75-79	4,475	4,486	4,470	4,241	4,145	4,051	4,044	4,143	4,280	4,423	4,607	4,786	4,941	5,091	5,210	5,334	5,474
Age 80-84	2,559	2,754	2,977	3,330	3,526	3,678	3,690	3,675	3,499	3,430	3,367	3,371	3,459	3,577	3,703	3,861	4,013
Age 85+	2,529	2,561	2,543	2,594	2,670	2,786	2,946	3,088	3,372	3,550	3,715	3,801	3,849	3,889	3,933	3,975	4,018
Total population	82,905	83,027	83,143	83,254	83,369	83,488	83,615	83,751	83,888	84,034	84,189	84,336	84,487	84,645	84,812	84,975	85,138
Change from previous year	122	117	110	116	119	127	135	137	146	155	147	151	158	167	163	163	
Households	36,748	36,947	37,140	37,333	37,520	37,722	37,924	38,117	38,312	38,503	38,691	38,878	39,051	39,228	39,394	39,545	39,700
Change from previous year	198	193	193	187	202	202	192	196	190	189	187	172	177	166	151	155	
Dwelling need	204	199	199	193	208	208	198	202	196	194	192	178	182	171	155	160	
Economically active population	40,782	40,862	40,986	41,053	41,131	41,156	41,185	41,194	41,197	41,221	41,209	41,188	41,197	41,221	41,252	41,260	41,265
Change from previous year	80	123	67	77	25	29	9	4	24	-12	-22	9	24	31	7	6	