

# **Pembury Housing Report**

**December 2021**

**Prepared for the Pembury Neighbourhood Plan**

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# 1. Introduction

- 1.1. This report is a local housing needs assessment for Pembury and is intended to inform the preparation of the Pembury Neighbourhood Plan. It has been prepared using the guidance prepared by AECOM on behalf of Locality, “How to undertake a Housing needs assessment”<sup>1</sup>. The document forms part of the evidence base for the neighbourhood plan and reflects the situation at the present time (December 2021) and will gradually become superseded by more recent data. It is anticipated that the assessment should be updated on a periodic basis.
- 1.2. Tunbridge Wells Borough Council (TWBC), in its Submission Local Plan expects approximately 389-417 new dwellings to be delivered in the period to 2038, of which 54 have existing planning permission. These are being delivered through strategic site allocations. The Neighbourhood Plan Steering Group (the NPSG) does not intend to allocate any additional sites for housing development in the Neighbourhood Plan. It is considered that the strategic site allocations will adequately address housing need (in terms of numbers) both at the very local level and contributing to strategic need. This is a position that has been discussed and agreed with officers at Tunbridge Wells Borough Council (TWBC).
- 1.3. The NPSG is keen, however, to explore the nature of any new homes delivered in the parish. Specific questions raised focus on:
  - The level of housing need;
  - The type, size and mix tenures of housing required in the parish; and
  - The need for affordability housing in the parish
- 1.4. To address these questions, this report follows the methodology as set out in the Planning Guidance, drawing on information from central government statistics, strategic housing data and locally sourced data from the parish itself. If landowners or other interested parties disagree with the report’s findings, they may make representations and present evidence to the qualifying body before or at formal consultation and publicity stages. It is for the qualifying body to consider such representations and evidence.

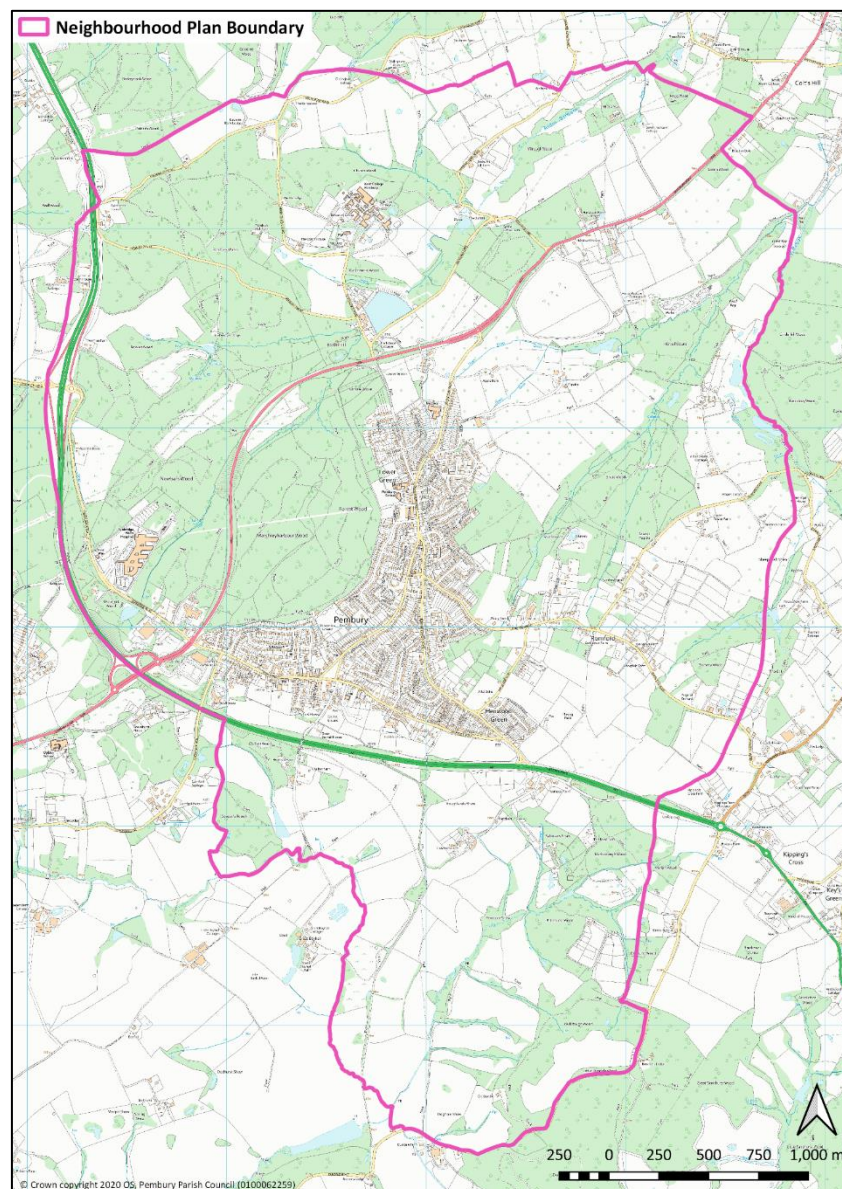
## 2. About the neighbourhood area

- 2.1. Pembury Parish Council is preparing a neighbourhood plan for the entire parish. Pembury is a rural parish in Kent located within Tunbridge Wells borough. The main settlement is Pembury village, located approximately 2.8 miles from Matfield to the east and approximately 3.4 miles from Royal Tunbridge Wells to the south west, although there has been some coalescence at the western end of the settlement. The A21 runs east-west to the south of the village, joining the A228 running north-south to the west.

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<sup>1</sup> <https://neighbourhoodplanning.org/toolkits-and-guidance/undertake-housing-needs-assessment-hna/>

- 2.2. Aside from the village itself, the parish sits within Green Belt. It is also within the High Weald Area of Outstanding Natural Beauty (AONB), the AONB boundary mostly excluding land that forms the core of the settlement, with a small overlap in places. There are extensive areas of ancient woodland in the parish, mostly located within the High Weald AONB. Other notable natural features include fruit orchards, a network of small watercourses and a large number of natural ponds. Further background information about the Parish can be found in the Parish Profile, which forms part of the Evidence Base for the Plan.
- 2.3. The neighbourhood area, which coincides with the parish boundary, was designated by TWBC on 14 July 2020, as shown in Figure 2.1.



*Figure 2.1: Designated Pembury Neighbourhood Area*

### 3. Planning policy and guidance

#### National policy and practice guidance

- 3.1. Chapter 5 of National Planning Policy Framework (NPPF)<sup>2</sup> focusses on the need to deliver a sufficient supply of housing. Paragraph 60 states that to support the Government's objective of significantly boosting the supply of homes, *"it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay"*.
- 3.2. Paragraph 66 sets out that strategic policies should set out a housing requirement for designated neighbourhood areas. The housing requirement for Pembury is being delivered via strategic site allocations and the Neighbourhood Plan does not intend to allocate additional sites. Despite this, it is helpful to consider the type, tenure and mix of homes – at the local neighbourhood plan level – that are likely to be needed over the course of the plan, to add additional local detail to strategic policies and ensure that these are delivered.

#### Strategic and local policy

- 3.3. The current adopted Tunbridge Wells Development Plan comprises the saved policies of the Local Plan 2006<sup>3</sup>, the Core Strategy, adopted in 2010<sup>4</sup> and the Site Allocations Local Plan, adopted in 2016<sup>5</sup>. The Pembury Neighbourhood Plan policies must be in conformity with the strategic policies of the adopted Development Plan.
- 3.4. A new Local Plan for Tunbridge Wells is, however, in the process of being developed. It has been subject to a Regulation 19 consultation and was submitted to the Secretary of State for independent Examination on 1 November 2021. The Local Development Scheme<sup>6</sup>, which sets out the proposed timetable for the emerging Plan, states that the intention is to adopt the new Local Plan in January 2023. At this point, it will replace the three previous documents mentioned above.
- 3.5. As the emerging Local Plan is well-advanced, its policies are an important consideration in the development of the neighbourhood Plan policies. The draft policies – and the evidence base sitting behind them – have been used to inform the Pembury Neighbourhood Plan.

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1005759/NPPF\\_July\\_2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf)

<sup>3</sup> <https://tunbridgewells.gov.uk/planning/planning-policy/existing-local-plans/local-plan-2006/local-plan-chapters>

<sup>4</sup> [https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0003/343353/Core-Strategy-adopted-June-2010.compressed.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0003/343353/Core-Strategy-adopted-June-2010.compressed.pdf)

<sup>5</sup> <https://tunbridgewells.gov.uk/planning/planning-policy/existing-local-plans/site-allocations-local-plan>

<sup>6</sup> [https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0020/402248/Local-Development-Scheme-29-October-2021\\_accessible.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0020/402248/Local-Development-Scheme-29-October-2021_accessible.pdf)

3.6. Policy PSTR/PE 1 of the Submission Local Plan<sup>7</sup> sets out a strategy for Pembury to build approximately 389-417 new dwellings, of which 54 have existing planning permission. The following sites are allocated:

- AL/PE1: approximately 50 to 60 dwellings
- AL/PE2: approximately 80 dwellings
- AL/PE3: approximately 80 dwellings
- AL/PE4: approximately 25 dwellings and land safeguarded for potential expansion of the hospice
- AL/PE5: approximately 19 dwellings
- AL/PE6: up to 80 units of extra care accommodation (Use Class C3) or up to 120 units of residential care home/nursing care (Use Class C2). A combination of these uses will also be considered.
- AL/PE7: a 68-suite integrated community healthcare facility, including the provision of an integrated Community Day Care Centre.

3.7. Sites AL/PE1 to PE4 are expected to deliver 40% of its dwellings as affordable homes, while sites L/PE5 and PE6<sup>8</sup> are expected to deliver 30% affordable homes.

3.8. Policy H1 (Housing Mix) of the Submission Version Local Plan relates to Housing Mix:

## **Policy H 1**

### **Housing Mix**

Proposals for residential development should support the creation and maintenance of balanced communities by providing an appropriate housing mix with a range of sizes, types, and tenures of dwellings.

The mix should reflect any requirements set out in relevant policies in the Local Plan or a 'made' neighbourhood plan for the area, and may be informed by intelligence on local housing needs and demand, including that contained in local planning evidence base documents, parish housing surveys, and other relevant analyses.

3.9. Policy H3 (Affordable Housing) states that "the general approach to tenure provision of on-site affordable housing should be that 60 percent is provided as social rent and 40 percent as intermediate tenures or other affordable routes to home ownership, subject to consideration of any subsequent local policy and/or evidence.

3.10. There is scope, therefore, for the Pembury Neighbourhood Plan to consider the size, type and tenure of dwellings that should be provided, in particular to meet the local parish housing needs.

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<sup>7</sup> [https://forms.tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0010/403588/CD\\_3.128\\_Local-Plan\\_Submission-version-compressed.pdf](https://forms.tunbridgewells.gov.uk/_data/assets/pdf_file/0010/403588/CD_3.128_Local-Plan_Submission-version-compressed.pdf)

<sup>8</sup> If the proposal on site allocation AL/PE 6 is deemed to be Use Class C3 residential.

## Housing and Economic Needs Assessment (HENA)

- 3.11. In February 2019, the Ministry of Housing, Communities and Local Government published the outcome of the 'Technical consultation on updates to national planning policy and guidance'<sup>9</sup>. The Government's policies were incorporated within an updated version of the Planning Practice Guidance (PPG) on 'Housing and economic needs assessment'.
- 3.12. Any Local Plans submitted for examination on or after the 24 January 2019, which is the case with TWBC's emerging Local Plan, will be examined in accordance with the NPPF (most recently updated in July 2021). This requires Local Planning Authorities (LPA) to assess local housing need in accordance with the guidance in the PPG on how to conduct a Housing and Economic Needs Assessment (HENA), known as the "Standard Method". This updated guidance clarifies that the 2014-based household projections should be used to set the baseline for Step 1 of the Standard Method.

## 4. Core questions to be considered in this Local Housing Needs Assessment

- 4.1. This report for Pembury Parish seeks to explore two core questions:

**Core Question 1:** What is the current need, by type and size of housing, based on the parish profile?

**Core Question 2:** What level of affordable housing – by tenure - is needed to address local need?

- 4.2. Chapter 5 of this report will explore Core Question 1 about house type, size and mix. It considers current housing stock, and household and population profiles in the parish. It provides comparative data with broader geographies i.e. borough, region and England. It looks at future trends both in terms population growth and population demographics. Conclusions are drawn about suitability of the current housing stock in meeting the long term needs of current households. Data will be informed by the Census 2011, and the population and household projections provided by the Office for National Statistics.
- 4.3. Chapter 6 of this report will explore Core Question 2. It considers the affordable needs assessment data provided by the Strategic Housing Market Assessment and undertakes a more up to date analysis of earnings and house prices to estimate the affordability of housing within the parish and the tenure type suitable to meet its needs. sourced from Strategic Housing Market Assessment (SHMA) and the Land Registry. In respect of Land Registry data this includes reference to both the House Price Index (HPI) and actual transactional sales value and volume. Earnings are drawn from data provided by the Office for National Statistics (ONS).

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## 5. Core Question 1: What is the current need, by type and size of housing, based on the parish profile?

### Overview

- 5.1. A neighbourhood profile has been constructed within this chapter to identify the current housing stock, population and household profiles for the Pembury parish. The structure and content are similar to the Sevenoaks and Tunbridge Wells Strategic Housing Market Assessment (SHMA)<sup>10</sup>, although the focus is on the smaller geography of the parish. The base set of information will be drawn from the Census 2011<sup>11</sup>, as with the SHMA. However, this report for Pembury is able to use more recent projections than the SHMA.
- 5.2. At the time of the Census 2011, Pembury Parish contained 2,459 household spaces, which can be defined as dwellings. Of these dwellings, 2,400 were usually occupied, so this equates to the number of households within the Census based analysis. Resident households were formed from a population of 6,128 persons (Table 5.1).

Total household spaces		2,459
Of which usual resident		2,400
Resident population		6,128

Table 5.1: Household spaces and population (source: Census 2011, Nomisweb)

### Housing profile

#### Tenure

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

- 5.4. The key tenures for the purpose of this analysis are:

<sup>10</sup> SHMA published in 2015: [https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0005/384728/SHMA-final-September-2015.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0005/384728/SHMA-final-September-2015.pdf), with an update for Tunbridge Wells published in 2017: [https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0006/384729/6E94B040D7E37067E0531401A8C04146\\_SHMA\\_Update\\_2017.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0006/384729/6E94B040D7E37067E0531401A8C04146_SHMA_Update_2017.pdf)

<sup>11</sup> Accessed via: <https://www.nomisweb.co.uk/>, as the most recent comprehensive data set. A review of this should be undertaken on the publication of the 2021 census findings.

<b>Owner occupation</b>	where the occupier owns the property on a freehold or long leasehold basis with or without a mortgage.
<b>Private rent</b>	where the tenant rents the property from a private individual or organisation usually at a rent dictated by market conditions but, in any event, free from statutory or other regulatory rent controls.
<b>Affordable housing for rent</b>	where the tenant rents the property from a registered provider of social housing (Registered Provider) and the property is let at a below market level rent and controlled by statute or other regulatory power. A Registered Provider is usually a local authority landlord or a housing association.
<b>Affordable housing for sale</b>	where the occupier owns or part-owns the property and has received some form of subsidy in order to do so. The property will usually be bound by some form of condition or covenant that ensures that the subsidy remains vested in the property.

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

5.6. The current definition of 'affordable housing' is set out within the NPPF Annex 2 as follows:

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

a) **Affordable housing for rent:** meets all of the following conditions:

(a) the rent is set in accordance with the Government's rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable);

(b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and

(c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision.

For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) **(Starter homes:** In January 2020 the Department announced that the Starter Homes policy was no longer being pursued. In February 2020 it launched a new initiative, First Homes, which also aims to deliver discounted homes for first-time buyers. See below for more information on First Homes).

- c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined regarding local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.
  - d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to Government or the relevant authority specified in the funding agreement.
- 5.7. **First Homes** are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which:
- a) must be discounted by a minimum of 30% against the market value;
  - b) are sold to a person or persons meeting the First Homes eligibility criteria;
  - c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
  - d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations.

### **Current tenure profile**

- 5.8. Table 5.2 sets out the tenure profile within the parish at the time of the 2011 Census. As can be seen, home ownership, whether owned outright or with a mortgage, is proportionally higher in Pembury than the comparative geographies.
- 5.9. Affordable (social) rented housing whether from the Council or a Registered Provider is comparable in all regions, however the proportion of homes rented from the council is significantly lower in the parish and borough, when compared to wider geographies. Conversely, the proportion of affordable (social) rented homes is significantly higher.
- 5.10. The proportion of private rental homes in the parish is significantly lower in the Parish than the Borough as a whole and the regional and national proportions.

	<b>Pembury (number)</b>	<b>Pembury (%)</b>	<b>Tunbridge Wells BC</b>	<b>South East</b>	<b>England</b>
<b>Owned outright</b>	878	37%	32%	31%	33%
<b>Owned with mortgage</b>	900	38%	34%	33%	35%
<b>Shared ownership</b>	9	0%	1%	1%	1%
<b>Rented from council</b>	29	1%	1%	9%	6%
<b>Rented from other social landlord</b>	358	15%	14%	8%	8%
<b>Rented from private sector</b>	198	8%	17%	17%	16%
<b>Living rent free</b>	28	1%	1%	1%	1%

Table 5.2: Tenure of usually occupied homes, 2011 (source: Census 2011, Nomisweb)

5.11. Tenure change over the period 2001 to 2011 is set out in Table 5.3. During this time, Pembury has not seen a significant change in the tenure profile of its housing stock. The owner-occupied stock has reduced slightly as a proportion of all stock. Private rental stock has seen the biggest proportionate increase, although not as great an increase as at the wider geographies. Social rented housing as a proportion of all stock has decreased very slightly from 2001 to 2011.

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

	<b>2011</b>	<b>2001</b>	<b>2011</b>	<b>2001</b>	<b>2011</b>	<b>2001</b>
	All ownership % including shared)		All social (affordable) rent %		All private rent and rent free (other than in 2001) %	
<b>Pembury</b>	74%	77%	16%	17%	9%	6%
<b>Tunbridge Wells Borough</b>	67%	72%	15%	16%	18%	13%
<b>South East</b>	69%	74%	14%	14%	18%	12%
<b>England</b>	64%	69%	18%	19%	18%	12%

Table 5.3: Tenure change from 2001 to 2011 (Source: Census 2001, Census 2011, Nomisweb)

## Housing type

5.13. Table 5.4 (represented graphically in Figure 5.1) sets out the housing mix in the Parish and comparative geographies at the time of the 2011 Census. Pembury has a significantly higher

proportion of detached (in particular) and semi-detached housing in comparison to the Borough and wider geographies as a whole.

5.14. In contrast, the Parish has a lower proportion of terraced housing in comparison elsewhere.

5.15. The proportion of flats (including apartments and maisonettes) in the Parish is also significantly lower than in the other wider geographies, although there have been some new flats constructed in recent years since the 2011 census.

	All categories (unshared household spaces)	Detached	Semi-detached	terraced	Flat/ appt
<b>Pembury</b>	2,400	38%	33%	16%	13%
<b>Tunbridge Wells Borough</b>	46,988	27%	30%	18%	25%
<b>South East</b>	3,544,688	28%	28%	23%	20%
<b>England</b>	21,985,413	23%	31%	25%	21%

Table 5.4: Accommodation type (Source: Census 2011, Nomisweb)

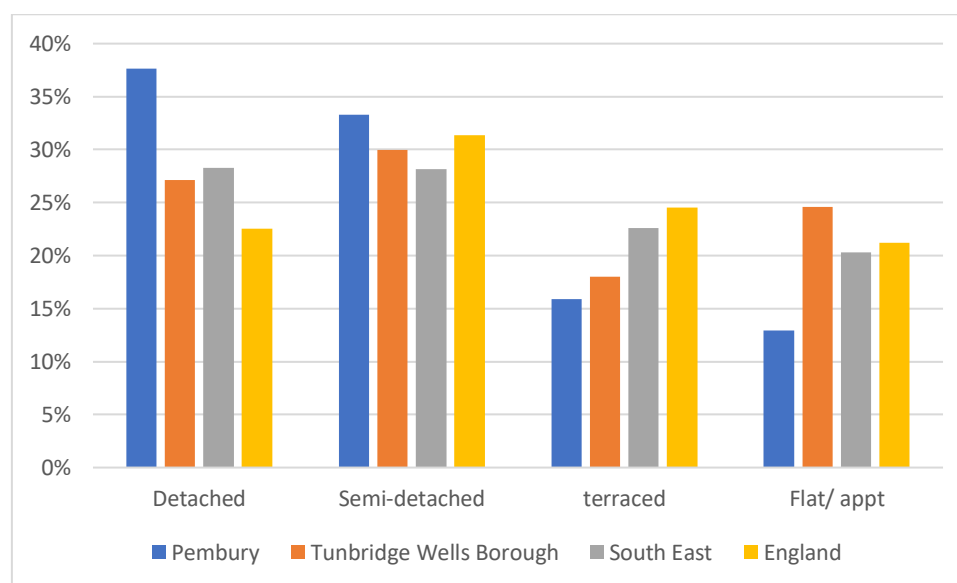


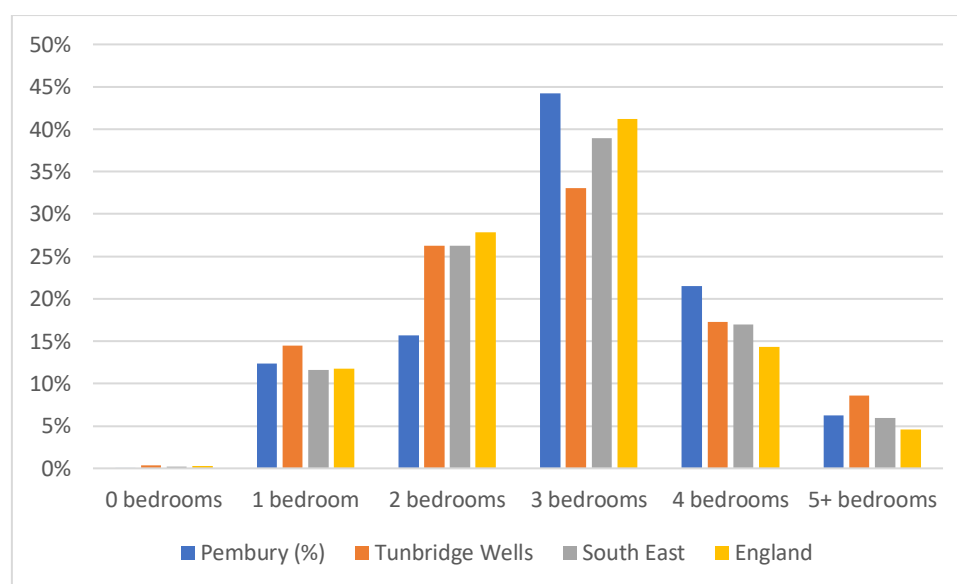
Figure 5.1: Graph showing accommodation type by geography

5.16. Table 5.5 (and Figure 5.2) sets out the proportion of dwellings by number of bedrooms in Pembury and respective geographies. As might be expected in an area with relatively high levels of detached and semi-detached accommodation, Pembury has a high proportion of dwellings with 3, 4 and 5+ bedrooms (72% compared to 59% across the Borough).

- 5.17. The proportion of two-bedroom dwellings (c16%) is significantly lower than in the comparative geographies. The number of one-bedroom dwellings is lower than at the borough, but more in line with the wider geographies.
- 5.18. It can be seen, therefore, that dwelling sizes in Pembury are weighted toward larger dwelling sizes in comparison to the wider geographies. However, this is not as marked as more isolated rural settlements.

	<b>Pembury (Number)</b>	<b>Pembury (%)</b>	<b>Tunbridge Wells</b>	<b>South East</b>	<b>England</b>
<b>0 bedrooms</b>	2	0%	0%	0%	0%
<b>1 bedroom</b>	296	12%	14%	12%	12%
<b>2 bedrooms</b>	376	16%	26%	26%	28%
<b>3 bedrooms</b>	1,061	44%	33%	39%	41%
<b>4 bedrooms</b>	516	22%	17%	17%	14%
<b>5+ bedrooms</b>	149	6%	9%	6%	5%
<b>Total</b>	2,400				

*Table 5.5: Number of bedrooms (Source: Census 2011, Nomisweb)*



*Figure 5.2: Graph showing bedroom numbers*

- 5.19. Table 5.6 sets out dwellings by number of bedrooms across the Parish by tenure at the time of the Census 2011. Both social rented and private rented sectors (PRS) have a significantly higher proportion of 1-bedroom dwellings (c51% and c28% respectively) compared to 2% of owner-occupied dwellings. Approximately half of the 199 social rented properties in Pembury are 1-bedroom.

- 5.20. The proportion of 2-bed dwellings collectively in the social and private rental sectors is approximately three times that of owner-occupied dwellings; c21% social rented and c25% private rented, compared to c13% 2-bedroom homes in the owner-occupied sector.
- 5.21. 3-bedroom dwellings form the highest proportion of dwellings in the owner occupied and private rented sectors. Larger dwellings (4+ dwellings) make up 36% of the owner-occupied sector. In contrast, larger dwellings make up only 2% of social rented dwellings which infers that the larger or extended lower income families will struggle to find accommodation in the Parish.

	<b>All ownership (including shared) Number / %</b>		<b>All social (affordable) rent Number / %</b>		<b>All private rent and rent free Number / %</b>	
<b>1 bedroom</b>	36	2%	199	51%	63	28%
<b>2 bedrooms</b>	240	13%	80	21%	56	25%
<b>3 bedrooms</b>	873	49%	101	26%	87	38%
<b>4+ bedrooms</b>	638	36%	7	2%	20	9%

Table 5.6: Number of bedrooms by tenure (source: Census 2011, Nomisweb)

## Household and population profile

- 5.22. Having considered the housing stock, it is useful to explore the household and population profile to assess the suitability of the stock in meeting the current and future needs of current and future Parish residents.

### Age structure

- 5.23. In 2011, the resident population count for the Parish of Pembury was 6,128 persons, with a mean age of 41.8 and a median age of 43. These averages are a little higher than the surrounding geographies (Table 5.7).

	<b>Pembury</b>	<b>Tunbridge Wells Borough</b>	<b>South East</b>	<b>England</b>
<b>Population</b>	6,128	115,049	8,634,750	53,012,456
<b>Mean age</b>	41.8	39.6	40.0	39.3
<b>Median age</b>	43.0	40.0	40.0	39.0

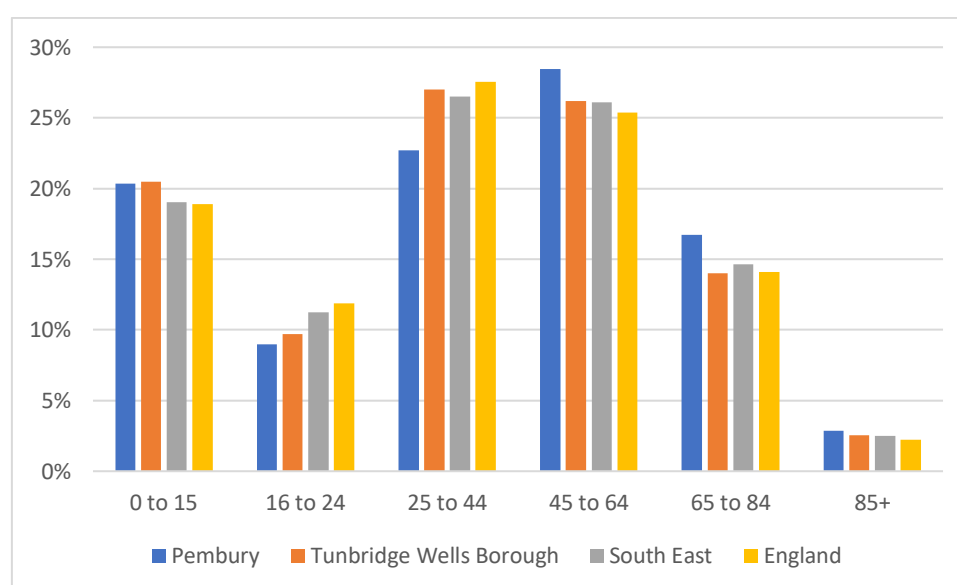
Table 5.7: Mean and median age (Census 2011, Nomisweb)

5.24. Table 5.8 (and Figure 5.3) considers the relative proportion of the population by age cohort at the time of the Census in 2011.

5.25. The younger age profile by cohort of Pembury is similar to that of comparative geographies. However, there is a higher proportion of residents within the older cohorts, aged 65+. Interestingly there is a lower proportion of residents in the 16 to 44 age-bracket when compared to the wider geographies, which could indicate a slightly older profile of families in the Parish.

	Pembury	Tunbridge Wells Borough	South East	England
0 to 15	20.3%	20.5%	19.0%	18.9%
16 to 24	9.0%	9.7%	11.2%	11.9%
25 to 44	22.7%	27.0%	26.5%	27.5%
45 to 64	28.4%	26.2%	26.1%	25.4%
65 to 84	16.7%	14.0%	14.6%	14.1%
85+	2.9%	2.6%	2.5%	2.2%

*Table 5.8: Population profile*



*Figure 5.3: Population profile*

5.26. It is useful to consider the numbers within cohort and how these have changed over time. The total populations resident in Pembury and Tunbridge Wells Borough have increased by 123 persons (2%) and 11,019 (11%) respectively between 2001 and 2011.

5.27. Table 5.9 and Figure 5.4 illustrate the change over the ten-year period, showing that there has been a significant rise in the number of older residents (aged 65+). This indicates an aging population. The housing and care needs of the older generation, particularly the 85 years and over cohort, should be considered in terms of the sorts of housing and community services they might require. For Pembury, the Submission Local Plan makes provision for this age group and their needs.



5.28. In stark contrast, the number of residents aged 25 to 44 has reduced significantly, which could indicate a lack of younger people moving to the area. The numbers of those aged 0 to 15 has not increased at the same rate as the wider geographies, which could support the consideration that fewer young families are moving to/ staying in the area.

2001 to 2011	Pembury	Tunbridge Wells Borough	South East	England
0 to 15	3%	10%	3%	1%
16 to 24	6%	14%	14%	17%
25 to 44	-15%	4%	-1%	1%
45 to 64	3%	16%	16%	15%
65 to 84	25%	11%	12%	9%
85+	29%	21%	24%	24%

Table 5.9: Shift in age profile between 2001 and 2011 (Census, Nomisweb)

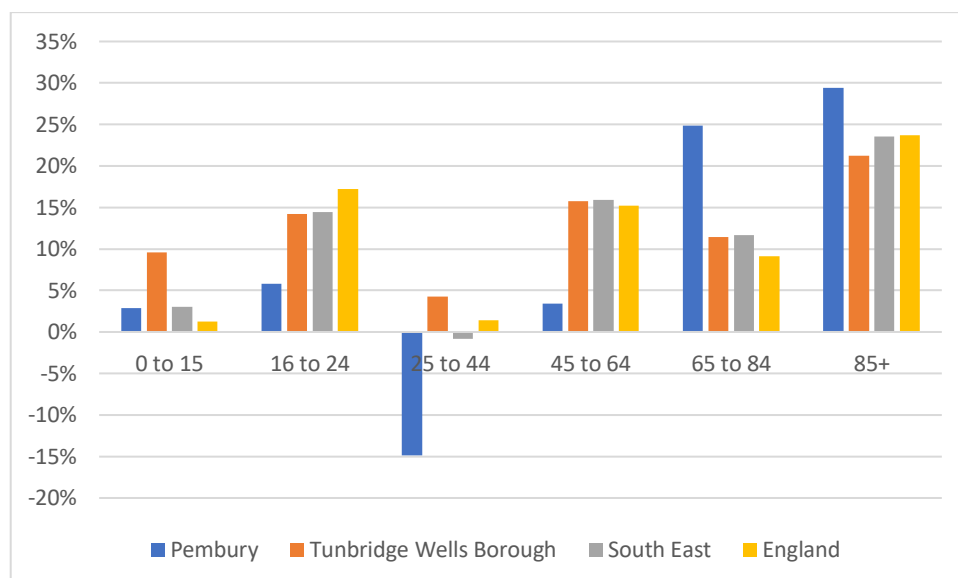


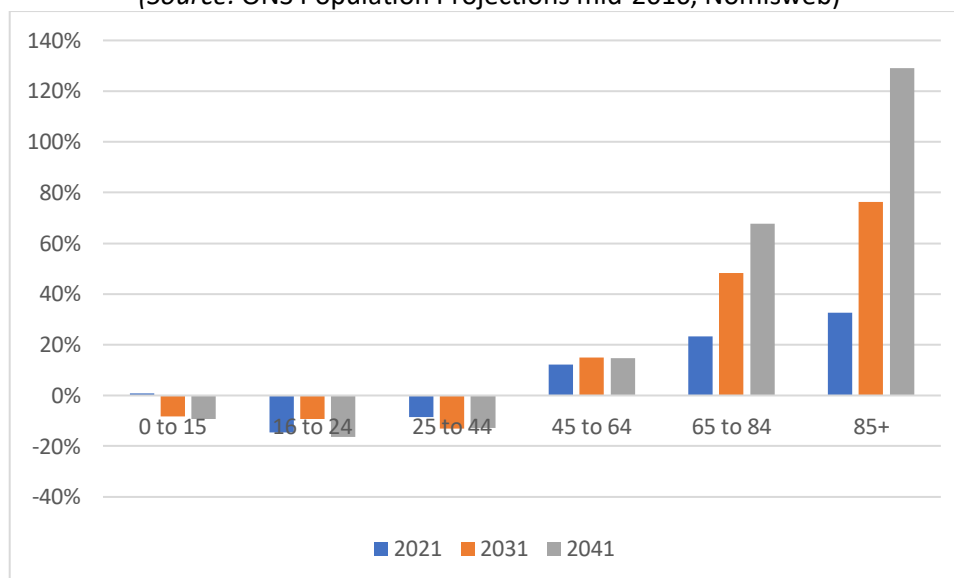
Figure 5.4: Age profile change from 2001 to 2011

## Population projections

5.29. Table 5.10 and Figure 5.5 below set out the Office for National Statistics (ONS) population projections for Tunbridge Wells. Whilst projections are not available at a parish level, the projections at the borough-wide level give an indication of likely increases or decreases in population-age cohorts and this will be relevant at the Parish level. The projected rate of increase has been forecast for 2021, 2031 and 2041 against the 2011 figures.

	2011 base figures	2021 % change	2031 % change	2041 % change
<b>0 to 15</b>	23,566	1%	-8%	-9%
<b>16 to 24</b>	11,168	-15%	-9%	-16%
<b>25 to 44</b>	31,087	-9%	-13%	-13%
<b>45 to 64</b>	30,153	12%	15%	15%
<b>65 to 84</b>	16,137	23%	48%	68%
<b>85+</b>	2,938	33%	76%	129%

*Table 5.10: Population forecast figures for Tunbridge Wells  
(Source: ONS Population Projections mid-2016, Nomisweb)*



*Figure 5.5: Graph showing population forecast for Tunbridge Wells (ONS Population projections by local authority)*

- 5.30. The greatest projected population increases occur in residents aged 65 and older. In the Borough, residents aged 85 and over are predicted to more than double by 2041.
- 5.31. In comparison, the percentage of younger age cohorts is decreasing. This strongly signals an aging population.

### Household composition

- 5.32. Household composition is a major factor driving the size of housing needed in the Parish in the future. At the time of the Census 2011, Table 5.11 illustrates that Pembury has a slightly smaller proportion of one person households compared to the wider geographies. Of those one-person households, however, the Parish has a higher proportion of single occupants aged 65+, meaning the proportion of single person households under 65 years is proportionally much lower than surrounding geographies.

		<b>Pembury</b>	<b>Tunbridge Wells Borough</b>	<b>South East</b>	<b>England</b>
One person household	Percentage overall	26%	29%	29%	30%
	of which: Aged 65+	51%	43%	44%	41%
	of which: Other	49%	57%	56%	59%
One family only	Percentage overall	69%	65%	64%	62%
	of which: All aged 65+	14%	13%	14%	13%
	of which: No children	29%	29%	29%	29%
	of which: Dependent children	42%	44%	42%	43%
	of which: No dependent children	15%	14%	14%	15%
Other household types	Percentage overall	5%	6%	7%	8%

Table 5.11: Household composition (source: Census 2011, Nomisweb)

5.33. Pembury has a slightly higher proportion of one family households, unsurprising given the slightly lower proportion of one person households. However, the breakdown within the one family household grouping does not present any significant deviations.

5.34. Table 5.12 considers rates of change of household composition from 2001 to 2011 in Pembury Parish. The highest increase by far in household group is one family households with no dependent children. This implies that children are staying at home into adulthood, which could infer that prices / salaries are such that they cannot afford to move out.

5.35. One person households who are not pensioners has also increased by 37%. 'Other household types' category is a catch all that picks up sharers, extended families and so on.

5.36. The Parish has seen a decrease in one-person pensioner households and single childless families.

	<b>2001</b>	<b>2011</b>	<b>% change</b>
<b>All households</b>	2,344	2,400	2%
<b>One person household - aged 65+</b>	349	316	-9%
<b>One person household – other</b>	220	301	37%
<b>One family - all 65+</b>	214	230	7%
<b>One family - no children</b>	490	472	-4%
<b>One family - with dependent children</b>	708	699	-1%
<b>One family - no dependent children</b>	231	568	146%
<b>Other households</b>	132	130	-2%

Table 5.12: Change in household composition between 2001 and 2011 (source: Census 2001 & 2011, Nomisweb)

## Household occupancy rates

- 5.37. This report has considered the Parish in respect of the type, tenure and size of housing, and in terms of its population and households. In order to assess whether the housing profile is balanced with the needs of the households who live within it, as well as considering the needs of emerging households who will need their own housing, it is possible to match these respective elements. To do this, household occupancy rates are explored.
- 5.38. Statistically, the larger the household size in relation to rooms/bedrooms available (to that household), the greater the probability of overcrowding. Conversely the smaller the household size in relation to the number of rooms/bedrooms available the greater the probability of under-occupation.
- 5.39. Clearly over-crowding is not desirable. It has significant impacts on the households' health and well-being. Some households, particularly as the adult children leave the family home, may choose to under-occupy the family home. It is their legal right to do so, although there may be some financial penalty if a working age household is receiving some form of housing benefit. Under-occupation is nonetheless not the most efficient use of the housing stock, particularly given the demands from new forming households. If under-occupation is a result of the lack of suitable accommodation for smaller households, then this is a matter that any strategic plan should seek to address.
- 5.40. Figure 5.6 illustrates the average household size for Pembury and comparative geographies at the time of the Census 2011. The average household in Pembury at 2.55 occupants is considerably higher than that for wider geographies, which sit within the range of 2.4 to 2.44. This correlates with the findings of shown in Table 5.13, which demonstrates that in Pembury, more children are staying at home into adulthood.

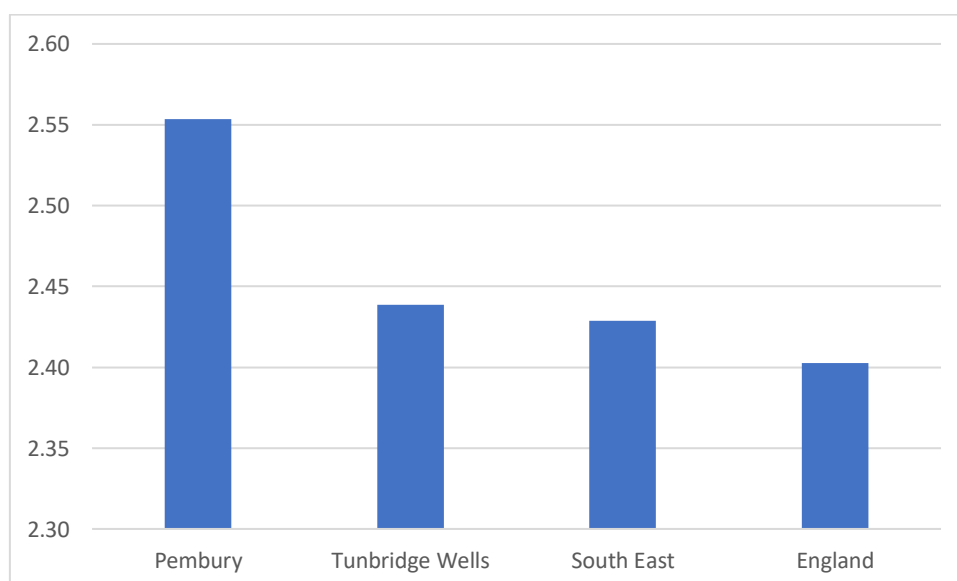


Figure 5.6: Average household size (Census 2011, Nomisweb)

- 5.41. Figure 5.7 considers the occupancy rating for household dwellings within Pembury and surrounding geographies. Occupancy rating gives us an opportunity to look more deeply into over-occupation (over-crowding) and under-occupation.
- 5.42. Over-occupation may occur where there are a larger number of people living in a dwelling with a smaller number of rooms and vice versa for under-occupation. Over-occupation can lead to detrimental living conditions and is therefore not desirable. On the other hand, while under-occupancy might suggest that housing is effectively tied-up and not available for growing or extended families, many people choose to remain in their larger family home when their children move out, in order to retain that property for space, value or sentimental purposes. If however, the reasons for under-occupation is because there are insufficient local properties to downsize to, then this can indicate a challenge that can be addressed via the planning system.
- 5.43. The table below provides the occupancy ratings across the Pembury Parish and the wider geographical areas. 44% of households in Pembury are under occupying their household dwelling by 2 or more bedrooms. This is proportionally higher than surrounding geographies which range between c34% to c37%, although has to be viewed within the context that the average household size (in terms of bedrooms) in Pembury is slightly larger than comparative geographies.
- 5.44. In contrast, Pembury has a low proportion of dwellings with an undersupply of bedrooms (approx. 3%), although this is in line with wider geographies.

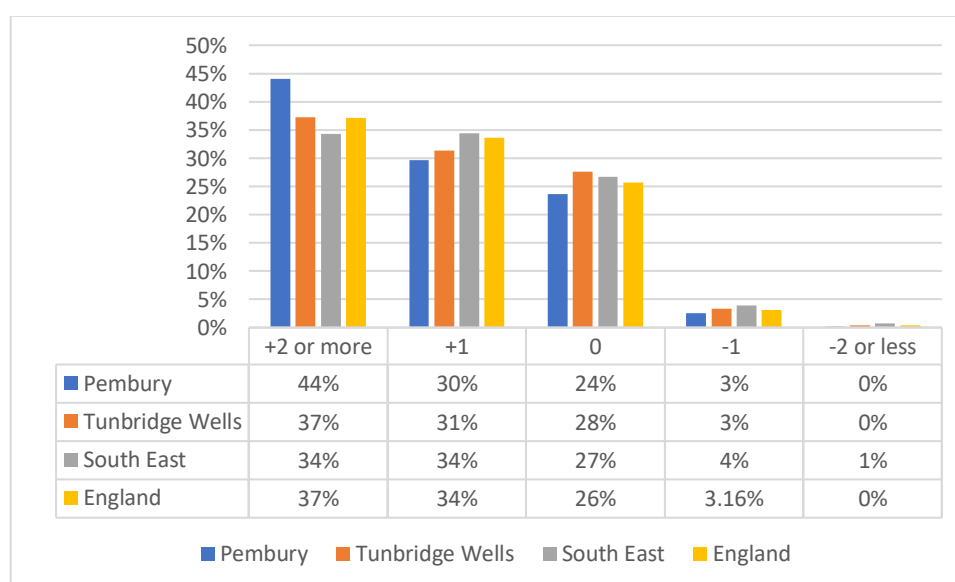


Figure 5.13: Occupancy levels in Pembury (Census 2011, Nomisweb)

- 5.45. The SHMA (2015) explored the size of dwellings at the Borough level, shown in Table 5.14.

Size of housing	Market		Affordable		Total	
	Number	%	Number	%	Number	%
<b>1 bedroom</b>	4,570	11.3%	2,581	34.3%	7,151	<b>14.9%</b>
<b>2 bedrooms</b>	10,095	24.9%	2,556	34.0%	12,651	<b>26.3%</b>
<b>3 bedrooms</b>	13,698	33.8%	2,170	28.8%	15,868	<b>33.0%</b>
<b>4+ bedrooms</b>	12,144	30.0%	217	2.9%	12,361	<b>25.7%</b>
<b>Total</b>	40,508	100.0%	7,524	100.0%	48,032	<b>100.0%</b>
<b>% in tenure</b>	<b>84.3%</b>		<b>15.7%</b>		<b>100.0%</b>	

Source: Derived from 2011 Census

*Table 5.14: Profile of dwellings by size for Tunbridge Wells borough*

5.46. The profile at the Parish level largely mirrors that of the Borough (Table 5.15).

	All ownership (including shared) Number / %		All social (affordable) rent Number / %		All private rent and rent free Number / %	
<b>1 bedroom</b>	36	2%	199	51%	63	28%
<b>2 bedrooms</b>	240	13%	80	21%	56	25%
<b>3 bedrooms</b>	873	49%	101	26%	87	38%
<b>4+ bedrooms</b>	638	36%	7	2%	20	9%
<b>Total</b>	1,787	100%	387	100%	226	100%
<b>% in tenure</b>	<b>74.5%</b> <b>(83.9% if adding in private rent)</b>		<b>16.1%</b>		<b>(0.09%)</b>	

*Table 5.15: Profile of dwellings by size for Pembury (2011 Census, Nomisweb)*

5.47. Using this data as a basis, and drawing on household projections, the SHMA (2015) went on to explore the profile of homes – by size - likely to be needed in 2033 (in terms of number of bedrooms) for both market and affordable housing, across the borough - Tables 5.16 and 5.17.

Size	2013	2033	Additional households 2013-2033	% of additional households
1 bedroom	4,570	5,319	749	9.3%
2 bedrooms	10,095	12,463	2,368	29.4%
3 bedrooms	13,698	16,634	2,936	36.5%
4+ bedrooms	12,144	14,134	1,990	24.7%
<b>Total</b>	<b>40,508</b>	<b>48,550</b>	<b>8,043</b>	<b>100.0%</b>

Source: Housing Market Model

*Table 5.16: Estimated Size of Dwellings Needed 2013 to 2033 – Market Housing – Tunbridge Wells (source: SHMA, 2015)*

Size	2013	2033	Additional households 2013-2033	% of additional households
1 bedroom	2,581	4,487	1,906	44.0%
2 bedrooms	2,556	3,945	1,389	32.1%
3 bedrooms	2,170	3,116	946	21.8%
4+ bedrooms	217	306	90	2.1%
<b>Total</b>	<b>7,524</b>	<b>11,855</b>	<b>4,331</b>	<b>100.0%</b>

Source: Housing Market Model

*Table 5.17: Estimated Size of Dwellings Needed 2013 to 2033 – Affordable Housing – Tunbridge Wells (source: SHMA, 2015)*

5.48. It concludes that an appropriate mix for the borough would be as follows (Table 5.18):

	1-bed	2-bed	3-bed	4+ bed
<b>Market</b>	5-10%	25-30%	35-40%	20-25%
<b>Affordable</b>	35-40%	30-35%	20-25%	5-10%
<b>All dwellings</b>	15-25%	25-30%	30-35%	15-20%

*Table 5.18: Need for different-sized homes at borough-wide level (SHMA, 2015)*

## Conclusions in terms of type of homes and size of homes

5.49. The following conclusions can be drawn from the data:

5.50. Pembury has a higher-than-average (for the borough) number of larger (in terms of bedroom sizes) dwellings. The majority of these are owner-occupied. Whilst there is evidence to suggest that children are staying at home longer – into adulthood – the data also shows that a significant proportion of homes in Pembury are under-occupied. Clearly some residents will be content to reside within a larger home (in terms of bedroom sizes), to accommodate guests and also to enable a home office, however, there is likely to be a cohort of residents wishing

to downsize locally to a more manageably sized property. This is particularly likely in the context of the aging population. Equally, those young people staying at home longer, but wishing to buy or rent locally (at market price), would have a greater opportunity to do so if there were more smaller homes available overall.

**Therefore, the Neighbourhood Plan could support the provision of more smaller (in terms of bedroom-sizes) in any market housing provision coming forward. This would raise the 5-10% suggested figure at the borough-wide level.**

- 5.51. There is a lack of larger sized affordable homes in the Parish. This could make it more difficult for families with dependent children to afford to live in Pembury. This is evidenced by the lack of younger family demographics in the population data and the proportion of children staying at home into adulthood, when compared to the borough-wide figures.

**Therefore, the Neighbourhood Plan could support the provision of a greater proportion of affordable homes with larger numbers of bedrooms. This would raise the 5-10% suggested figure at the borough-wide level.**

- 5.52. A potential size profile for Pembury, which would help to redress this imbalance, could be as shown below, which does not impact the overall provision, just the provision in terms of market/affordable.

	1-bed	2-bed	3-bed	4+-bed
Market	10-15%	25-30%	35-40%	15-20%
Affordable	30-35%	25-30%	30-35%	5-10%
All dwellings	15-25%	25-30%	30-35%	15-20%



## **6. Core Question 2: What level of affordable housing – by tenure - is needed to address local need?**

- 6.1. Core question 2 explores in more detail the affordable housing need for the Parish.
- 6.2. The chapter begins by summarising the SHMA findings in respect of affordability and then reviews affordability in relation to more up to date house price data and earnings. Again, this is provided at the borough level.

### **Affordable housing at the Tunbridge Wells Borough level**

- 6.3. The Sevenoaks and Tunbridge Wells Strategic Market Housing Assessment (SHMA) was published in September 2015<sup>12</sup>. The Housing Market Area consists of Sevenoaks and Tunbridge Wells boroughs. Councils. An update was prepared in January 2017<sup>13</sup>.
- 6.4. The Planning Practice Guidance sets out a standard approach for assessing affordable housing need consistent with the methodology advocated in the 2007 SHMA Guidance which has been adopted for this SHMA. This is known as the Basic Needs Assessment Model. The analysis is based on secondary data sources. It draws on a number of sources of information including 2011 Census data, demographic projections, house prices/rents and income information.
- 6.5. The SHMA estimates affordable housing need (annual and total) for the period 2013 to 2033.
- 6.6. Table 39 of the SHMA sets out estimated affordable need on an annual basis for the constituent local authorities. The outcome is set out in the Table 6.1, demonstrating a net need in Tunbridge Wells borough for 341 affordable homes per annum (based on a 30% rent to income threshold for affordability).

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<sup>12</sup> [https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0005/384728/SHMA-final-September-2015.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0005/384728/SHMA-final-September-2015.pdf)

<sup>13</sup>

[https://tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0006/384729/6E94B040D7E37067E0531401A8C04146\\_SHMA\\_Update\\_2017.pdf](https://tunbridgewells.gov.uk/_data/assets/pdf_file/0006/384729/6E94B040D7E37067E0531401A8C04146_SHMA_Update_2017.pdf)

		Sevenoaks	Tunbridge Wells	Sevenoaks & Tunbridge Wells
<b>A</b>	Current Gross Affordable Need	560	852	1,412
<b>B</b>	Committed Supply of Affordable Housing	232	254	486
<b>C</b>	Total Net Current Affordable Need	328	598	926
<b>D</b>	Total Net Need per Annum to 2033 (C / 19)	17	31	49
<b>E</b>	Annual Need from Newly-Forming Households	523	466	989
<b>F</b>	Annual Need from Existing Households Falling into Need	160	163	323
<b>G</b>	Total Annual Gross Newly-Arising Need (E + F)	683	629	1,312
<b>H</b>	Annual Supply from Relets of Social & Affordable Rented Homes	258	313	571
<b>I</b>	Annual Supply from Relets of Intermediate Housing	20	6	26
<b>J</b>	Total Future Annual Supply from Re-Lets (H + I)	278	319	597
<b>K</b>	Annual Net Need for Affordable Housing (D + G - J)	422	341	764

*Table 6.1: Estimated level of Affordable Housing Need per Annum  
(Source: Table 39, Sevenoaks and Tunbridge Wells SHMA, 2015)*

### Earnings and house prices

- 6.7. When assessing affordability, the ratio of workplace earnings to house prices needs to be considered. The SHMA, 2015, recorded that the median house price in Tunbridge Wells was £260,000, which is higher than the median price across the wider housing market area and Kent, where the average is £210,000 (SHMA, p.15). Prices in Tunbridge Wells are considered to align more closely to prices in London, and this has been seen particularly in the rental market, where prices have increased, since 2008, above inflation.
- 6.8. The evidence contained in the SHMA points to notable affordability pressures, with the lower quartile (entry level) house prices being 9.7 times average earnings in Tunbridge Wells. This compares to a ratio of 6.5 nationally and illustrates the affordability issue.

### Affordable housing tenure type

- 6.9. Table 6.2 sets out the estimated need for the different affordable housing tenure types, as calculated in the SHMA. In combination with overall affordable housing need and the viability of site delivery, this information has informed the Borough Council's planning policies in respect of affordable housing.

	Intermediate			Social/Affordable Rented		
	Total need	Supply	Net need	Total need	Supply	Net need
<b>Sevenoaks</b>	125	20	105	586	258	329
<b>Tunbridge Wells</b>	132	6	126	540	313	227
<b>Sevenoaks &amp; Tunbridge Wells</b>	257	26	231	1,126	571	556
<b>% of total</b>	<b>29%</b>			<b>71%</b>		

Source: Affordable Housing Needs Analysis

*Table 6.2: Estimated level of Affordable Housing Need per Annum*

*(Source: Table 42, Sevenoaks and Tunbridge Wells SHMA, 2015)*

- 6.10. For Tunbridge Wells borough, there is a net need for 126 intermediate<sup>14</sup> units and 227 social/affordable rented units per annum to 2033. The need for intermediate housing has been calculated on the basis of the proportion of households in need of affordable housing who can afford more than 80% of market rent levels but whose earnings fall below £60,000 annually.
- 6.11. The Council's current affordable housing policy is outlined in Core Policy 6 of the Core Strategy (adopted 2010). It seeks 35% affordable homes on sites of 10 or more dwellings. The emerging Local Plan seeks 30% affordable housing on brownfield land and 40% on greenfield sites. The SHMA suggests that the tenure split for the affordable proportion at a borough-wide level should be **36% of homes being intermediate and 64% social/affordable rented at a Borough-wide level.**

## Affordability assessment

- 6.12. This section considers the affordability of the Borough's housing in relation to earnings. In line with planning policy guidance, affordability has been assessed by looking at the relationship between lower quartile house prices and lower quartile earnings, and the median price earnings ratio.

## Earnings

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

<sup>14</sup> Intermediate: homes for sale and rent provided at a cost above social rent, but below market level

6.14. Table 6.3 considers median and local quartile workplace earnings at the borough level progressively over key timeline dates.

	Median earnings (£)	Lower quartile earnings (£)
2001	Data missing	Data missing
2011	25,920	19,339
2013	28,068	20,741
2014	26,673	Data missing
2018	29,102	21,445
2019	30,429	24,013
2020	Figures suppressed as statistically unreliable	Figures suppressed as statistically unreliable
2021	27,923	21,597

Table 6.3: Workplace-based earnings Tunbridge Wells Borough (source: ASHE, Nomisweb)

6.15. Figure 6.1 represents the comparative increases in the lower quartile and median incomes over the period 2008 to 2021. Both trajectories follow a fairly consistent pattern, with a gap of generally between 6k to 7k between median and lower quartile earnings across the decade. The gap has closed marginally in the last few years.

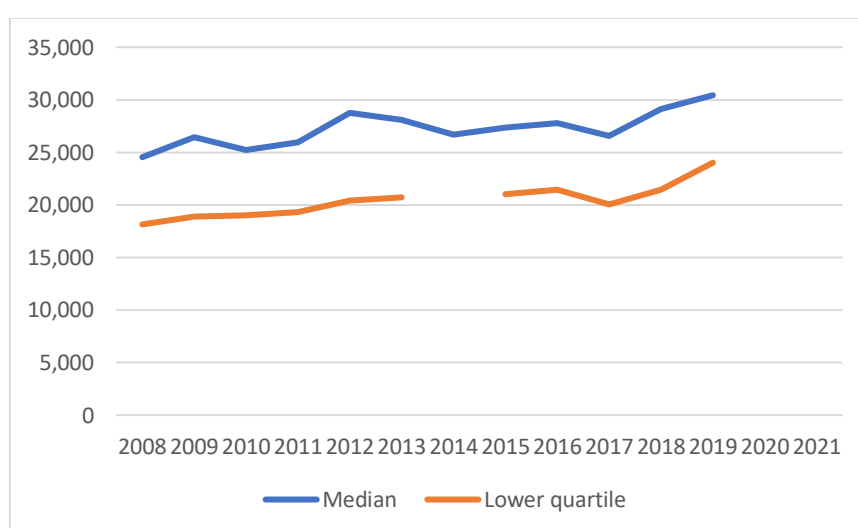


Figure 6.1: Workplace-based earnings Tunbridge Wells Borough (source: ASHE, Nomisweb)

6.16. The assessments of affordability and local housing need are based upon workplace earnings. The ONS also produces residents' median annual earnings through the ASHE. The difference between the two sets of data is that not all residents work within the Borough and not all workers live within the Borough. Sometimes the differences can be stark if many residents are commuting out of Borough, while the workforce is coming into the area to fill jobs, predominantly in the service sector. This can be characteristic of some areas of the London commuter belt. Median resident annual earnings are generally higher than for the workforce earnings data and comparatively higher when considering the national position (Table 6.4). However, this is not significant and clearly there will be an employment draw towards London given the location of Tunbridge Wells.

	Annual earnings – residents (£)	Annual earnings – workplace (£)
<b>Tunbridge Wells</b>	35,735	27,923
<b>South East</b>	32,810	32,810
<b>England</b>	31,480	31,480

*Table 6.4: Comparative resident and workplace earnings, 2021*

## House prices

- 6.17. In order to calculate affordability thresholds, it is also necessary to consider house prices. As with earnings data, average house prices across a wider geography than the Study Area should be considered. The Land Registry House Price Index (HPI)<sup>15</sup> is not available at a parish level, only the local authority level. In any event the parish area does not provide the volume of transactions to draw robust conclusions on house prices. As such house prices have been examined across the borough, county, region and England.
- 6.18. Furthermore, those households currently residing in Pembury who wish to move or to form a new household and can afford to do so may wish to search beyond the parish. Price paid data within the Parish is considered later in this report.

## Land registry house price index

- 6.19. The HPI uses indexed sales data to assess the average house price across a number of geographies, the lowest geography being at the local authority level. An index is a more sophisticated methodology than simply analysing actual sales, as only a small proportion of dwellings are sold within any year. The HPI uses a methodology that tracks house sales data over time and enables a qualified assessment of average values. This is a consistent approach to the commercial house price indexes provided by Halifax and Nationwide, although all the methodologies do differ slightly.
- 6.20. Table 6.5 sets out average house prices as determined by the HPI across the four geographical areas in September 2021. It can be seen that the average house price in Tunbridge Wells by property type is considerably higher than in the wider geographic areas.
- 6.21. Given that median earnings in Tunbridge Wells are not significantly out of line with the regional and national average – in fact workplace earnings are lower - it stands to reason that affordability is more an issue in Tunbridge Wells than surrounding geographies.

<sup>15</sup> <https://landregistry.data.gov.uk/>

	Flat (£)	Terrace (£)	Semi (£)	Detached (£)	All
<b>Tunbridge Wells Borough</b>	261,392	379,990	457,194	831,928	424,442
<b>Kent</b>	195,852	278,325	353,858	563,465	328,226
<b>South East</b>	219,528	312,846	398,517	649,447	369,562
<b>England</b>	242,565	237,952	275,626	450,319	289,532

Table 6.5: Average house prices across LA, County, Region and England (Sep 2021) (Source: HPI)

### Affordability ratio

- 6.22. The previous sections illustrated that average house prices are higher in Tunbridge Wells Borough than surrounding geographies at a regional and national level, while workplace earnings remained fairly consistent (marginally lower than) with wider geographies.
- 6.23. Figure 6.2 illustrates house price growth at the median and lower quartile levels. It should be noted that the SHMA data on house prices runs to 2013. The graph below illustrates a sharp increase in house prices between 2013 and 2017, which levelled off at 2020, and is looking to rise again.

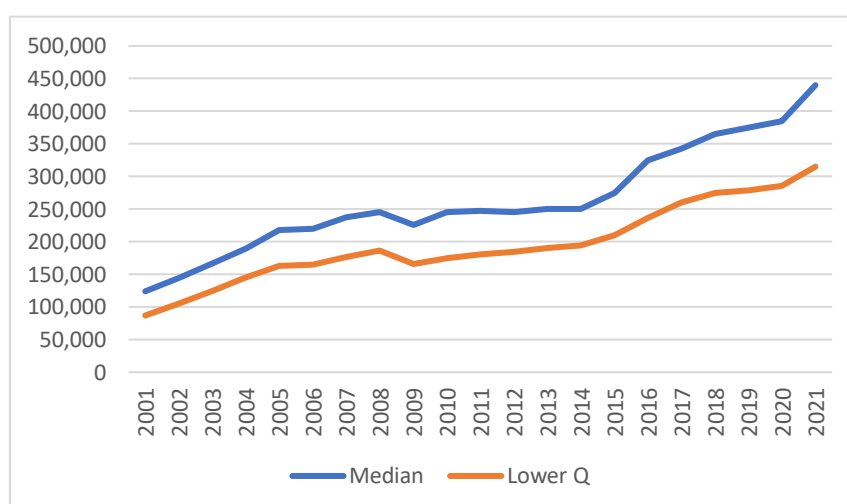


Figure 6.2: Median and lower quartile house prices (Source: ONS, Land Registry 2021)

- 6.24. Figure 6.3 illustrates the affordability ratios at lower quartile workplace earnings to lower quartile house prices and median workplace earnings to median house prices respectively.
- 6.25. What the ratio demonstrates, taking 2019 as an example year, is that the median house prices in 2019 in Tunbridge Wells borough were 12.49 times median workplace earnings in that year. Similarly lower quartile house prices were 11.87 times lower quartile workplace earnings in

2019. Given that historic mortgage lending is based upon 3.5 to 4 times earnings, it highlights the difficulty for first time buyers and for households in moving to a larger property without significant capital support.

- 6.26. Clearly some first and second time buyers will have parental and other family support. Likewise the Government's Help to Buy scheme has assisted many into home ownership, although from 2021, this is only available to first time buyers, and will be phased out by 2023.

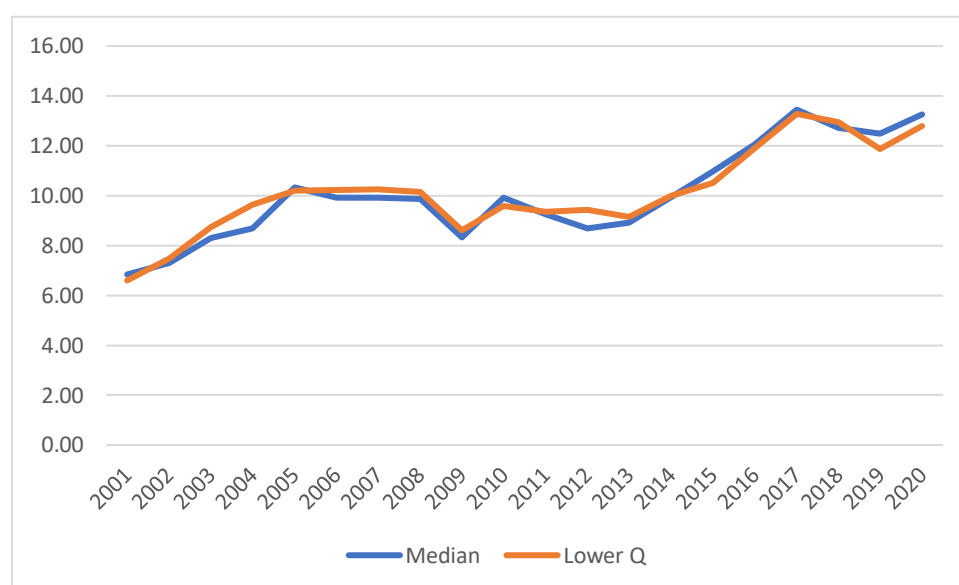


Figure 6.3: Ratio of median and lower quartile house price to median gross annual (where available) workplace-based earnings in Tunbridge Wells (source: ONS)

### Affordable housing at Pembury level

- 6.27. This section compares Pembury with the wider Borough to draw conclusions about affordability more specifically relating to the Parish. Price paid data can be accessed from the Land Registry at the Parish level as well as the Borough level. As noted previously, this is not indexed data which forms the basis of published house price analysis.
- 6.28. Tables 6.6 and 6.7 provide price paid data from January 2018 to end December 2019 and January 2019 to end December 2020 inclusive. Over these periods there were 13,605 house sales in the Borough as a whole, compared to 550 sales in Pembury, therefore it is important to be cautious about the conclusions that can be drawn from the data.
- 6.29. Whilst in general, the house prices within Pembury are in line with house prices across the wider Borough, homes at the lower end of the price scale are higher in price.
- 6.30. It appears from the data that there is a degree of premium paid for property in Pembury, particularly at the median and lower quartile price ranges, which will have an adverse effect on new and lower-income households looking to purchase in the Parish.

		Number sold	Average price (mean)	Median price	Lower quartile price
All	Pembury	288	£445,958	£402,500	£307,375
	TW	7,115	£469,483	£377,569	£282,813
Detached	Pembury	133	£557,072	£506,000	£429,875
	TW	1,830	£742,911	£659,000	£498,750
Semi-detached	Pembury	72	£415,577	£385,688	£319,688
	TW	1,827	£437,465	£383,313	£323,125
Terraced	Pembury	77	£298,152	£288,750	£272,500
	TW	1,692	£397,500	£330,000	£276,454
Flats	Pembury	6	Insufficient data	Insufficient data	Insufficient data
	TW	1,766	£288,449	£247,750	£189,488

Table 6.6 Price paid data Pembury and Tunbridge Wells Borough (TW) - (Jan 2019 to end Dec 2019)  
(source: ONS)

		Number sold	Average price (mean)	Median price	Lower quartile price
All	Pembury	262	£451,807	£422,250	£319,000
	TW	6,490	£484,952	£390,313	£287,750
Detached	Pembury	114	£575,227	£537,250	£475,000
	TW	1,759	£763,519	£665,750	£501,744
Semi-detached	Pembury	67	£456,261	£399,375	£345,000
	TW	1,756	£453,319	£392,500	£328,500
Terraced	Pembury	76	£315,441	£308,625	£287,500
	TW	1,512	£384,981	£319,250	£275,938
Flats	Pembury	5	Insufficient data	Insufficient data	Insufficient data
	TW	1,463	£288,694	£248,125	£189,875

Table 6.7 Price paid data Pembury and Tunbridge Wells Borough (TW) - (Jan 2020 to Dec 2020)  
(source: ONS)

## Affordability of market housing

- 6.31. The affordability threshold for market sales is determined as the level at which lower quartile income households can acquire lower quartile properties on the open market without subsidy. For this purpose, the workplace earnings figures and indexed house price data from 2019 (Pre-Covid-19) are used. The lower quartile house price in Tunbridge Wells Borough in 2020 was £282,813 and in Pembury it was £307,375.
- 6.32. Certain assumptions are made about mortgage multiples and deposit. Household mortgage multiples have been assumed at 3.5 times single household salary and 3 times double income salary household, and deposits of 5% and 10% of the mortgage available have been assumed. The ability of median earner households to access the housing market is also assessed.



- 6.33. It can be seen from Table 6.8 that, given the assumptions made, neither lower quartile nor median earning households can access the housing market (at the borough level) at the lower quartile level without further assistance. Such assistance may be forthcoming from parents or other relatives.
- 6.34. It also needs to be highlighted that some first-time buyers will be on higher salaries, given the proximity of the Borough to London. However, this does starkly illustrate the affordability issue within the Borough.
- 6.35. Given that certain house prices appear to command a slight premium in Pembury (as demonstrated in Tables 6.6 and 6.7), the implications for residents and workers in the Parish are likely to be even more stark. It should also be noted that Pembury Hospital is located in the Parish, which attracts a large number of keyworkers, many of whom will be on lower-end salaries.

	Lower quartile 1x earner household	Median 1x earner household	Lower quartile 2x earner household	Median 2x earner household
<b>Earnings (2019)</b>	£24,013	£30,429	£48,026	£60,858
<b>Mortgage available</b>	£84,046	£106,502	£144,078	£182,574
<b>Assumed deposit (5%)</b>	£4,202	£5,235	£7,204	£9,129
<b>Assumed deposit (10%)</b>	£8,405	£10,650	£14,408	£18,257
<b>Price payable less fees (1)</b>	£86,748	£110,237	£149,782	£190,203
<b>Price payable less fees (2)</b>	£90,951	£115,652	£156,986	£199,331
<b>Affordability Gap – Tunbridge Wells</b>				
<b>Lower quartile (£282,813) price gap 5% deposit</b>	(£196,065)	(£172,576)	(£125,827)	(£92,610)
<b>Lower quartile (£282,813) price gap 10% deposit</b>	(£191,862)	(£167,161)	(£125,827)	(£83,482)

Table 6.8: Affordability thresholds, Tunbridge Wells, 2019 (Source: Land Registry price paid data (Dec 2019).

<sup>^</sup>fees assumed at £1,500; SDLT relief assumed

## Affordability of intermediate housing

6.36. Next the affordability of intermediate housing or 'Affordable Housing for Sale' is considered. The latest definition of affordable housing is defined in Annex 2 of the NPPF 2018 (updated July 2021).

6.37. The key affordable housing for sale tenures are explored:

- **Shared ownership housing** is the most common form of Affordable Housing for Sale. The buyer acquires a share of the dwelling of between 25% and 75% and pays a subsidised rent (usually 2.5% to 2.75%) of the unowned value of the dwelling. Buyers usually have the option to acquire the unowned proportion after a period of occupation. This is known as staircasing.
- **Discounted market sales housing** are dwellings sold at up to 80% of their market value. These dwellings can be sold at less than 80% of their value. Buyers are not restricted by age and they are not discounted if they have purchased a property before, although they cannot continue to own another property. The discounted element remains in perpetuity.
- **First Homes** effectively replaces the former Starter Homes programme as the key government initiative to help first time buyers. The minimum discount available is 30% off the market sale value, as opposed to the 20% minimum required of discounted market homes. In addition, local authorities have the discretion to set higher discounts on properties on a site-by-site basis, and the government expects them to seriously consider this when determining local discounts. Local Authorities may also set criteria for eligibility, which enables local residents and essential workers, for example, to be prioritised. The guidance suggests that neighbourhood planning groups can include such recommendations within their planning policies.

6.38. For purposes of this analysis, shared ownership and discounted market housing will be considered, the latter at discount levels set out within the First Homes legislation.

6.39. Table 6.9 considers the affordability thresholds for the Affordable Housing for Sale tenures described above. This analysis will contribute towards the response to Core Question 2. The same salary multiples as the previous section have been assumed.

6.40. For shared ownership housing, a 50% and 25% purchase value has been assumed for the shared ownership dwellings. This is £141,407 and £70,703 respectively<sup>16</sup>. The rental payments, which are not due on the other tenures, has been capitalised. This adds a further £38,887<sup>17</sup> and £58,330<sup>18</sup> to the purchase price respectively.

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<sup>16</sup> 50% and 25% of £282,813

<sup>17</sup> Assuming a rental payment of 2.75% on the remaining 50% of the overall price

<sup>18</sup> Assuming a rental payment of 2.75% on the remaining 75% of the overall price

- 6.41. For discounted market housing (to mirror the First Homes product) a 30% minimum discount and a 50% discount have been applied to reflect the high affordability ratio within the Borough.
- 6.42. It can be seen from the Table 6.9, with the current assumptions, that a two lower quartile earner household can only afford either shared ownership at the lowest ownership level (25%) or a discounted home at 50% of the sale price.
- 6.43. Median earning two person households can afford discounted market homes at 50% of their market price, and in fact higher, but not 70%. They can also afford shared ownership at 50% ownership.
- 6.44. Single person households on both median and lower quartile salaries will struggle to access Affordable Housing for Sale.
- 6.45. There are in fact no end of variables to assess affordability, but ultimately the bigger picture demonstrated by the data is that market housing is unaffordable to most new forming and lower earning households. Affordable Housing for Sale does provide an access route to the market for some new forming households or first-time buyers. Affordable housing for rent is there to meet the needs of those who cannot access intermediate or market housing. To consider the impact of First Homes, the table indicates the % discount that would be required for the respective earner cohorts to access discounted housing products.
- 6.46. As before, these figures are based on borough-wide house prices. The prices, particularly are slightly raised in Pembury, which would impact these figures at the parish level.

	Lower quartile 1x earner household	Median 1x earner household	Lower quartile 2x earner household	Median 2x earner household
<b>Earnings (2019)</b>	£24,013	£30,429	£48,026	£60,858
<b>Mortgage available</b>	£84,046	£106,502	£144,078	£182,574
<b>Deposit (5%)</b>	£4,202	£5,235	£7,204	£9,129
<b>Price payable less fees</b>	£86,748	£110,237	£149,782	£190,203
<b>Purchase value</b>				
<b>Lower quartile sales price</b>	£282,813	£282,813	£282,813	£282,813
<b>Discounted market housing at 70% of market price</b>	£197,969	£197,969	£197,969	£197,969
<b>Discounted market housing at 50% of market price</b>	£141,407	£141,407	£141,407	£141,407

Shared ownership at 50%	£180,294	£180,294	£180,294	£180,294
Shared ownership at 25%	£129,034	£129,034	£129,034	£129,034
<b>Affordability Gap</b>				
Shortfall/surplus for discounted market housing at 70% of market price	(£111,221)	(£87,732)	(£48,187)	(£7,766)
Shortfall/surplus for discounted market housing at 50% of market price	(£54,659)	(£31,170)	£8,375	£48,796
Discount required at LQ sales price	69.3%	61%	47%	32.7%
Shared ownership at 50%	(£93,546)	(£70,057)	(£30,512)	£9,909
Shared ownership at 25%	(£43,286)	(£18,797)	£20,748	£61,169

Table 6.9: Affordability thresholds 'Affordable housing for sale', Tunbridge Wells (Source: Land Registry price paid data, Jan 2020)

### Affordability implications for Pembury

- 6.47. The information available on price paid, albeit based upon a low volume of transactions, indicates that there is a slight premium for properties in Pembury in comparison to the Borough. As such it is likely that the affordability gap for low and median earning first-time buyers will be greater.
- 6.48. The Neighbourhood Plan Steering Group undertook a survey to inform their neighbourhood plan. Responses were received from 160 households and the first section related to housing and housing needs. A detailed summary is provided in Appendix A. Key findings are summarised below:
- Over half those responding had lived in the Parish for over 16 years. Approximately 16% had lived in the Parish for 1 to 5 years.
  - The majority of respondents live in 3 bedroom homes, however, just short of 50% of respondents were living in 4+ bedroom homes. This chimes with the overall housing stock skewed towards larger homes (in terms of bedroom size).
  - Approximately 10% of those responding lived in a dwelling of 2 or less bedrooms.

- Approximately 10% were living alone.
- When reviewing the number of bedrooms against the number of occupants, there were, on average, 1.3 additional (spare) rooms per dwelling (an overall underoccupancy rate). Individual responses, however, pointed to over-occupancy in a number of cases.
- Approximately half of those responding considered that someone in their household may be looking to move out in the next 5 to 10 years, with the majority suggesting that the preference would be for that person to move within Pembury.
- Just under half of those looking to move would be seeking to start a new home. 13% wished to find a social rented property and 9% a private rented property. Two individual comments sought a downsizing home (fewer bedrooms but good living space)/ home suitable for retirement.
- The majority (69%) sought a house to move to. 26.5% wished to move into a flat, while 16% sought a bungalow. 7% wished for accommodation suited to older people while 4% sought extra care housing.
- In terms of facilities, gardens – both front (59%) and particularly back (87%) – were sought. Garage (59%) and bin/storage space (60%) were also requested frequently.
- The majority of those wishing to move requested 3 bedrooms (39%), closely followed by 2 bedrooms (35%). Overall, 14% sought a 1-bedroom property and 12.5% 4 bedrooms. There were no requests for houses of 5+ bedrooms.
- Notably, 72% of respondents felt that it would be a challenge to find a suitable dwelling based on their needs. The main issues quoted were:
  - Houses in Pembury are too expensive (46%)
  - Lack of available properties (54%) – of these, comments referred specifically to a lack of bungalows, lack of retirement homes, lack of supported accommodation and lack of downsizing opportunities.

## **Calculation of affordable housing need for Pembury**

- 6.49. The tables in this section estimate the total housing affordable need for Pembury over the plan period. To do this the model developed by AECOM, on behalf of Locality, has been used, using PPG as a starting point.
- 6.50. It should be noted that the accuracy of the inputs to the models are determined by the strength of the data available. The Census 2011 is increasingly outdated and a key element of the rental calculation relies upon waiting list data, which is addressed further within the narrative.
- 6.51. It should also be noted that any affordable housing in or adjacent to the settlement that is provided by way of planning policy obligation will be subject to the local authority's policies on housing allocation. This will likely prioritise those households determined to be in the highest housing need across the borough.

## Methodology

- 6.52. First, the calculation to determine the need for Affordable Housing for Rent (Rented Units) for the Parish is considered. As mentioned previously, Affordable Housing for Rent is defined within Annex 2 of the NPPF. In respect of this model, housing need for Affordable Housing for Rent is defined as households that cannot afford market housing or Affordable Housing for Sale.
- 6.53. The model estimates the gross number of households currently in housing need plus newly arising housing need over the Plan period. The steps and the data source informing the estimates are detailed in the table below.
- 6.54. In particular, attention is drawn to the calculation of 'current households in housing need', which is Step 1.1. The last three years-worth of housing statistical data returns by local authorities has been considered. This provides the average number of households in the reasonable preference category over the last three years of the statistical return.

MHCLG local authority housing statistics data	Current households in housing need (TW)	Pro-rate for the Parish (2,400/47,174 – dwellings usually occupied) (5.09%)
2020/2021 - Waiting list – reasonable preference category	727	37
2019/2020 - Waiting list – reasonable preference category	678	34.5
2018/19 Waiting list – reasonable preference category	614	31.25
<b>Average (Mean)</b>	<b>673</b>	<b>34.26</b>

Table 6.10: Current households in housing need - waiting list data (Source: MHCLG<sup>19</sup>)

- 6.55. The results set out in Table 6.10 feed into Stage 1.1 of the calculation of the need for Affordable Housing for Rent for the Parish. The model reveals that there will be a shortfall of 136 Affordable Housing for Rent dwellings required to meet the needs of the Parish over the Plan period. To arrive at this figure, it has been assumed that 50% of the available affordable rental stock in the parish will be allocated to households from the Parish. The affordable rented stock in the Parish will be available to meet the needs of the whole Borough, so this figure may be overstated. It may also be skewed by some households from the Parish in housing need that are not registering on the waiting list.

<sup>19</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>

Stage and step in calculation	Total	Description
<b>Stage 1: Current housing need</b>		
1.1 Current households in need (average taken from Table)	34.26	Total households in reasonable preference category MHCLG local authority housing statistics data 2018/19 to 2020/21 (average of). Pro rata for the NA.
Additional overcrowded households	65	Overcrowded homes – occupancy rating -1 or less (Census 2011)
1.2 Per annum	5.83	1.1 + additional overcrowded homes/Plan period (17 years)
<b>Stage 2: Newly arising need</b>		
2.1 New household formation	645	MHCLG 2014-based households projections LA (2011 to 2038) <sup>20</sup> % increase (27%) applied to NA
2.2 Proportion of new households unable to rent in the market	0.211 (21.1%)	(1.1 + 2.2.1 + 2.2.2) divided by number of households in NA
2.2.1 Current number of social renters (households) in NA	389	2011 Census figure + LA-level % increase (0.58%) (source: MHCLG, Live Table 100)
2.2.2 Number of private renters on housing benefits	82.4	HB caseload May 2018. Pro-rata for NA
2.3 New households unable to rent in the market	136.1	2.1 x 2.2
2.4 Per annum	8.01	2.3/Plan period (17 years)
<b>Stage 3: Supply of Affordable Housing</b>		
3.1 % Supply of social/affordable relets (including transfers)	0.03 (3%)	Assumed proportion of stock relet every year
3.2 % allocated to parish households in housing need	0.5 (50%)	Assumed proportion of relet stock allocated to households in the parish
3.3 Supply of social/affordable relets (including transfers) NA	5.84	3.1 x 3.2 x NA social rented stock (2.2.1)
<b>Net shortfall (or surplus) of Rented Units</b>		
Overall shortfall or (surplus) per annum	8	1.2 + 2.4 – 3.3 (5.83 + 8.01 – 5.84)
<b>Shortfall or (surplus) over the Plan</b>	<b>136</b>	<b>Shortfall multiplied by number of years in plan period (17 years)</b>

Table 6.11: Affordable Housing for Rent (AHR) Housing Need NA (Source: Census 2011, MHCLG)

<sup>20</sup> [Household Projections Published Tables.xlsx \(live.com\)](#)

- 6.56. Table 6.12 estimates the need for Affordable Housing for Sale for households in the Parish. With this element of the calculation the estimate of (Stage 1) current need for Affordable Housing for Sale is determined by the number of private renters not on housing benefit less a proportion that are estimated to rent by choice. The model presumes therefore that the majority of private renters do not rent by choice and aspire to other forms of tenure.
- 6.57. The modelling estimates that there is a currently a shortfall of 200 Affordable Housing for Sale dwellings over the Plan period. However, it should be highlighted that the majority of the households within this cohort are adequately housed within the private rental sector. They would not feature within the same housing need category as those who cannot even afford to rent privately. In fact, some local authorities do not accept private renters onto their waiting lists. However, many private renters do aspire to home ownership and it is a key aspect of the Government housing policy to broaden access to the home ownership market. Further to that, private renting remains a relatively insecure form of tenure.

Stage and step in calculation	Total	Description
<b>Stage 1: Current housing need</b>		
1.1 Current number of renters in neighbourhood area (NA)	234.63	Census 2011 number of renters x national % increase from 2011 to 2018 (approx. 15.5%)
1.2 % of private renters in TW on housing benefit	0.1849 (18.49%)	% of renters in 2018 on housing benefit (based on LA proportion)
1.3 Number of renters on housing benefit in NA	43.38	1.1 x 1.2
1.4 Current need (households)	150	Current renters minus those on HB minus 25% assumed to rent by choice
1.5 Per annum	8.82	1.4/ plan period (17 years)
<b>Stage 2: Newly arising need</b>		
2.1 New household formation	645	MHCLG 2014-based households projections LA (2011 to 2038) % increase (31%) applied to NA
2.2 % households unable to buy but able to rent	9%	Current % households in PRS (NA) (2011 census)
2.3 Total newly arising need	58.05	2.1 x 2.2
2.4 Total newly arising need per annum	3.41	2.3/ Plan period (17 years)
<b>Stage 3: Supply of Affordable Housing for sale</b>		
3.1 Supply of affordable housing	9	Number of AHS dwellings in NA + new build (Census 2011)
3.2 Supply – AHS resales	0.45	3.1 x 5% (assumed rate of resale)
<b>Net shortfall (or surplus) of Affordable Housing for Sale Units</b>		
Overall shortfall or (surplus) per annum	11.78	Shortfall= (Step 1.5 + Step 2.4) – Step 3.2
Shortfall over the Plan	200.26	Shortfall multiplied by number of years in plan period (17 years)

Table 6.12: Affordable Housing for Rent (AHR) Housing Need NA (Source: Census 2011, MHCLG)



## Conclusion and affordable tenure mix

- 6.58. The modelling concludes that the Parish has an estimated affordable housing need for 136 affordable rented dwellings and 200 affordable sale dwellings. This is a ratio of approximately 1:1.5; affordable rent: affordable sale.
- 6.59. The modelling suggests that there is an undersupply of Affordable Housing for Sale dwellings, based principally on the fact that existing supply is limited while demand has increased as more households who cannot afford to buy without subsidy are locked into the private rented sector.
- 6.60. The tenure mix of affordable housing delivered through planning policy will be determined at the LPA level through the application of current policies. However, there is scope for the neighbourhood plan to develop a more localised policy, using the evidence in this Local HNA. The Parish can provide the modelling evidence to the LPA which suggests an imbalance between the current proportions of affordable rent and sale. Table 6.13 illustrates the current policy position and respective Strategic Housing Market and Neighbourhood Area assessments in respect of affordable housing tenure split. The table demonstrates how the emphasis on affordable rented housing is inverse between current policy and the SHMA recommendations, and the estimated housing need at the neighbourhood level. We have mentioned previously that NA places more emphasis on the aspirations of those who can afford to rent privately.

Policy / model	% of all housing on site (current policy position)	Affordable housing for rent (AHR)	Affordable housing for sale (AHS)
<b>Core Policy 6 (Core Strategy, adopted 2010)</b>	35% (on sites of 10 or more dwellings)	The size and type of both market and affordable dwellings will reflect both current and projected local housing needs to ensure that proposed development contributes towards attaining a sustainable, balanced housing market.	
<b>Policy H3 (Submission Local Plan)</b>	Minimum 40% on greenfield sites  Minimum 30% on sites comprising over half brownfield land	60%	40%
<b>SHMA</b>	35%	64%	36%
<b>Pembury NA modelling</b>	35% to 40%	40%	60%

Table 6.13: Affordable housing tenure splits

- 6.61. At July 2021, there were 372 households seeking social housing in Pembury<sup>21</sup>, which is largely in line with the findings of this report. The needs were as follows:

<sup>21</sup> Data provided by TWBC Housing Team, July 2021

- 136 households needing a 1 bedroom property including 20 x level 3 mobility, 4 x level 2 mobility and 1 x level 1 mobility
- 127 households needing a 2 bedroom property including 6 x level 3 mobility, 3 x level 2 mobility and 3 x level 1 mobility
- 84 households needing a 3 bedroom property including 2 x level 3 mobility and 1 x level 1 mobility
- 21 households needing a 4 bedroom property including 2 x level 3 mobility and 1 x level 1 mobility
- (3 households with unlisted bedrooms)

6.62. Of these, there were 29 households with a local connection to Pembury:

- 17 households needing a 1 bedroom property including 6 x level 3 mobility and 11 x level 1 mobility
- 10 households needing a 2 bed property
- 2 households needing a 3 bedroom property

6.63. The emerging local plan seeks to build approximately 389-417 new dwellings in Pembury to 2033, of which 54 have existing planning permission.

6.64. The sites allocated are as follows:

Site Reference	Proposed units
AL/PE1 Land rear of High Street and west of Chalket Lane	50 to 60
AL/PE2 Land at Hubbles Farm and south of Hastings Road	80
AL/PE3 Land north of the A21, south and west of Hastings Road	80
AL/PE4 Land at Downingbury Farm, Maidstone Road	25
AL/PE5 Land at Sturgeons fronting Henwood Green Road	19
AL/PE6 Woodsgate Corner, Pembury	80 (specialist care C3) or 120 care home (C2) Or combination
AL/PE7 Land at Cornford Court, Cornford Lane	68 suite health care facility (C2)
AL/PE8 Owlsnest, Tonbridge Road	76 bed care home

6.65. Sites AL/PE1 to AL/PE4 are anticipated to deliver 40 percent affordable housing.

6.66. Sites AL/PE 5 and AL/PE 6 (if Use Class C3) are anticipated to deliver 40 percent affordable housing.

6.67. Sites AL/PE7 and AL/PE8 would deliver Use Class C2, and an affordable housing quote is not required.

6.68. Of those sites that would deliver affordable housing, this would provide the following split:

Site	Net dwellings	Market homes	Affordable homes
AL/PE1	50 to 60 (40% affordable)	30 to 36	20 to 24
AL/PE2	80 (40% affordable)	48	32
AL/PE3	80 (40% affordable)	48	32
AL/PE4	25 (40% affordable)	15	10
AL/PE5	19 (30% affordable)	13	6
AL/PE6	80 (30% affordable) – if delivered as extra care (the alternative would be Use C2)	56 (if full 80 are C3)	24 (if full 80 are C3)
<b>Total</b>		<b>210 to 216</b>	<b>124 to 128</b>

6.69. The sites allocated for Pembury should deliver in the region of approximately 124 to 128 affordable homes, across the plan period. This may not be sufficient to fully address the projected need. There may be additional affordable homes brought forward as a result of windfall sites<sup>22</sup> or through rural exception sites.

6.70. The Neighbourhood Plan does not seek to allocate sites for housing above and beyond those allocated in the emerging Local Plan. It can, however, consider the mix of housing delivered, to add additional detail to Policy H1 of the emerging Local Plan:

## Policy H 1

### Housing Mix

Proposals for residential development should support the creation and maintenance of balanced communities by providing an appropriate housing mix with a range of sizes, types, and tenures of dwellings.

The mix should reflect any requirements set out in relevant policies in the Local Plan or a 'made' neighbourhood plan for the area, and may be informed by intelligence on local housing needs and demand, including that contained in local planning evidence base documents, parish housing surveys, and other relevant analyses.

6.71. This is particularly important in light of the findings of this report. As it stands, the SHMA recommends, borough-wide, that 60% of affordable homes should be for rent and 40% for sale. This report has revealed that within Pembury, the need is in fact the other way around. This should be reflected in the Neighbourhood Plan. This would provide, for the strategic allocations, approximately 74 to 77 affordable homes for sale and 50 to 51 affordable homes for rent. Of those for sale, approximately 19 would be brought forward as First Homes, assuming that 25% of the homes are delivered as such.

6.72. There may be good reasons for the strategic sites to consider the SHMA-wide tenure projections, particularly if it allows TWBC to meet needs that arise elsewhere in the borough. However, the evidence in this HNA suggests that some shift towards the provision of

<sup>22</sup> Although potentially challenging given the size threshold of nine dwellings (draft Local Plan Policy H3)

affordable housing for sale properties would deliver a better balance in terms of local needs at the Parish level.

- 6.73. The mix of products within the provision of affordable housing for sale will be influenced by site specific considerations, including viability and funding availability. However, the evidence in this report suggests that, with sufficient discounts on the price of new housing, discounted market homes (e.g. First Homes) would extend affordable home ownership as far as the current shared ownership products available (shares of 25-50%). On this basis, it might be appropriate to plan on the basis of an even mix of affordable housing for sale products (50:50) of discounted market housing and shared ownership.

## **7. Conclusions and next steps**

### **Housing Type, Size and Mix**

7.1. The information in Chapter 5 of this report paints the picture of Pembury as a neighbourhood. This base information should inform neighbourhood planning moving forward. The key conclusions we can draw from this analysis follow. In summary Pembury exhibits the following characteristics at the time of Census 2011 (unless otherwise stated):

#### **Tenure**

- The proportion of owner occupation is slightly higher than the wider geographies and a higher proportion of owner-occupied dwellings were mortgage free in Pembury. This may relate to the slightly higher age profile of the parish.
- 16% of the stock is affordable (social) rented housing, which is marginally below the rate for the Borough, but comparable with the region.
- The private rental sector, including living rent free, has risen from 6% to 9% from 2001 to 2011, which is lower than at the wider geographies, where the private rental sector has grown significantly. This sector has, in all probability, increased further since 2011.

#### **House type**

- Detached and semi-detached dwellings are the most common form of house type in the Parish at 71% combined. This is significantly higher than the surrounding geographies.
- The Parish has a lower proportion of terraced housing than surrounding geographies, which potentially limits the opportunities for entry level buyers. Notably there is a lower supply of flats/ apartments/ maisonettes, equating to 13 % of its housing offer.

#### **House size**

- Pembury has a lower proportion (12%) of one bedroom dwellings compared to Borough, although provision is in line with regional and national geographies.
- Conversely, the Parish has a higher proportion of larger 4+ bedroom dwelling than surrounding geographies.

#### **Age structure and age cohort**

- The mean and median population ages of the Parish are 41.8 and 43 years of age respectively. This is marginally higher than the comparative geographies whose mean and median population ages sit around the 40 years mark.
- The largest age cohort within the Parish is the 45-65 age cohort. This makes up 28% of the Parish's population, which is proportionally higher than the comparative geographies.

- The second largest cohort is the 25 to 44 age group at 23% of total population, which is considerably lower than the proportion within the Borough and comparative geographies as a whole.
- The older age cohorts (65-84, 85+) are proportionally higher than comparative geographies.

#### **Population rates of change by age cohort 2001 to 2011**

- The following age cohorts have increased from 2001 to 2011 in Pembury – 0-15, 16-24, 45-64, 65-84 & 85+. The increase in numbers within the older cohorts should be noted as they are considerably higher compared to the wider geographies.
- The largest age cohort in 2001 (45-64) rose by 110 people (3%) over the period. The second largest cohort (25-44) decreased by 243 persons over the period and sits at 1,390 persons in 2011.
- The figures indicate a naturally aging population, but also a reduction in the number of younger individuals living in the Parish

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

- The 85 and over age cohort at the local authority level is projected to have increased by 76% by 2031 and 129% by 2041 from the date of the Census 2011.
- The 65-74 age cohort is also projected to increase at local authority level over the period but at a slightly slower rate (68% by 2041).
- The younger cohorts (16 to 24, and 25 to 44) are projected to decrease by 16% and 13% respectively by 2041.
- Given the current age profile of the Parish, these population projections will have a significant impact on the age profile of the Parish in future years.

#### **Household composition**

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

#### **Household occupancy rates**

- The average household size in Pembury is considerably higher than comparative geographies at 2.55 occupants per household.
- Given the factors outlined, it is perhaps not surprising that Pembury experiences significant under-occupation of dwellings, more so than comparative geographies.
- 44% of properties in the Parish are under-occupied by 2 or more bedrooms.

- 7.2. The main message to draw from this chapter is the over-supply of larger dwellings, which is leading to high levels of under-occupation. This is in spite of the numbers of children staying at home into adulthood. The relative lack of smaller dwellings both restricts access to smaller, younger families, but also limits the downsizing options for older residents who may wish to move to smaller, more manageable properties. It is therefore important that any strategic housing allocation is supportive in policy terms of these local housing needs.

## **Affordability**

- 7.3. In 2021, median workplace and resident annual earnings stood at £35,735 and £27,923 respectively within Tunbridge Wells Borough.
- 7.4. House price increases have significantly outstripped earnings. The average price of a property in Tunbridge Wells was £424,442 in 2021 according to the most recent Land Registry house price index. This is significantly higher than for the county, region and country.
- 7.5. The affordability of housing is a key issue for new forming households and households looking to move to a larger property. The price paid information assembled for the report indicates that there is a price premium for property in Pembury, in particular for homes at the median and low quartile scale, which makes affordability a greater issue for the Parish.
- 7.6. The median and lower quartile affordability ratios stood at 12.49 and 11.87 respectively in 2019.
- 7.7. Hence, Pembury and the Borough are high value areas in terms of property prices whilst average incomes are not significantly higher than the national averages. This means that affordable housing has an important role in meeting the housing needs of many residents and workers.
- 7.8. The analysis suggests that a lesser number of emerging households will be able to access Affordable Housing for Sale products. However, First Homes introduces a different concept to Affordable Housing for Sale products. Discounts can be dictated by housing need as opposed to national guidance, or the contractual negotiations between the developer and the Registered Provider.
- 7.9. The First Homes policy enables Local Authorities to set higher discounts on properties on a site-by-site basis, and there is an expectation that they will seriously consider doing this when determining local discounts. The policy also enables local authorities to set criteria for eligibility, which enables them to prioritise local residents and essential workers, although this shall be time limited.
- 7.10. There could be an opportunity within Pembury, therefore, to ensure that discount levels are set to enable local access to these products. Table 6.9 in this report indicates the following required discount levels for different earner cohorts to access lower quartile housing within

the Borough. These are a 69.3% discount for a single person household on a lower quartile wage; 61% discount for a couple both on lower quartile wages; 47% discount for a single person household on a median wage and 32.7% for a couple both on median wages. Clearly any assessment of the local discount levels for First Homes will be more nuanced. Nonetheless this evidences the affordability gap both within the Borough and the Parish.

- 7.11. The affordable housing need model for neighbourhood areas indicates that there is a shortfall of Affordable Housing for Sale of some 200 dwellings over the plan period. The model also indicates that the additional need for Affordable Housing for Rent is 136 dwellings. This is a combined affordable housing need of 336 dwellings over the Plan period.
- 7.12. The current strategic site allocations for Pembury would deliver approximately 389 to 417 dwellings, of which approximately 124 to 128 units would be affordable homes. This would not quite meet the need as estimated in this report, although there may be additional affordable homes brought forward through other mechanisms such as infill and rural exception sites. Clearly, it will be important to ensure that the strategic sites do in fact deliver the full quantum of affordable homes as estimated.
- 7.13. The further findings of this report illustrate a particular shortfall in affordable houses for sale versus houses for rent and this should be reflected in the provision at the strategic sites.

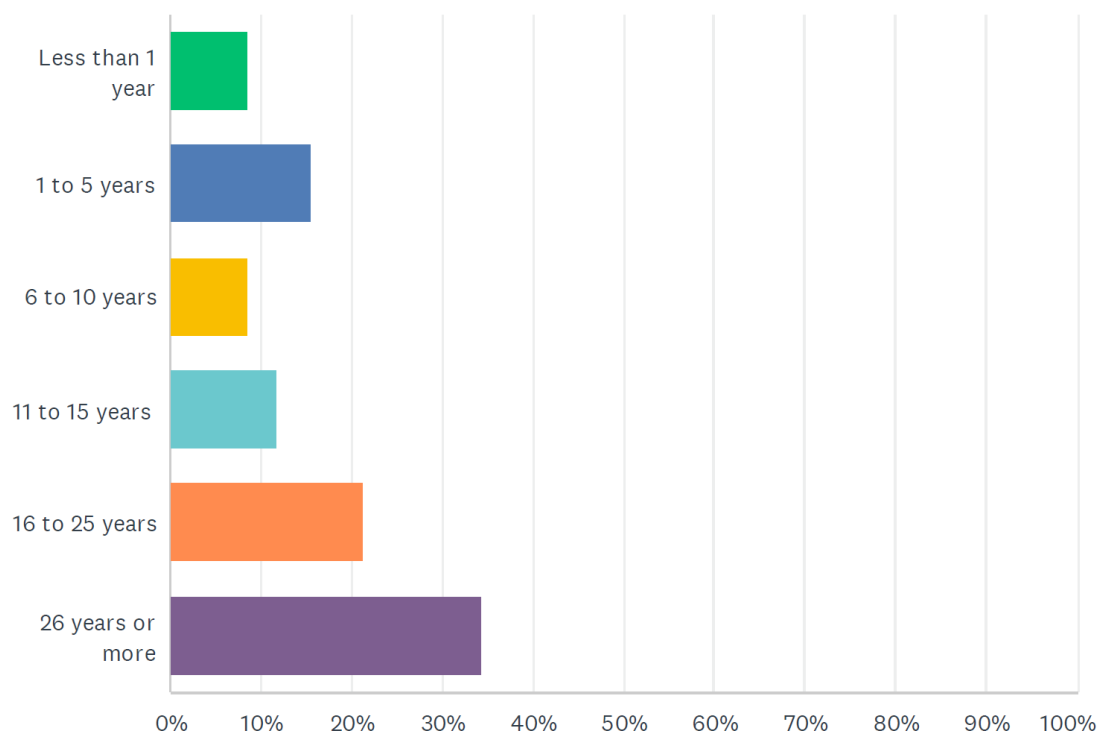


## Appendix A Findings from the community survey on housing-related questions

The following findings are taken from the Community Survey undertaken in Autumn 2021. Question numbering is not necessarily in order, as only the relevant questions to housing have been selected for inclusion in this appendix.

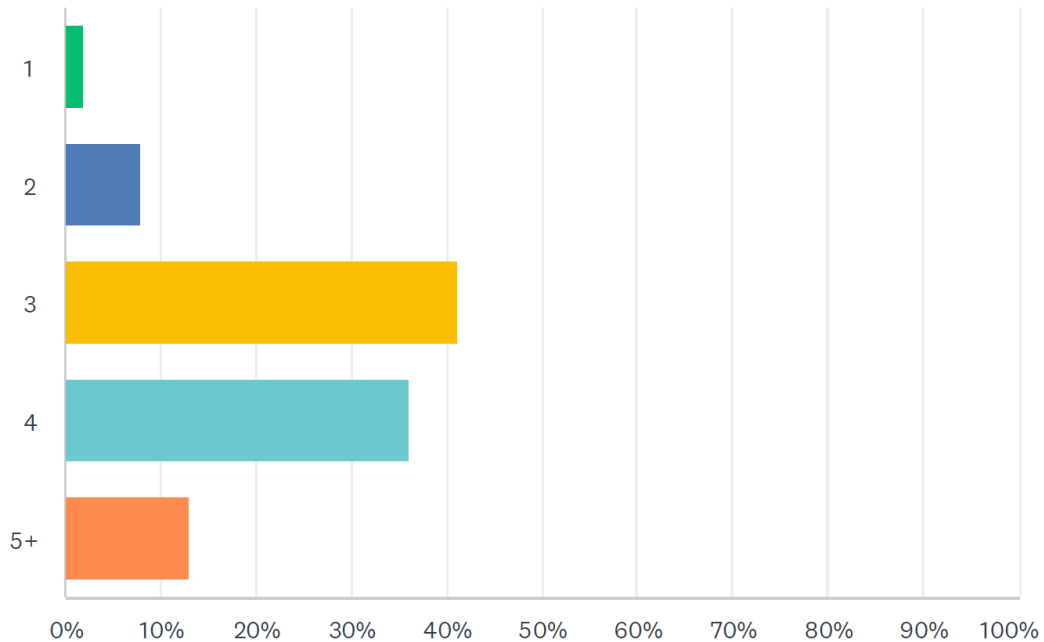
### Q2 How long have you lived in Pembury?

Answered: 154 Skipped: 10



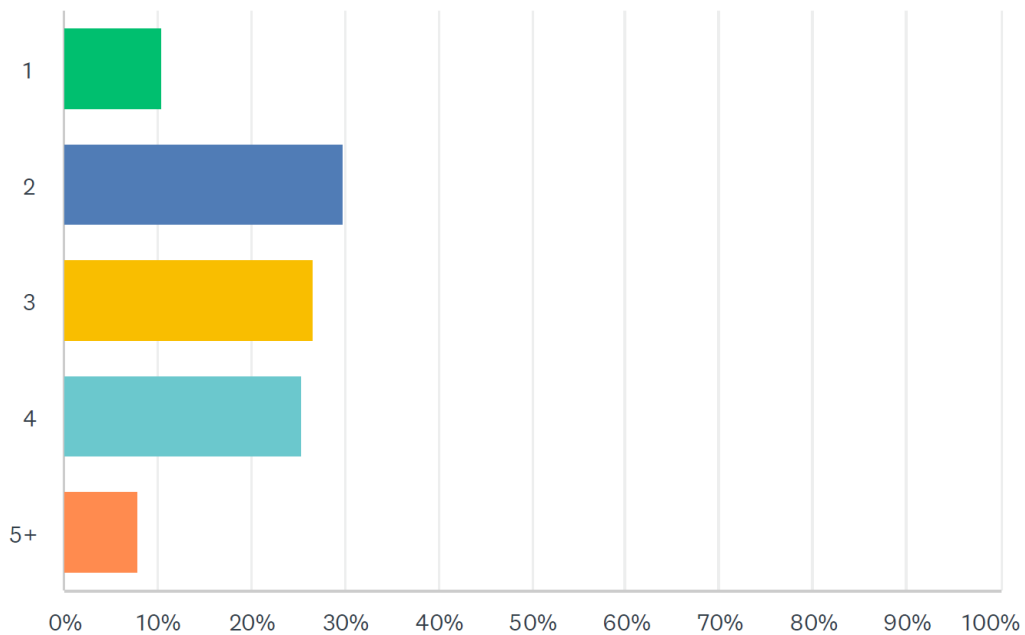
### Q3 How many bedrooms does your house have?

Answered: 153 Skipped: 11



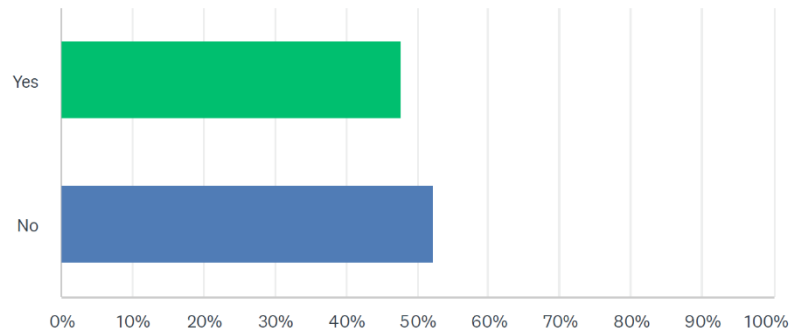
### Q4 How many people currently live in your house?

Answered: 154 Skipped: 10



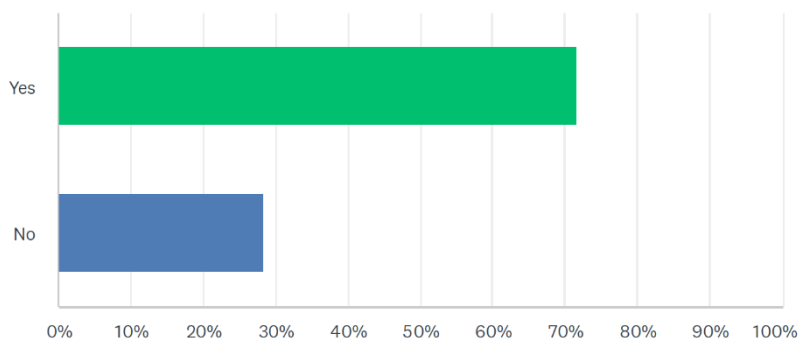
### Q5 Do you anticipate anyone in your household seeking to move in the next 5 to 10 years?

Answered: 155 Skipped: 9



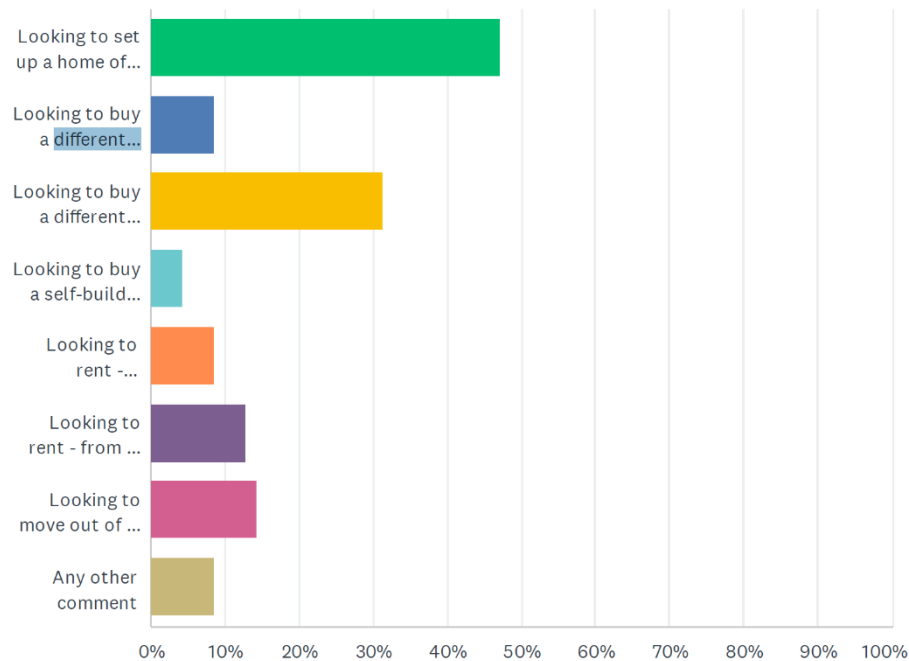
### Q6 If a suitable property was available, would the person moving like to stay in Pembury?

Answered: 67 Skipped: 97



## Q7 When considering moving, which of the following would they be seeking (tick all that apply)

Answered: 70 Skipped: 94



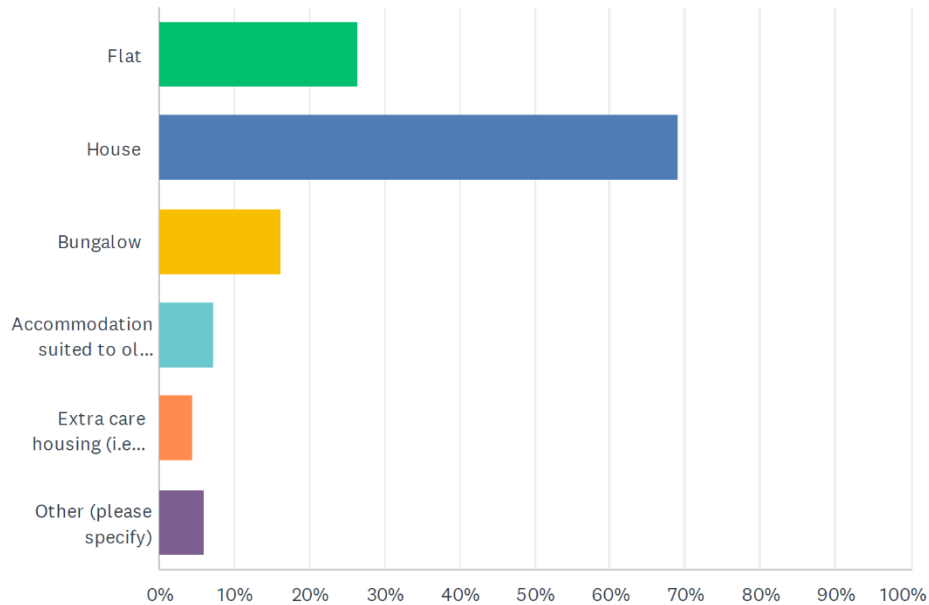
ANSWER CHOICES	RESPONSES	
Looking to set up a home of their own	47.14%	33
Looking to buy a different house - new build	8.57%	6
Looking to buy a different house - existing property	31.43%	22
Looking to buy a self-build plot	4.29%	3
Looking to rent - privately	8.57%	6
Looking to rent - from a housing association / local council	12.86%	9
Looking to move out of the area	14.29%	10
Any other comment	8.57%	6
Total Respondents: 70		

### Other comments:

- Moving to be near grown up children.
- Probably wont live that long
- Going to University
- Overseas to far less congested area
- We will need a property suitable to retire to. We would like less bedrooms but with good living space
- A property suitable for retirement/older age

## Q8 What type of housing would that person be looking for? (tick all that apply)

Answered: 68 Skipped: 96



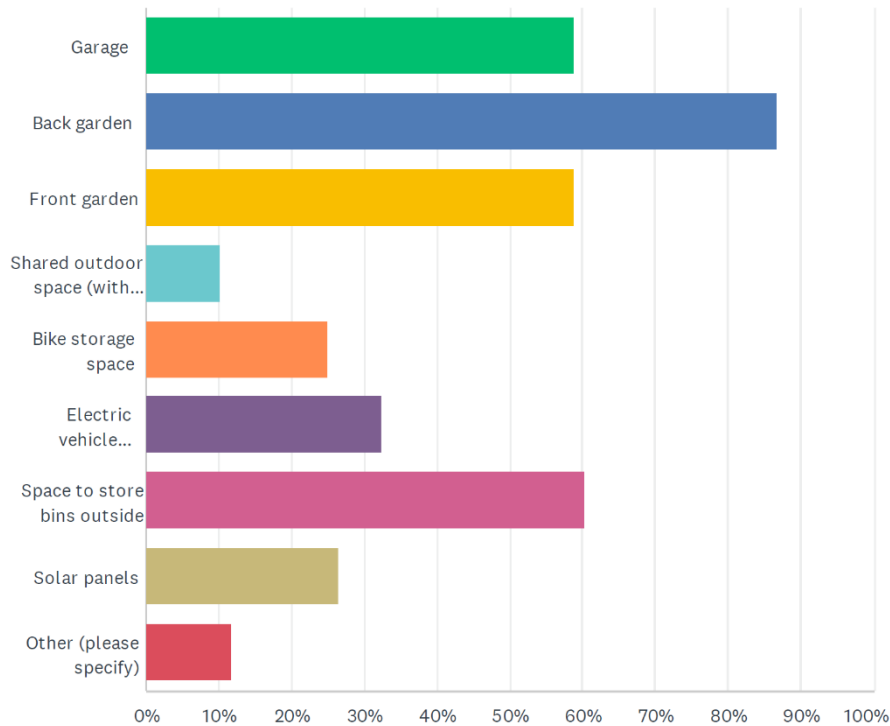
ANSWER CHOICES	RESPONSES	
Flat	26.47%	18
House	69.12%	47
Bungalow	16.18%	11
Accommodation suited to older people, but without extra support	7.35%	5
Extra care housing (i.e. with on-site support)	4.41%	3
Other (please specify)	5.88%	4
Total Respondents: 68		

### Other responses:

- Supported housing for young people rather than the elderly
- None
- Plot
- This is clearly a marketing ploy for the new housing saturation

## Q9 What facilities would the person moving like in their home? (click all that apply)

Answered: 68 Skipped: 96



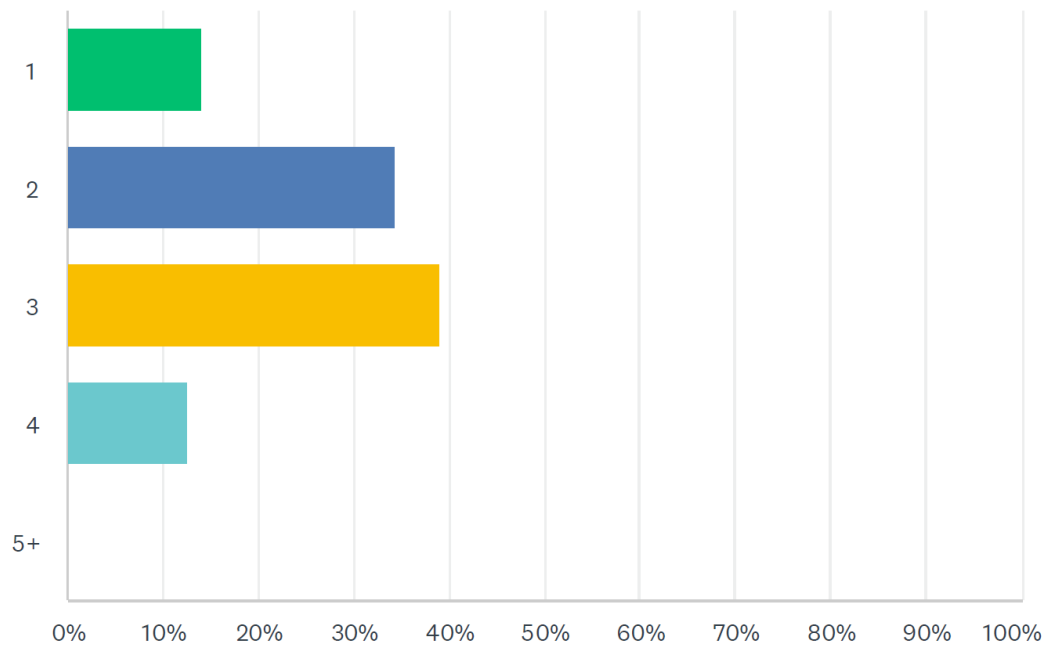
ANSWER CHOICES	RESPONSES	
Garage	58.82%	40
Back garden	86.76%	59
Front garden	58.82%	40
Shared outdoor space (with other properties)	10.29%	7
Bike storage space	25.00%	17
Electric vehicle charging point	32.35%	22
Space to store bins outside	60.29%	41
Solar panels	26.47%	18
Other (please specify)	11.76%	8
Total Respondents: 68		

### Other:

- None
- Shared workspaces
- Driveway
- Parking for works vehicle
- Easily accessible. Downstairs shower and toilet.
- Marketing ploy
- Parking
- 'invalid answer'

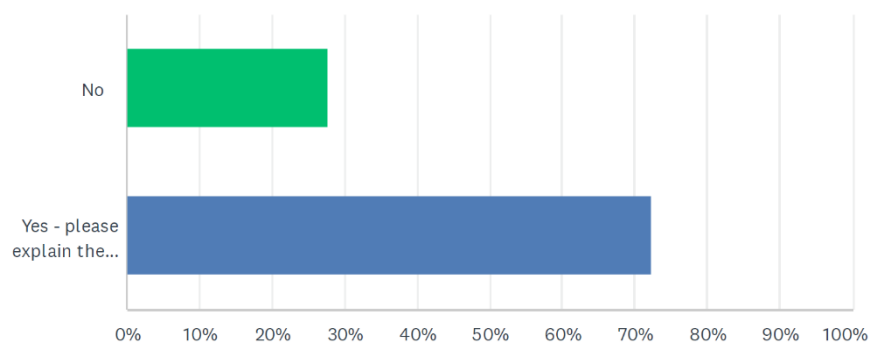
## Q10 How many bedrooms would they be seeking?

Answered: 64 Skipped: 100



## Q11 Do you/they think that there will be any challenges in finding what you are after?

Answered: 65 Skipped: 99



#	YES - PLEASE EXPLAIN THE CHALLENGES YOU FORESEE
1	I cannot afford to live in Pembury
2	Difficulty in amassing the deposit
3	Price
4	Limited market in the village
5	Not much available in Pembury if anything at all
6	Lack of availability
7	Expense
8	Poor availability
9	possibly, depends on location
10	nul and void
11	Shortage of supported living accommodation
12	Price
13	Avalibe quality housing
14	Property is selling quickly
15	managing to find acommodation that they would fell happy with
16	Managing to find accommodation that they would feel happy and safe in, also one that wouldn't be too far from public transport, somewhere that would have a very stable internet/wi-fi connection
17	Nothing really coming up for sale in their price band
18	Too expensive. Not enough of proerties for first time buyers.
19	Few available Too expensive. Need affordable housing,



20	Finding such a plot
21	Affordability
22	Very few properties of this type in Pembury
23	Not enough affordable housing
24	Would want a dog.
25	Houses are too expensive
26	Affordability
27	Need supported living
28	Few bungalows available
29	The prices
30	Not enough low cost starter homes for young people
31	Marketing ploy
32	Affordability
33	No affordable housing
34	There oi not seem to be many properties for people to down size to.
35	Limited amount in village
36	No houses of this type available now or likely to be in the next 5 years
37	There are very few housing association properties available to exchange with
38	Few properties available
39	lack of available properties
40	Shortage of houses in Pembury
41	There is a shortage/lack of first-time affordable property in the village
42	Lack of retirement properties in Pembury
43	High prices
44	Cost
45	Shortage of reasonably priced housing stock
46	Lack of suitable properties
47	Availability and budget