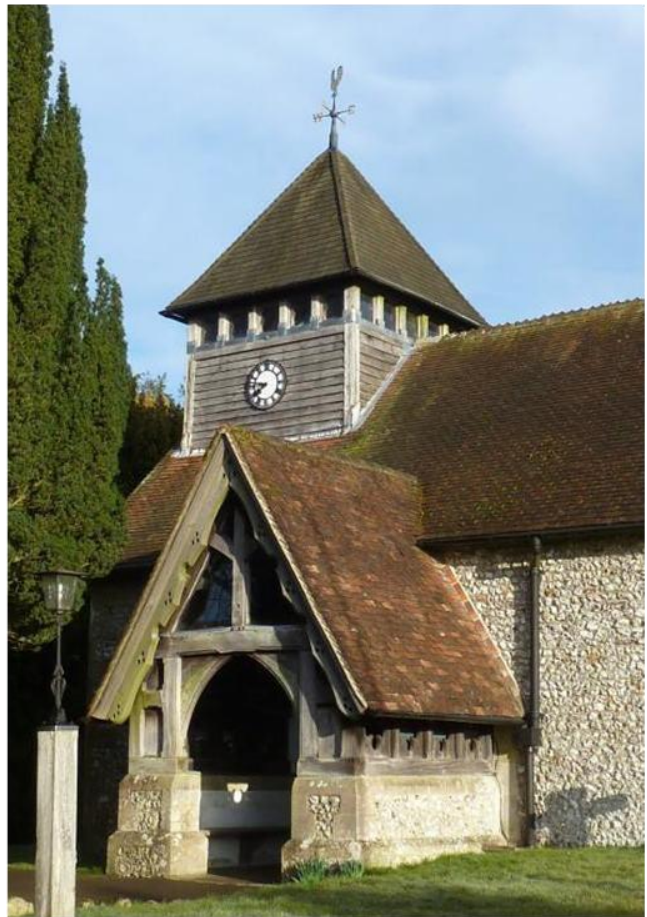


MEDSTEAD & FOUR MARKS NEIGHBOURHOOD DEVELOPMENT PLAN REVIEW



Review of Housing Needs Assessment

Commissioned by the M&FMNP Steering Group from AECOM

October 2025



Review of Housing Needs Assessment

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Review of Housing Needs Assessment

1.0 Introduction

The *Medstead and Four Marks Neighbourhood Plan 2013 to 2028* was made in 2016 and has been overtaken by the changes in legislation. In 2023 East Hampshire District Council (EHDC) found that it no longer had a viable 5 Year Land Supply which removed the protection that the EHDC Local Plan, 2013 to 2028, Joint Core Strategy¹, gave the Neighbourhood Development Plan (NDP) area from speculative development. The NPSG notes that EHDC is currently preparing a new LDP, EHDC Development Plan, 2024 to 2042, which is expected to be made in 2026.

The Neighbourhood Plan Steering Group (NPSG) decided that a review of the Neighbourhood Development Plan (NDP) was required to reinstate the legal status of the NDP and to extend its timescale to be in line with the proposed EHDC DLP.

Following agreement of its joint sponsors, Medstead Parish Council and Four Marks Parish Council, the NPSG commenced a review of the NDP, notifying EHDC of its intention. As the LPA, EHDC is the responsible authority to advise each NDP of the minimum number of dwellings that its Parishes are required to build each year as its contribution to the District's government target. This target was increased by the Government in January 2025, as part of its policy to increase Housing Delivery.

EHDC provided these numbers in its paper *Neighbourhood Plans – Indicative Housing Figures Guidance Note, January 2025*² which, in *Table 1 – Minimum annual indicative housing figures Parish/Town Annual indicative housing figure (dwellings) Plan-period indicative housing figure 2024 – 2042*. The number of dwellings required in each Parish each year were advised as

Parish/Town	Annual indicative housing figure (dwellings)	Plan-period indicative housing figure 2024 – 2042 (dwellings)
Four Marks	38	672
Medstead	27	467

The advice identifies a minimum need for 1,139 dwellings to be delivered in the two parishes outside the South Downs National Park, by 31st March 2043.

Though the charity Locality the NPSG, supported by its own Planning Consultant. Places4People commissioned the consultant AECOM to provide a Housing Needs Assessment.

The AECOM Report was received in September 2025 and is reviewed below. It refers to the EHDC Draft Local Plan, at that time the Draft Local Plan 2021 to 2040, put forward for a Regulation 18 Consultation in January 2024.

Independently, the NPSG consulted the residents of Medstead of Four Marks and Medstead on their thoughts on what types of housing should be provided, and for who they believe had the most need to become residents of the two Parishes.

¹ EHDC Local Plan, 2013 to 2028, Joint Core Strategy
<https://www.easthants.gov.uk/media/5462/download?inline>

² EHDC Neighbourhood Plans –Indicative Housing Figures Guidance Note, January 2025
<https://www.easthants.gov.uk/sites/default/files/2025-01/Indicative%20housing%20numbers%20for%20parishes.pdf>

There were two consultations, one in January and the second in December 2025. There were 200 responses recorded for the January consultation, only restricted by the number of responses that could be collected by the survey programme.

The AECOM housing Needs Assessment for the NPSG is a comprehensive report confirming the minimum number of dwellings that the NP needs to provide to 2042. It also identifies the number of Affordable Homes, both for rental and shared ownership required in the period.

It details the current imbalance of size of building compared to the number of buildings and suggests that the NP tries to rebalance the current housing position by reducing the number of 4- and 5-bedroom dwellings on future developments and increasing those with one and two bedrooms.

It also suggests that the NPSG should consider providing downsized homes suitable for older members of the villages who may have additional needs, enabling them to remain in their own homes in the villages, rather than moving into facilities for specialist care

2.0 The Housing Needs Assessment

The AECOM HNA Report identified that in the 2021 census there were:

- 7,740 residents,
- 3,043 households
- 3,107 dwellings.

Indicating a significant population growth of 29% since 2011. The Census 2011 recorded a total of 6,019 residents and 2,334 households. Comparing Census figures there has been growth of 675 in 10 years and that EHDC data shows that 688 new homes have been built since 2011.

Current tenure profile

It concluded that home ownership in the parishes was 83% of all households, (EHDC average 54%). Other tenures are smaller in the Neighbourhood Area (NA) than the District and the national average – particularly private renting.

The notable change to the profile is the number of new homeowners and the increase in social rented, private rented homes, and shared ownership.

Affordability and Affordable Housing

Affordability

It noted that house prices in the NA shows growth over the last decade. The current median house price is £550,000, 44% higher than the 2014 median. The lower quartile price is at £440,000, 46% higher than the 2015 LQ figure.

House prices in Medstead and Four Marks appear to be more expensive than the district, the EHDC 2024 median cost was £420,000.

The NPSG notes AECOM estimated the average household income in the NA was £66,700 in 2020, and the lower quartile earnings (per person) were £20,360. Median house prices in the NA are unaffordable to households on average incomes who require an income 111% higher than the present median. Private rent appeared to be more affordable than home ownership, with an average income household able to afford entry-level rents. It notes that average market rents are unaffordable for households with an average income.

Subsidised routes to home ownership are targeted at those at households that can afford to rent. In the NA there is a large gap between the minimum required rental income (£51,200) and

the purchase income (£113,000), indicating residents may benefit from Affordable Home Ownership products.

However, a minimum discount of between 20-40% is not affordable to average income households. In the NA, a required 50% discount is needed to purchase a home being aligned to the average household income.

Social and affordable rent could be affordable to households with two lower earners on earnings alone, but not to those with one lower earner. The latter may be entitled to housing benefit for their rental costs.

The need for Affordable Housing

From the *East Hampshire Housing and Economic Development Needs Assessment (HEDNA)*, a potential need for 18.4 social/affordable rented homes per annum is estimated for the period of 2024 to 2042, based EHDC data. The HEDNA identified a demand for 19.6 new affordable home ownerships per annum.

Some households would prefer to buy rather than rent.

Affordable Housing policy

Affordable Housing may be made financially viable by Plan policies that require a proportion of market housing developments. The EHDC LP policy requires 40% affordable housing on sites delivering over 10 units.

The emerging Draft Local Plan recommends 70% of social/affordable, rented and 30% shared ownership. This HNA suggests that this is an appropriate benchmark for the NA.

Housing Mix: Type and Size

The Current Housing Mix

It noted that the current mix in NA is dominated by detached houses (70%). The remaining are semi-detached dwellings (19%), terraced dwellings (8%) and flats (7%).

In terms of size, the NA is dominated by larger sized homes with either 3 or 4+ bedrooms, 80% of all homes. The remaining dwellings are 2 bed homes (15%) and 1 bed homes (4%).

The NA housing profile is less balanced compared to EHDC. The District has a smaller share of detached and a higher share of other dwellings. The same applies for dwelling size, where the NA has a stronger skew towards the largest dwelling categories.

Population characteristics

It noted that the NA population has increased by 29% between censuses. The greatest increase is those aged 65-84, 61%. Other population cohorts experienced much more modest growth of between 18% and 23%.

Applying East Hampshire scale household projections suggest that the Medstead and Four Marks population will continue to age over the NP period, with a potential 90% increase in the population aged 65 and over. The projections also suggest that the younger population cohorts in the NA will contract over the same period.

The EHDC scale projections do not reflect the potential for the NA to attract and retain younger families, noted in the recent Census data. If the latter trend persists this may slow a trend toward ageing in practice than this modelling exercise suggests.

Future population and size needs

It is possible to estimate the size and mix of future homes that best accommodate demographic trends and address imbalances in the existing housing stock. The result suggests that new development should deliver a variety of dwelling sizes, with a priority for homes with 2-3 bedrooms.

While the exercise indicates the value of 1-bedroom properties, it may not be appropriate to exclude larger (4+ bedroom) homes. An indicative policy range reflecting the results of local and district-scale modelling is as follows:

- 15-25% 1 bedroom
- 30-50% 2 bedroom
- 30-50% 3 bedroom
- 0-20% 4+bedroom

It is important to remember that other factors should be considered in determining the dwelling mix, including the specific characteristics of the nearby housing (such as its condition and design), the role of the NA or site within the wider housing market area and site-specific factors.

Specialist Housing for Older People

The current stock

It is considered that there were an estimated 846 individuals aged 75 or over in the NA, growing from 541 in 2011 and is projected to rise to 1,506 by the end of the Neighbourhood Plan period (2043).

Projected demographic change and need for specialist housing

A clear majority (89%) of EHDC households, aged between 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2043) are owner occupiers and the remainder predominantly rent from a social landlord. Those currently owning are likely to require specialist accommodation for market purchase and are largely ineligible for subsidised housing, while those in private or social rent may need subsidised rented housing because they are unlikely to have the funds to buy.

The 75+ population of the NA is projected to increase from 11% to 19% of the overall population between 2024 and 2043. The growth in the older population, converted into households (of 660) points to 454 new households made up of people aged 75+ over the Neighbourhood Plan period.

The potential need for specialist housing with some form of additional care for older people can be estimated by using data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research.

The two methods for estimating the future need in the NA indicate 166 to 171 specialist units required during the plan period.

Between 65-85% of this need is likely to be for market purchase, but 60-70% may be accommodated through either sheltered accommodation or adaptations to the existing housing, rather than extra care accommodation. The potential additional need for care and nursing home beds in the NA by 2042 is around 73 bedspaces.

According to data provided by EHDC, the NA is not expecting any delivery of specialist accommodation over the plan period. The main unmet need is for market sheltered accommodation, or similar. In some cases, could be met by new housing, which is accessible and adaptable for people with lower support needs. The findings in this HNA support the full application of EHDC's policy approach to accessible and adaptable dwellings.

3.0 Context

Local context

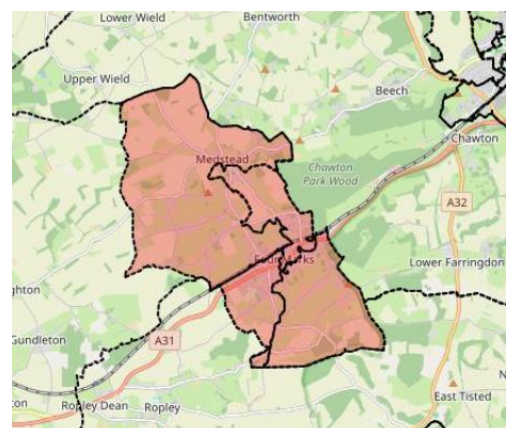
It reviewed the context of the NA, covering the Hampshire parishes of Medstead and Four Marks, excluding those in the South Downs National Park, being designated in 2014, noted the making of the Hampshire in May 2016, covering the period of 2015 – 2028, and the NPSG to 2042.

The HNA looks forward to the end date of 2043 but also provides annualized. It considered the area and its services and infrastructure as well as the A31 access, noting that the closest train station is in Alton, which is approximately 5 miles away.

The NA boundary and key statistics

The HNA reviewed the Lower Layer Super Output Areas (LSOAs) covering Medstead and Four Marks

Upper Area Super Output Areas	Lower Area Super Output Areas	East Hampshire Area	Location
LSOA21CD	E01022593	007B	Four Marks East (excludes Area: Station Approach to Merlin Road to Pine Road footpath and Footpath – Badger Close Footpath Mulberry court Fairfield Green to Telegraph Lane and Chawton Close to Station Approach)
LSOA21CD	E01022594	007C	Medstead East(Includes South Medstead and part of Four Marks)
LSOA21CD	E01022595	007D	Four Marks West
LSOA21CD	E01022596	007E	Medstead West



The 2021 Census indicated the NA had 7,740 residents, formed into 3,043 households and occupying 3,107 dwellings and indicates quite significant population growth of around 29% since 2011, from 6,019 residents and 2,334 households, a growth of 675 since the 2011 census.

The completions data indicates 273 in Four Marks and 415 in Medstead. The increase 2021 to 24 using the EHDC 5 Year Land Supply Data to 2024 shows 37 in Medstead and 26 in Four Marks , giving a total of 299 in Four Marks and 451 in Medstead, a grand total of 760 dwellings, excluding the additional 74 houses in the area of Chawton Pariah abutting the Four Marks/'South Medstead settlement.

At the time of writing this Report, there were a further 318 with planning permission.

The housing market area context

Whilst this HNA focuses on the NA it is important to keep in mind that these are not self-contained housing market areas. Housing market areas are wider than LA areas and often stretch across districts or boroughs, because housing market areas are linked to the labour market, employment patterns and travel to work areas.

At the neighbourhood scale it is not possible to have definitive housing needs and demand because NAs are closely linked to other areas. In the case of Medstead and Four Marks, changes in need or demand in settlements nearby is likely to impact on the neighbourhood.

In summary, Medstead and Four Marks function within a wider strategic area. As well as fostering good working relationships with EHDC, the LPA, it is useful to think about the *role* of the neighbourhood within the wider area. This HNA can provide evidence to understand this role and the specific features of the neighbourhood within this wider context. Neighbourhood Plans (NPs) can have a significant impact in shaping their neighbourhoods, enhancing the positive role the neighbourhood plays within the wider housing market, or developing policies to change entrenched patterns and improve housing outcomes in the neighbourhood and wider area.

Planning policy context

The NPs are required to be in general conformity with LP policies.³ In the case of EHDC, the report confirms that the relevant adopted Local Plan is the *East Hampshire District Council: Joint Core Strategy (adopted 2014)*. EHDC updating its Local Plan, publishing its Regulation 18 Local Plan (January 2024) covering the plan period 2021-2040. The next stage of the process is to publish a submission version of the plan (Regulation 19). This has been scheduled for July 2026.

A detailed breakdown of the Local Plan policies relevant to housing need is provided in the report's Appendix B. The most important points of the emerging Local Plan are:

- Emerging Local Plan Policy H1 identifies an overall housing target of 478 homes per year for the district (*superseded by the new Government Housing requirement*).
- In Policy S2 Four Marks is designated as a Tier 3 settlement and Medstead as a Tier 4 settlement. Both tiers have been designated in line with the level of service the villages provide and the role they play in terms of services for other smaller villages and settlements nearby. Both settlements will be expected to contribute to a level of growth which is determined based on the role and function they perform within the District.
- Policy H3 states that 40% of all new dwellings are expected to be delivered as Affordable Housing on sites larger than 10 homes. The suggested tenure mix within Affordable Housing is 70% affordable rent to 30% affordable home ownership;
- Policy H2 sets out an expectation that all new homes will be built to Category M4(2) accessibility standards.

Quantity of housing to provide

The 2024 NPPF (paragraphs 69 and 70) requires LPAs to provide designated neighbourhood areas with a housing requirement which reflects the overall strategy for the pattern and scale of development and any relevant allocations.

EHDC has fulfilled that requirement by providing an indicative figure of 672 dwellings to be accommodated in Four Marks and 467 to be accommodated in Medstead. This means a cumulative indicative figure of 1,139 dwellings to be accommodated within the NA by the end of Local Plan period (2043).

At the time of writing, there are currently 318 homes with planning permission in the NA, if these are deducted from the indicative figure it leaves a residual figure of 850 dwellings to be completed in the NA over the Neighbourhood Plan period.

4.0 Objectives and Approach

Objectives

The NPSG notes that this HNA is structured according to several themes or topics that were agreed with the NPSG. These themes are broadly aligned with the housing policy areas available to NPs, and each will form a distinct chapter of this report. The sub-sections below give a brief overview of the objectives of each chapter.

Affordability and Affordable Housing

³ A description of the Basic Conditions of Neighbourhood Planning is available at <https://www.gov.uk/guidance/neighbourhood-planning--2#basic-conditions-for-neighbourhood-plan-to-referendum>

NPs may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

The NPSG notes that the evidence gathered within the HNA can be used to justify planning policies in the M&FMNDP, but additional supporting evidence may be needed, particularly on viability. Local Plans typically include policies on Affordable Housing and whilst the NP must be in general conformity with these strategic policies, there is scope for NP policies to add detail and nuance to reflect localized circumstances where this is supported by the evidence.

Housing Mix: Type and Size

It notes that it is common for NPs to include policies that influence what form new housing should take in terms of type and size. This requires evidence of what local households need, and this section focused on the identification of any relevant trend and potential gaps in the market that can be used to justify planning policies.

A variety of reasons sit behind the choices that households make that are less easy to predict, including wealth, accessibility requirements and personal preference. The NPSG notes that this section provides a starting point for developing and justifying planning policies but does not provide definitive recommendations as it may be appropriate to consider other factors and site-specific circumstances.

Specialist Housing for Older People

The NPSG notes it may be appropriate for NPs in areas with ageing populations to include policies relating to specialist housing for older people.

It notes that this chapter supplements the demographic evidence in the previous section (Housing Mix: Type and Size), including the potential demand for downsizing, to consider the quantity and characteristics of need for housing for older people with some form of additional care. Its approach is as follows:

- To review the **current provision** of specialist housing in the NA;
- To estimate the **potential demand** for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other **additional considerations**.

This element of the HNA recognizes that many older people will live in the mainstream housing stock and that there is no single way to meet their needs. It may also be inappropriate to focus excessively on the needs of one group or to promote a specialist scheme in a location that lacks adequate services. These issues will be drawn out.

Approach

The NPSG notes that this section of the HNA assesses a range of evidence to ensure its findings are robust for the purposes of developing policy at the neighbourhood plan level. This includes data from the 2021 and 2011 Censuses and a range of other data sources, including:

- ONS population and household projections for future years;
- Valuation Office Agency (VOA) data on the current stock of housing;
- Land Registry data on prices paid for housing within the local market;
- Rental prices from Home.co.uk;
- Local Authority housing waiting list data; and
- East Hampshire Housing and Employment Development Needs Assessment (2022).

The NPSG realises that additional data from the 2021 Census will be released. Some data at the localised level, including parishes, and some datasets which compare numerous variables, has not

yet been made available. As such, the HNA has considered the latest available data from the 2021 Census where possible and other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections to build up evidence at the neighbourhood level.

5.0 Affordability and Affordable Housing

Introduction

The NPSG understands that NPs may include policies that influence the scale of Affordable Housing provision and the mix of different tenures and products provided through new housing development.

This chapter has three aims, each given its own sub-section:

- To establish the existing **tenure** of homes within the NA at present (owner occupied, private rented, social/affordable rented, shared ownership);
- To examine the **affordability** of different tenures by considering house prices, rents, local incomes and earnings; and
- To estimate the scale of **need** for Affordable Housing, including the need for those who cannot afford to rent and those who cannot afford to buy.

It notes that the HNA evidence can be used to justify planning policies in the NP, but other supporting evidence may be needed, for example on viability. Local Plans typically include policies on Affordable Housing and whilst the NP must conform with these policies, there is scope for NP policies to adopt some local variety where this is supported by the evidence.

This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) (published 2024).

Definitions

The NPSG notes the range of technical terms which are useful to define at the outset:

- **Tenure** refers to the way a household occupies their home. Broadly speaking, there are two categories of tenure: market housing (such as homes available to purchase outright or rent from a private landlord) and Affordable Housing (including subsidised products like social rent and shared ownership).
- **Affordability** refers to the relationship between the cost of housing to buy or rent and the incomes and earnings of households.
- The definition of **Affordable Housing** is set out in the NPPF 2024 (Annex 2) as 'Housing for sale or rent, for those whose needs are not met by the market...' We refer to Affordable Housing, with capital letters, to denote the specific tenures that are classified as affordable in the NPPF (Annex 2). A relatively less expensive home for market sale may be affordable, but it is not a form of Affordable Housing.
- A range of affordable home ownership products are included in the Government's definition of Affordable Housing, to meet the needs of those aspiring to own a home. This includes discounted market sales housing and other affordable routes to home ownership (shared ownership, rent to buy etc) which are defined in Annex 2. First Homes are also part of the range of affordable home ownership products,

Current tenure profile

The NPSG notes that the current tenure profile is a key feature of the NA. Patterns of home ownership, private renting and affordable/social renting reflect demographic characteristics including age (with older households more likely to own their own homes), and patterns of income

and wealth which influence whether households can afford to rent or buy and whether they need subsidy to access housing.

Table 4-1 presents data on tenure in Medstead and Four Marks compared with East Hampshire and England from the 2021 Census. The table shows that home ownership is the dominant tenure in Medstead and Four Marks (83%), which is a much higher proportion than is common across the district (54%). In turn the NA has a much smaller proportion of other tenure options when compared to the district. This is particularly pronounced for private rented homes, where 35% of homes in East Hampshire are private rented compared to 8% in the NA.

There are slightly fewer households living in social rented homes in Medstead and Four Marks (7%) when compared to East Hampshire (9%). The NA does, however, have a high proportion of shared ownership dwellings (3%), which is above the district and country (both 1%).

Table 4-1: Tenure (households) in Medstead and Four Marks, 2021

Tenure	Medstead & Four Marks	East Hampshire	England
Owned	82.5%	54.3%	61.3%
Shared ownership	2.8%	1.1%	1.0%
Social rented	7.1%	9.3%	17.1%
Private rented	7.6%	35.3%	20.6%

Sources: Census 2021, AECOM Calculations

The NPSG notes that it is also worth comparing how the tenure mix has changed in the last ten years, using the 2011 Census (see Table 4-2). The table shows increases in each tenure category, with shared ownership dwellings showing the sharpest proportional increase (**+143 %**). However, it is worth highlighting that this category did start from a relatively low base in 2011 and still occupies a much lower share of the overall tenure profile.

When looking at the absolute figures, the most significant increase has been in the number of new homeowners over the last decade (+509 units), which is much higher than increases in the number of private renters (+67 units) and social renters (+83 units). A significant increase in the number of new homeowners can be interpreted as a positive sign for affordability, as it appears people in the NA have been able to purchase new homes in the NA. However, based on the population increase in the

NA, it may also be the case that a large proportion of new homeowners have migrated into the NA.

Table 4-2: Tenure change (households) in Medstead and Four Marks, 2011-2021

Tenure	2011	2021	% Change
Owned	2,001	2,510	25.4%
Shared ownership	35	85	142.9%
Social rented	134	217	61.9%
Private rented	164	231	40.9%

Sources: Census 2021 and 2011, AECOM Calculations

Affordability

House prices

The NPSG notes that house prices provide an indication of the level of demand for homes within an area. The relationship between house prices and incomes determines whether housing is affordable

to local households and, to a large extent, what tenure, type and size of home they occupy. Changes in affordability, over time, can indicate pressures in the housing market. As such, it is useful for the evidence base for plans to examine trends in prices and consider what these reveals about the local housing market.

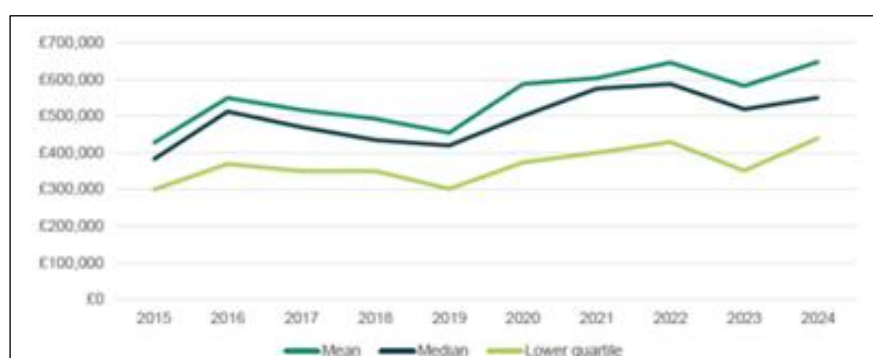
Figure 4-1 looks at the average and lower quartile house prices in Medstead and Four Marks based on sales price data published by the Land Registry. It shows that median house prices, which represent the middle number when the data is sorted from smallest to largest, have experienced relatively steady upward growth over the last decade, despite some year-on-year fluctuations.

The current median house price in Medstead and Four Marks is £550,000, which is 44% higher than the median price in 2015. The graph shows that the current mean is higher than the median. The mean currently sits at £648,000 and is 52% higher than it was in 2015. Because the mean reflects every transaction in the sample there is potential for outlying data to skew the overall result (making it usually higher than the median). This can be seen in *Figure 4-1*, where the mean consistently sits above the median.

The current lower quartile (LQ) price, which is the middle figure of the lowest 50% of sales and acts as good representation of entry level housing, stands at £440,000 and is 46% higher than it was in 2015.

House prices in Medstead and Four Marks appear to be more expensive than the average for East Hampshire, where the 2024 median house price was £420,000.

Figure 4-1: House prices by quartile in Medstead and Four Marks, 2015-2024



Source: Land Registry PPD

Table 4-4 breaks down house prices by type, presenting the median within each type. It shows that house prices for detached, semi-detached and flatted dwellings appreciated at a broadly comparable rate of 35% - 38%. Terraced dwellings appreciated in value at a much slower rate of 12%.

It is also worth noting from the table below that detached dwellings are more than £200,000 more expensive than the next most expensive dwelling type (semi-detached dwellings). The next chapter will present more detailed information on dwelling types and sizes, but it is worth noting here there were a considerable number of detached dwellings delivered in the last decade compared to other dwelling types. This dwelling type already dominates the housing profile in the NA, which (being generally much more expensive) has a large impact on the overall median house price and on affordability.

Table 4-4: Median house prices by type in Medstead and Four Marks, 2015-2024

	Detached	Semi-Detached	Terraced	Flats	All Types
2015	£488,750	£315,998	£273,500	£168,000	£382,500
2016	£555,000	£355,000	£276,475	£130,000	£512,500
2017	£575,500	£368,000	£320,750	£212,000	£470,000
2018	£580,000	£362,500	£330,000	£243,500	£435,000
2019	£539,975	£335,000	£285,000	£197,748	£420,000
2020	£590,000	£385,750	£302,500	£211,000	£500,000
2021	£650,000	£399,950	£305,000	£220,000	£575,000
2022	£692,500	£453,750	£350,000	£170,000	£587,500
2023	£685,000	£416,000	£355,000	£179,250	£518,500
2024	£657,500	£435,000	£307,000	£226,250	£550,000
Price Growth	34.5%	37.7%	12.2%	34.7%	43.8%

Source: Land Registry PPD

Income

Household incomes determine the ability to exercise choice in the housing market, and the level of need for affordable housing products. Two sources of data are used to examine household incomes in the NA.

The first source is ONS's estimates of incomes in small areas. This is locally specific but limited to the overall average income (i.e. it does not provide the average income of lower earners). The average total household income locally was £66,700 in 2020 (the most recent year for this dataset). Discussion about the area to which this data applies is provided in Appendix A.

The second source is ONS's annual estimates of UK employee earnings. This provides lower quartile average earnings (i.e. the income of the lowest 25% of earners). However, it is only available at the Local Authority level. It also relates to individual earnings. While this is an accurate representation of household incomes where there is only one earner, it does not represent household income where there are two or more people earning. East Hampshire's gross individual lower quartile annual earnings were £20,680 in 2023. To estimate the income of households with two lower quartile earners, this figure is doubled to £41,360.

It is clear from this data that there is a large gap between the spending power of average income households and those earning the lowest 25% of earnings, particularly where the household in question has one earner only.

Affordability Thresholds

To gain a clearer understanding of local affordability, it is useful to understand the income levels required to afford different tenures. This is assessed using 'affordability thresholds': the estimated amount of annual income required to cover the cost of rent or a mortgage given local housing prices.

The NPSG notes that AECOM has determined thresholds for the income required in the NA to buy a home in the open market (average and entry-level prices), the income required to afford private rents and the range of Affordable Housing tenures as set out in the NPPF. These calculations are detailed and discussed in more detail in the HNA Appendix C.

The key assumptions made in assessing the affordability of different tenures are explained alongside the calculations, but it has been assumed that the maximum percentage of household income that should be spent on rent is 30% and that mortgage financing will be offered at a maximum of 3.5 times household income. These are standard assumptions across housing needs assessments at neighbourhood and local authority scale although different approaches are sometimes taken, and a case can be made for alternatives. This is discussed in more detail at the start of HNA Appendix C.

The analysis in Table 4-4 does not take account of wealth (beyond savings sufficient for a 10% deposit) or existing housing equity which may provide substantial additional financial resources for

many existing homeowners. Wealth and equity resources are difficult to measure, particularly at the localized level. Furthermore, the affordability analysis in HNAs is primarily focused on access to different housing options for those entering the market for the first time, either to rent or buy, and developing policies that support those who have difficulty accessing market housing. Nevertheless, many households will have additional resources that are not factored into this analysis. This is particularly the case for older owner occupiers since many own their homes outright, and/or have built up substantial equity in their existing homes over time.

Table 4-4 summarises the estimated cost of each tenure, the annual income required to support these costs within the NA, and whether local incomes are sufficient. The income required column assumes the household already has access to a deposit (which we have assumed to be 10% of the value to be purchased) but does not reflect the possibility that households may already hold equity from an existing property. Although these factors may be crucial to whether housing will be affordable, they are highly dependent on individual circumstances that cannot be anticipated here.

Table 4-4: Affordability thresholds in Medstead and Four Marks (income required, £)

Tenure	Mortgage value (90% of price)	Annual rent	Income required	Affordable on average incomes? £66,700	Affordable on LQ earnings (single earner)? £20,680	Affordable on LQ earnings (2 earners)? £41,360
Market Housing						
Median House Price	£495,000	-	£141,429	No	No	No
Estimated NA New Build Entry-Level House Price	£488,871	-	£139,678	No	No	No
LQ/Entry-level House Price	£396,000	-	£113,143	No	No	No
LA New Build Median House Price	£466,650	-	£133,329	No	No	No
Average Market Rent (and Rent to Buy)	-	£24,240	£80,800	No	No	No
Entry-level Market Rent (and Rent to Buy)	-	£15,360	£51,200	Yes	No	No
Affordable Home Ownership						
Discounted Market Sale (-20%)	£391,097	-	£111,742	No	No	No
First Homes (-30%)	£342,210	-	£97,774	No	No	No
First Homes (-40%)	£293,323	-	£83,807	No	No	No
First Homes (-50%)	£244,436	-	£69,839	No	No	No
Shared Ownership (50%)	£244,436	£6,790	£92,472	No	No	No
Shared Ownership (25%)	£122,218	£10,185	£68,869	Marginal	No	No
Shared Ownership (10%)	£48,887	£12,222	£54,707	Yes	No	No
Affordable Rented Housing						
Affordable Rent	-	£9,464	£31,547	Yes	No	Yes
Social Rent	-	£6,916	£23,053	Yes	No	Yes

Source: AECOM Calculations

Before considering each tenure category in turn, it is important to stress that these affordability thresholds have been calculated to give an indication of the costs of various tenures to inform Neighbourhood Plan policy choices. These figures rely on existing data and assumptions, and it is not possible to estimate every possible permutation. The income figures also disguise a large degree of variation. For simplicity the analysis below speaks in terms of tenure products being 'affordable' or 'not affordable' for different groups, but individual circumstances and the location, condition and other factors of specific properties in each category have a large impact.

These conclusions should therefore be interpreted flexibly.

Market housing for purchase and rent

Thinking about housing on the open market, it appears that local households on average incomes are unable to access even entry-level homes unless they have the advantage of a very large deposit. Market housing, even with the benefit of a higher than average income, is likely to remain out of reach to most. **The median house price would require an annual income 111% higher than the current average.**

Private renting is less expensive than home ownership, but average market rents would still be unaffordable to average earning households. However, these households would appear able to afford entry level market rents. Households made up of two lower quartile earners cannot afford the given rental thresholds. Affordability is improved if households are able or willing to dedicate a larger proportion of their incomes to rental costs, although this has repercussions for other quality of life aspects and cannot be assumed to suit all individuals' circumstances.

Affordable home ownership

There is a relatively large group of households in Medstead and Four Marks who may be able to afford to rent privately but cannot afford home ownership. They are typically earning between around £51,200 per year (at which point entry-level rents become affordable) and £113,000 (at which point entry-level market sale homes become affordable). This 'can rent, can't buy' cohort may benefit from the range of affordable home ownership products such as Discounted Market Sale, First Homes, Shared Ownership and Rent to Buy.

Discounted Market Sale homes are offered at a discount at least 20% on market prices (i.e. the price of equivalent new build, entry-level properties). First Homes are offered at a discount of at least 30% on market prices. Local authorities and neighbourhood plan qualifying bodies have discretion to increase the discount on First Homes to 40% or 50% where there is evidence to suggest this is appropriate.

This report has estimated the income required to afford discounts of 20-50% to cover the range of discounts likely to be available on these different products. First Homes at a discount of 50% would still be unaffordable to households with an average income. However, these homes would only require an income approximately £3,000 higher per annum than the given average, which means these homes may be affordable to some average earning households who are earning slightly higher than the average or have the benefit of a larger deposit.

It should be noted that new homes at a lower discount would be ineligible for the First Homes scheme, given the residual cost of a First Home once a discount of either 30% or 40% is applied would exceed £250,000. It should be noted that the cost of First Homes is driven by the high cost (and volume) of detached homes in the NA, which may have a distorting effect on the overall median cost of newly built homes. As such, it would be justified to increase the supply of smaller terraced dwellings or flats as Discount Market Sale or First Homes, which may improve affordability for average earning households.

Another point worth noting is that Discount Market Sale homes are not subject to a similar eligibility cap in terms of the overall residual cost of a new build dwelling. Although this level of discount (20%) would not significantly improve affordability for average earning households, they may be an appropriate option for households who have higher than average incomes and/or the benefit of a larger deposit.

It is important to note that this evidence based on affordability does not provide a complete picture: evidence about the financial viability of development is also relevant. In some case, higher discount levels could create a financial burden on a scheme which leads developers to argue either that the discount level is not feasible or that the total amount of Affordable Housing may need to be reduced. The latter might put at risk the delivery of Social/Affordable rented housing which may be an unintended consequence. The issue of development viability is a specialist matter involving

analysis of land values and building costs that is outside the scope of this assessment. If the NPSG intends to set higher discount levels (e.g. on First Homes) than set at district/borough level, further discussions with the LPA are advised.

Shared ownership appears to be more affordable than Discounted Market Sale/First Homes but is broadly accessible to the same groups. The minimum equity share for shared ownership is 10% of the property value. If this is delivered in the NA, it will make shared ownership easier to access. However, while the income threshold for a 10% equity shared home ownership is lower, this product may not necessarily be more attractive than the alternatives (such as shared ownership at higher equity shares or discounted market sale products) for those who can afford them.

Rent to Buy provides households with the option to rent at a discount (an intermediate rent at least 20% lower than the market rent) in order that they can save for a deposit to buy their property within a set period. The income required to access Rent to Buy is assumed to be the same as that required to afford market rents. However, affordability to local households would depend on how rents are set. If Rent to Buy is offered at a discount on entry level rents, this would expand this route to home ownership quite significantly, potentially even to groups made up of two lower earners.

However, discounts on average rents would make Rent to Buy affordability, in terms of the household income required, comparable to First Homes and Shared Ownership. However, for some households, the availability of a deposit rather than income level per se is the key barrier to accessing home ownership. Rent to Buy may therefore offer a useful product to meet the needs of some households.

The range of affordable homeownership products needs to be considered in relation to what they offer occupants in the long term, beyond simply being affordable to access or not:

- Discounted Market Sale and First Homes allow for a greater ownership stake in the property, enabling occupiers to benefit from price appreciation over time. Monthly outgoings are also limited to mortgage costs alone, which tend to be cheaper than renting.
- Shared ownership at high equity shares performs a similar function to DMS/First homes, but there are additional costs associated with the rented portion.
- Shared ownership at low equity shares can usually be accessed by lower income households (than First Homes) and requires a smaller deposit. However, this is a potentially less attractive route to eventual ownership because monthly outgoings remain high. The occupant has to pay significant monthly rent as well as service charges and other costs, so it can be harder for them to save funds to buy a greater share in the property over time.
- Rent to Buy requires no deposit, thereby benefiting those with sufficient incomes but low savings. It is likely to be more attractive than renting but results in a much slower accumulation of the funds that can provide an eventual route to ownership than the other tenures discussed above.

Social and Affordable Rented housing

Social and Affordable Rented housing performs a critical role in supporting households with the most acute housing needs. These households are likely to be on the lowest incomes and unable to afford market housing without subsidy.

Affordable rents as set out in the table above are substantially below market rents. Whilst affordable rents can be set at up to 80% of market rents, in many locations Registered Providers (housing associations) set them up to ensure that they are affordable to those claiming housing benefit, i.e. at or below Local Housing Allowance levels. This means that they are below 80% of market levels. This appears to be the case in Medstead and Four Marks, where affordable rents are approximately 40% of average market rents, and 60% of entry level rents.

Affordable rented housing is generally affordable to households with two lower earners depending on their household size (average income households are unlikely to be eligible). However, households with a single lower earner appear unable to afford any of the tenures considered including Social Rented homes. Many households eligible for Social/Affordable Rented homes will require additional subsidy through Housing Benefit/Universal Credit to access housing.

The NPPF 2024 makes explicit reference of the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF).

Social Rents are less than Affordable Rents and, in theory, would leave households on lower earnings better off and better able to afford their other living costs, such as food and fuel, etc. This is particularly the case for households who are supported by Housing Benefit and subject to the overall benefit cap since their benefit income is limited by the cap and they may not be able to claim enough to cover the Affordable Rent.

Where households are supported by housing benefit and not affected by benefit caps, the difference in the cost of Affordable and Social rents may be irrelevant as the level of housing benefit flexes according to the rent. This means that these households may be no better off in social rented accommodation because they receive a lower rate of housing benefit to cover their rent.

Households who are not supported by benefits, for example those whose earnings are higher and making them ineligible for benefits, would clearly benefit by the lower Social Rent levels because it would reduce their outgoings. However, these households are less likely to be in acute need on housing waiting lists. Rather, this scenario might apply to those already living in Social Rented housing where their financial circumstances have improved.

On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. The NPSG note that AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data and more detailed evidence in LHNAs. If the NSPG wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers.

Estimates of the need for Affordable Housing

This section estimates the need for Affordable Housing which should be considered separately for Social/ Affordable rented housing and affordable home ownership. The appropriate approach is taken based on the evidence available at Local Authority and NA scale.

The HEDNA

A Housing and Economic Development Needs Assessment was undertaken for East Hampshire in 2022. This study estimates the need for affordable housing in the district based on analysis of the

council's waiting list and analysis of other data sets in line with Planning Practice Guidance at the time.

The HEDNA identified a net need for an additional 297 new social/affordable rented homes per annum in East Hampshire. When the HEDNA figure is pro-rated to Medstead and Four Marks based on its share of the overall district wide population (6.2% of the East Hampshire population), this equates to 18.4 homes per annum or 331 over the Neighbourhood Plan Period (2024 – 2042).

The HEDNA also identifies a potential demand for 316 affordable home ownership dwellings per annum, which equates to an additional 19.6 new affordable home ownership dwellings per annum for the NA, or 353 over the Neighbourhood Plan Period (2024 -2042).

It is important to keep in mind that the households identified in the latter estimate are, by and large, adequately housed in the private rented sector, Affordable Housing, or living in other circumstances. They do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for social/affordable rented housing.

Affordable Housing policies in Neighbourhood Plans

This section outlines a common Neighbourhood Plan policy lever around the tenure mix of affordable housing, provides a recommendation and summarises relevant considerations.

Application of Local Plan policies

EHDC's adopted policy on this subject H3 requires 40% of all new housing to be affordable. It is not known precisely how much Affordable Housing has been delivered in Medstead and Four Marks over the last decade, so it cannot be confirmed whether this target is usually met on sites in the NA.

The overall proportion of housing that must be affordable is not an area of policy that a Neighbourhood Plan can usually influence, but it is worth emphasizing that the HNA finds there to be robust evidence of need for Affordable Housing in the NA, and every effort should be made to maximise delivery where viable. Changing or influencing the overall proportion of housing that must be affordable is uncommon in Neighbourhood Plans and would demand a high standard of evidence to depart from the Local Plan. If this is of interest, it should first be discussed with the LPA to ensure their support and to determine what additional evidence (e.g. about development viability) would be needed. How the Affordable Housing that comes forward through mainstream development sites is broken down into specific tenures – such as the balance between rented tenures and routes to home ownership – is specified as 70% social/affordable rent and 30% affordable home ownership in policy H3 of the emerging Local Plan.

Affordable Housing at Neighbourhood level

The HNA can provide more localised evidence, and this may be used to support Neighbourhood Plan policies. This section suggests an Affordable Housing tenure mix that might be suitable for Medstead and Four Marks on the basis of identified housing need and a range of other considerations detailed in the HNA Appendix D.

Following the EHDC HEDNA, there exists a robust ongoing need for social/affordable rented homes and affordable home ownership products in Medstead and Four Marks. Although the large volume of recent development is likely to have included additional affordable homes, which would address

part of any backlog of need, over the longer term this would continue to generate newly arising need (including those living in the new affordable stock):

- The emerging EHDC policy on this subject recommends that new housing delivered in the district should deliver 30% of new homes as affordable home ownership and 70% social/affordable rented homes. It should be highlighted that the guideline mix sought in the Local Plan is heavily influenced by national policy at the time (notably around the provision of First Homes).
- Recent amendments to the NPPF remove the requirement to provide set proportions of affordable home ownership properties and require planning policies to set out the minimum proportion of Social Rented homes required. These changes point to a shift towards delivering more Social Rented housing to meet acute needs.
- There is clear evidence of the need for affordable homeownership products in Medstead and Four Marks. However, given the high cost of buying homes in the NA, it is likely that Medstead and Four Marks will be a challenging location to deliver large volumes affordable home ownership products, particularly First Homes. For discount market housing products, large discounts would be required (more than 50%) to reach the households who need (and are eligible for) these products. However, it is worth noting that this figure will be heavily influenced by the high number of larger detached homes in the NA. As such, there would be a justification to increase the supply of smaller affordable home ownership dwellings, of a more varied type.
- Following the affordability analysis contained in the sections above, it is evident that the lowest earning households would be unable to access any form of homeownership and would also struggle to access homes in the private rented sector. As such, ensuring a supply of social/affordable rented homes are maintained would help respond to the most acute affordability pressures in the NA and help satisfy the residual need on the local housing waiting list (110 applicants to the East Hampshire waiting list who have cited Medstead and Four Marks as their area of preference).
- As such, the guideline tenure mix sought through the emerging Local Plan appears to be an appropriate benchmark for new Affordable Housing in Medstead and Four Marks. Delivering new homes following in this mix would help to respond to the most acute affordability pressures in the NA, whilst also allowing for the delivery of affordable home ownership products.
- If the overall Local Plan target for the NA (1,168 to 2040) were achieved and all sites qualified for the 40% affordable housing policy requirement, there is the potential for 467 new affordable homes in the NA. Although this total would not be sufficient to meet all of the need for Affordable Housing identified in the HNA, it would help to significantly alleviate the demand for these tenures in Medstead and Four Marks.

The NPPF 2024 makes explicit reference to the need to set out the proportion of Social Rented homes needed as part of the Affordable Housing to be delivered in a local authority area (paragraph 64, NPPF).

On balance, the relative need for Social Rented homes versus Affordable Rented homes is a complex area because of the interaction of benefits, rents and earnings. The NPSG notes that AECOM suggests that the local authority is best placed to assess what proportion of Affordable Housing should be provided as Social Rent, drawing on their waiting list data, housing benefit data, more detailed evidence in HNAs and viability assessments. If the NPSG wishes to develop localised policy in this area, this will be best achieved through liaison with the LPA (and local housing officers) as well as local registered providers. Where the NPSG wishes to develop policy that deviates from that outlined in the Local Plan – either by differing from the headline split between renting and ownership or by specifying a greater level of detail around sub-tenures, it is important that they liaise with EHDC to determine what additional evidence (notably about development viability) may be needed, and to ensure that departures from the local policy context have their support.

Conclusions- Affordability and Affordable Housing

Current tenure profile

The NPSG notes that home ownership is the dominant tenure in Medstead and Four Marks at 83% of all households, which is much higher than the average seen across East Hampshire (54%). In turn other tenures exist at much smaller proportions in the NA compared to the district and national average – particularly private renting.

In terms of changes to the tenure profile over the last decade, the most notable increase has been in the number of new homeowners. But it is also worth highlighting meaningful increases in the number of new socially rented and privately rented homes, and very large proportional growth in the quantity of shared ownership.

Affordability

The NPSG notes that house prices in Medstead and Four Marks have followed a clear upward growth trajectory over the last decade. The current median house price (middle number when arranged from lowest to highest) is £550,000 which is 44% higher than the median in 2014. The lower quartile price (the lowest 25% of prices, used as a good proxy for entry level housing) sits at £440,000 and is 46% higher than the 2015 LQ figure.

House prices appear to be more expensive than the district, where the median cost in 2024 for East Hampshire was £420,000. It Notes that AECOM has estimated the annual income required to afford various tenures of housing in Medstead and Four Marks. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA was £66,700 in 2020, and the lower quartile earnings (per person) were £20,360. Median house prices in Medstead and Four Marks are unaffordable to households on average incomes and would require an income approximately 111% higher than the current median income. Private rent appears to be slightly more affordable than home ownership, and an average income household would be able to afford entry-level rents. However, average market rents would be out of reach for households with an average income.

Subsidised routes to home ownership like First Homes, Discount Market Housing and Shared Ownership are intended to target households who can afford to rent but not to buy. In Medstead and Four Marks, there appears to be a large gap between the income required to rent (£51,200) and

the income required to buy a home (£113,000), meaning these homes may benefit from Affordable Home Ownership products.

However, both Discount Market Sale and First Homes at a minimum discount of between 20-40% would not be affordable to households with an average income. In Medstead and Four Marks, a discount of 50% would be required to bring the cost of purchasing a new home to be more in line with the income of the average household.

Both social and affordable rented housing appear generally affordable to households made up of two lower earners based on their earnings alone. Households made up of one lower earner would not be able to afford either Social or Affordable Rented tenures, but these low-income households may be entitled to housing benefit to support their rental costs depending on their particular circumstances.

The Need for Affordable Housing

Drawing on the EHDC Housing and Economic Development Needs Assessment (HEDNA), the NPSG notes AECOM estimate a potential need for 18.4 social/affordable rented homes per annum over the Medstead and Four Marks Neighbourhood Plan (2024-2042), based on prorating the NA's share of the overall East Hampshire district wide figures. The East Hampshire HEDNA also identifies a potential demand for an additional 19.6 new affordable home ownership dwellings per annum over the Medstead and Four Marks Neighbourhood Plan.

It should be noted that the households eligible for affordable home ownership products typically do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Affordable Housing policy

Affordable Housing is typically provided and made financially viable by Local and Neighbourhood Plan policies that require it to be included at a set proportion of market housing developments. The EHDC Local Plan policy on this subject requires 40% of all new housing to be affordable on sites delivering over 10 units.

The emerging Local Plan recommends a tenure split of 70% social/affordable rented housing, 30% affordable home ownership dwellings. Based on the affordability analysis in the main body of this report, and recent changes in national policy, this HNA suggests the guideline tenure mix sought in the emerging Local Plan is an appropriate benchmark to help respond to the most acute affordability pressures in the NA.

Table 4-5 summarises Medstead and Four Marks's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Neighbourhood Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the NP (e.g. if the NPSG plans for more housing (and therefore more affordable housing) than the local plan, or if the NPSG decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Table 4-5: Estimated delivery of Affordable Housing in Medstead and Four Marks

Affordable Housing policy

Affordable Housing is typically provided and made financially viable by Local and Neighbourhood Plan policies that require it to be included at a set proportion of market housing developments. The EHDC Local Plan policy on this subject requires 40% of all new housing to be affordable on sites delivering over 10 units.

The emerging Local Plan recommends a tenure split of 70% social/affordable rented housing, 30% affordable home ownership dwellings. Based on the affordability analysis in the main body of this report, and recent changes in national policy, this HNA suggests the guideline tenure mix sought in the emerging Local Plan is an appropriate benchmark to help respond to the most acute affordability pressures in the NA.

Table 4-5 summarises Medstead and Four Marks's position with regards to the expected delivery of Affordable Housing, and how this might ideally be apportioned among sub-categories of tenure to meet local needs over the Neighbourhood Plan period. This exercise simply applies the housing requirement figure for the area to the Local Plan policy expectation and shows the quantities of affordable housing for rent and sale that would be delivered if the tenure mix proposed in this HNA were to be rigidly enforced. In this sense it is hypothetical, and the outcomes in practice may differ, either as a result of measures taken in the Neighbourhood Plan (e.g. if the NPSG plans for more housing (and therefore more affordable housing) than the local plan, or if the NPSG decides to influence the tenure mix in other ways), or as a result of site-specific constraints.

Step in Estimation		Expected delivery
A	Residual indicative housing requirement figure	850
B	Affordable housing quota (%) in LPA's Local Plan	40%
C	Potential total Affordable Housing in NA (A x B)	340
D	Rented % (e.g. social/ affordable rented)	70%
E	Rented number (C x D)	238
F	Affordable home ownership % (e.g. Shared Ownership, Discounted Market Sale, First Homes, Rent to Buy)	30%
G	Affordable home ownership number (C x F)	102

Table 4-5: Estimated delivery of Affordable Housing in Medstead and Four Marks

Affordable housing is typically provided and made financially viable by its inclusion as a proportion of larger market developments, as guided by Local Plan policy. However, if the community wishes to boost the supply of affordable housing, there are other, more proactive routes available for its provision. For example, using neighbourhood development orders, identifying exception sites or developing community land trusts.

6.0 Housing Mix: Type and Size

Introduction

The NPSG notes that it is common for NPs to include policies that influence what form new housing should take in terms of the type and size of new homes. This requires evidence of what local households need.

This can be done using statistics to identify relevant trends and potential gaps in the market. The NPSG notes that is the focus of this section of the HNA. The evidence gathered here can be used to justify planning policies either on their own or in combination with survey results expressing the specific aspirations of local residents. It will also build up a picture of the population and existing range of homes that may provide useful context for the NP.

This section has three aims, each given its own sub-section:

- To establish what mix of housing exists in the NA at present;
- To describe characteristics of the local population that are relevant to housing need; and
- To look to the future, considering how the population is likely to evolve and what mix of homes would be most appropriate to build.

It is important to keep in mind that ‘housing needs’ is not an exact science. To move from a set of facts about the population to an ideal mix of homes requires making assumptions. For example, there are clear patterns about what size of home households tend to live in at different stages of life. However, a variety of other reasons sit behind their housing choices that are less easy to predict, including wealth, accessibility requirements and personal preferences. Some trends can also change rapidly over time, such as the increasing preference for home working in some sectors of the economy.

The analysis and conclusions provided in this section are therefore not definitive. Rather, they are what the data suggest future needs will look like based on current trends. This is sufficient for justifying planning policies, but it is also appropriate to consider other factors and evidence where appropriate.

Definitions

- Dwelling type: whether a home is detached, semi-detached, terraced, a flat, bungalow or other type. Which a household chooses to occupy tends to be more about wealth and preference than a specific need.
- Dwelling size: how many rooms or bedrooms a home contains. While this could also mean floor area or number of storeys, the number of bedrooms is most reliably recorded in housing statistics. Bedroom numbers are also closely linked to family size and life stage.
- Household: a unit of people who live together, commonly a family, couple or single person. Not all dwellings contain a household, including properties that are vacant and second homes, so the number of dwellings and the number of households in an area is usually different.
- Household composition: the specific combination of adults and children who form a household. The Census offers a few categories, for example distinguishing between families with children who are dependent or non-dependent (i.e. adults). ‘Other’ households in the Census include house-sharers, groups of students, and multi-family households.

- Household life stage: the age of the lead member of a household – usually the oldest adult, or what used to be called the ‘head of household’. Life stage is correlated with dwelling size as well as wealth.
- Housing mix: the range of home sizes and types in an area.
- Over- and under-occupancy: the degree to which the size and composition of a household lines up with the number of bedrooms in their home. If there are more bedrooms than the household would be expected to need, the home is considered under-occupied, and vice versa.

The current housing mix

The NPSG notes that this section establishes the current housing mix of Medstead and Four Marks, highlighting recent changes to it and comparing the mix to wider averages.

Comparing 2021 Census dwelling figures with 2011 suggests growth of 675 dwellings over the last decade. Completions data provided by EHDC indicate that 688 new dwellings have been built since the 2011 Census was taken. The growth in the overall number of homes illustrated by the Census generally tracks that indicated through completions data, meaning the Census data presented in this chapter is likely to be a fair reflection of the current housing profile in the NA.

Dwelling type

Table 5-1 below shows the breakdown of different types of housing available in the NA. The NA’s dwelling mix is heavily dominated by detached homes, which make up two thirds of the overall stock. The remainder is made up of semi-detached homes (19%), and small proportions of terraced dwellings (8%) and flats (7%).

Table 5-1 also presents data from the 2011 Census, to give an understanding of how the type mix has changed over the last decade. The table shows the most notable proportional growth has been in semi-detached dwellings, with terraced dwellings and flats also increasing their share. However, when looking at the absolute figures, the table shows the largest increase has been in the number of detached dwellings (+280 units), followed by semi-detached dwellings (+201 units).

Table 5-1: Accommodation type, Medstead and Four Marks, 2011-2021

Type	2011	%	2021	%
Detached	1,748	71.9%	2,028	66.7%
Semi-detached	360	14.8%	561	18.5%
Terrace	181	7.4%	245	8.1%
Flat	138	5.7%	201	6.6%
Total	2,427		3,040	

Source: ONS 2021 and 2011, AECOM Calculations

Table 5-2 compares Medstead and Four Marks to district wide and national benchmarks. It shows that there is a much higher proportion of detached dwellings in Medstead and Four Marks when compared to the average across East Hampshire. In turn, the district has a lower share of other dwelling types.

The Census does not separate out bungalows as a separate housing type, however data from the Valuation Office Agency (VOA) can be used to identify bungalows in the NA. For Medstead and Four Marks, VOA data suggests that 29% of homes are bungalows, which is higher than East Hampshire as a whole (14%).

Table 5-2: Accommodation type, Medstead and Four Marks and comparator geographies, 2021

Type	Medstead and Four Marks	East Hampshire	England
Detached	66.7%	41.8%	22.9%
Semi-detached	18.5%	25.8%	31.5%
Terrace	8.1%	17.4%	23.0%
Flat	6.6%	14.3%	22.2%

Source: Census 2021, AECOM Calculations

Dwelling size

Table 5-3 below presents the current housing mix in terms of size compared to the wider local authority and country. It shows the NA housing stock is dominated by larger homes with 4+ bedrooms, which make up close to half of all dwellings in the NA. There is also a relatively significant proportion of 3 bed homes, meaning homes with more than 3 bedrooms cumulatively make up over four fifths of all homes in the NA. The remaining stock is made up of 2 bed homes (15%) and a very small proportion of 1 bed homes (4%).

Table 5-3 also presents data from the 2011 Census to illustrate any changes to the size mix of homes in the NA over the last decade. Although the table below shows relatively minor proportional changes in each of the size categories presented in Table 5-3, when looking at the absolute figures it appears that most significant increase has been in the overall number of 4+ bedroom (+319 units) and 3-bedroom homes (+221 units). This means that the new homes that have been delivered to the NA over the last decade have tended to be larger in size. However, given the significant number of new homes that have been delivered to the NA over the last decade, it is worth noting there have been notable (if more modest) increases in the number of 2 bedroom (+114 units) and 1 bedroom (+47 units) homes.

Table 5-3: Dwelling size (bedrooms), Medstead and Four Marks, 2011-2021

Number of bedrooms	2011	%	2021	%
1	84	3.6%	131	4.3%
2	342	14.7%	456	15.0%
3	723	31.0%	944	31.1%
4+	1,185	50.8%	1,504	49.6%
Total	2,334		3,035	

Source: ONS 2021 and 2011, AECOM Calculations

Table 5-4 below presents the current housing mix in terms of size compared to the wider district and country. This table confirms that the size mix in Medstead and Four Marks is skewed toward larger homes, with 4+ bedroom properties occupying a much higher share of the overall size mix than the average at either district or national scale.

Conversely, the NA has a lower proportion of homes with between 1 and 3 bedrooms than is common across East Hampshire, especially when looking at the share of homes with 2 bedrooms. Smaller homes with either 1 or 2 bedrooms cumulatively make up 19% of the NA housing stock compared to the cumulative average of 31% across East Hampshire. Although it is not a wide disparity, it is worth highlighting that homes of this size are often the most affordable, meaning their

lack may present affordability challenges and limit choices for newly forming households, single people and lower-income couples in the NA.

Table 5-4: Dwelling size (bedrooms), Medstead and Four Marks and comparator geographies, 2021

Number of bedrooms	Medstead and Four Marks	East Hampshire	England
1	4.3%	8.8%	11.6%
2	15.0%	22.1%	27.3%
3	31.1%	36.0%	40.0%
4+	49.6%	33.0%	21.1%

Source: Census 2021, AECOM Calculations

Population characteristics

The NPSG notes that this section examines key characteristics of the local population that have a bearing on what housing might be needed in future years. Where available, recent data is used. However, for some information it is necessary to fall back on the 2011 Census.

Age

Table 5-5 shows the most recent age structure of the NA population, alongside 2011 Census figures. The table shows there has been a 29% increase in the Medstead and Four Marks population over the last decade, which equates to 1,721 additional people living in the NA compared to 2011. However, this population growth should be viewed in the context of new housing deliveries experienced over the same time period: the population growth noted above equates to approximately 2.5 people per new dwelling. This substantial population increase can largely be attributed to inward migration to the NA.

In terms of changes over the last decade, the table shows that the most significant growth has been in the older population aged between 65-84 (+61%), with this group now occupying the second largest share of the overall population, with those aged 45-64 occupying the largest share. The remaining population growth has been distributed at a broadly comparable rate across the younger age cohorts (between +18% and +23%). However, it is worth highlighting growth in the family aged cohorts (aged between 25-44) and children (younger than 24), which indicates NA may be seen as a popular location for newly forming households and younger families.

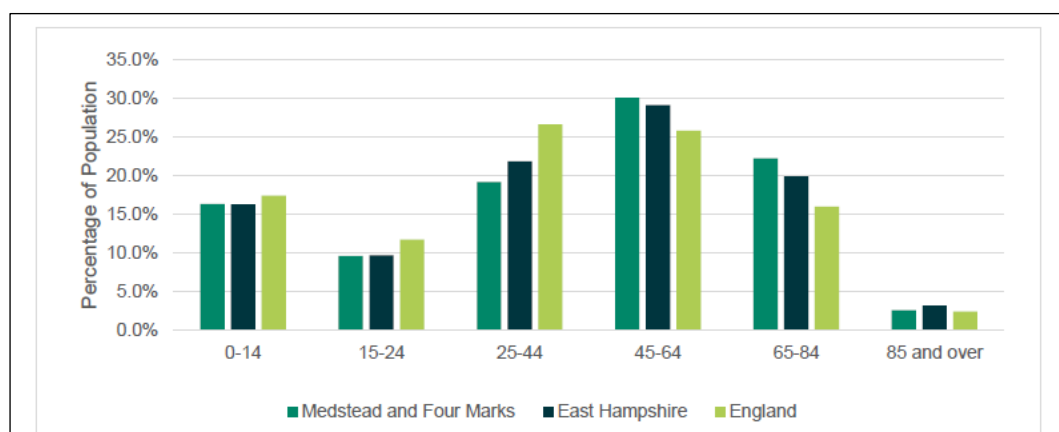
Table 5-5: Age structure of Medstead and Four Marks, 2011 and 2021

Age group	2011 (Census)		2021 (Census)		Change
0-14	1,031	17.1%	1,263	16.3%	22.5%
15-24	616	10.2%	745	9.6%	20.9%
25-44	1,223	20.3%	1,483	19.2%	21.3%
45-64	1,910	31.7%	2,326	30.1%	21.8%
65-84	1,066	17.7%	1,719	22.2%	61.3%
85 and over	173	2.9%	204	2.6%	17.9%
Total	6,019	100.0%	7,740	100.0%	28.6%

Source: ONS 2011, ONS 2021, AECOM Calculations

For context, it is useful to look at the NA population structure alongside that of the district and country. Figure 5-1 (using 2021 Census data) shows that the population in the NA is slightly older than the district and national averages, particularly for the cohort aged between 65-84. The graph shows that despite growth over the last decade; the NA has a smaller share of its population aged between 24-44 compared to the district average. The NA has broadly comparable shares of the age groups younger than 25 to the wider district.

Figure 5-1: Age structure in Medstead and Four Marks, 2021



Source: ONS 2021, AECOM Calculations

The tendency of households to over- or under-occupy their homes is another relevant consideration to the future size needs of the NA. A household is considered to under-occupy their home when there are more bedrooms in their home than a family of their size and composition would normally be expected to need. This is expressed as an occupancy rating of +1 or +2, indicating that there is one surplus bedroom or at least two surplus bedrooms (respectively). Over-occupancy works in the same way, with a rating of -1, indicating at least one bedroom too few.

Table 5-7 shows that the NA's population is generally well housed, with just 2% of homes being overcrowded. The data shows that most households in the NA have at least one more bedroom than they would be expected to need (85%). The dynamic appears to be most prevalent in older population, and in families with no children. Despite there being very limited overcrowding in the NA, where homes are overcrowded this tends to be experienced by families with dependent children.

The Covid-19 pandemic has had an impact on how households use their homes, with an increase in home working post-pandemic, changing the way many households occupy their homes. It may therefore be assumed that households where one or more person works from home (either full-time or as part of hybrid working) would seek more spacious properties, often with an extra bedroom which could be used as an office or study (although this would still be considered under-occupancy within the Census). However, households would need to balance the desire for larger dwellings for homeworking with affordability.

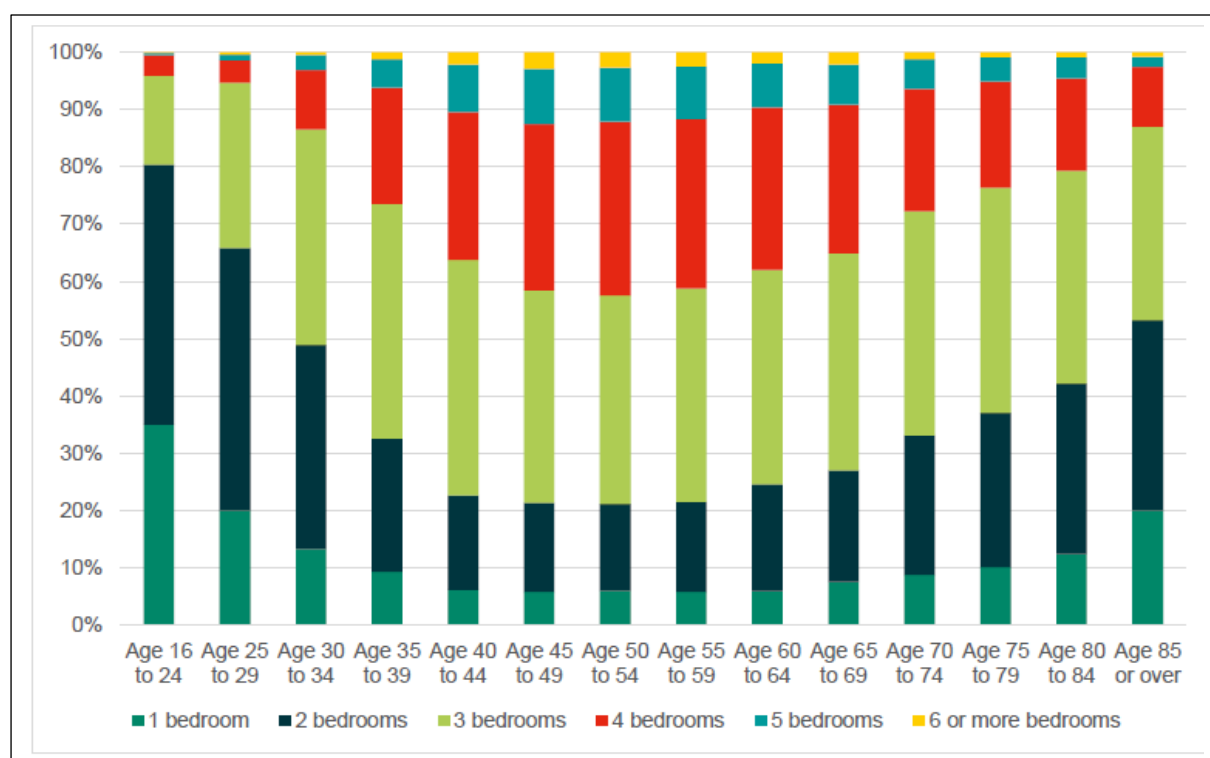
Table 5-7: Occupancy rating by age in Medstead and Four Marks, 2021

Household type	+2 rating	+1 rating	0 rating	-1 rating
Family 66+	89.6%	9.1%	1.3%	0.0%
Single person 66+	67.0%	24.4%	8.6%	0.0%
Family under 66 - no children	80.3%	16.3%	3.5%	0.0%
Family under 66 - dependent children	42.0%	33.2%	22.0%	2.8%
Family under 66 - adult children	51.4%	30.5%	18.1%	0.0%
Single person under 66	44.6%	26.9%	28.5%	0.0%
All households	61.7%	23.8%	13.3%	1.2%

Source: Census 2021, AECOM Calculations

As noted in the introduction to this chapter, the life stage of households is strongly correlated with the size of home they tend to occupy. Figure 5-2 sets out this relationship for East Hampshire in 2011 (because this data is not available at smaller scales). The graph shows how the youngest households tend to occupy the smallest dwellings, before rapidly taking up larger homes as their families expand, and then more gradually downsizing to smaller homes again as they age.

Figure 5-2: Age of household reference person by dwelling size in East Hampshire, 2011



Source: ONS 2011, AECOM Calculations

Future population and size needs

The NPSG notes that this section projects the future age profile of the population in the NA at the end of the Neighbourhood Plan period and then estimates the mix of dwelling sizes they may need.

Age

The result of applying Local Authority level household projections to the age profile of the NA households in 2011 is shown in Table 5-8. This makes clear that population growth can be expected to be driven by the oldest households, with the population aged 65+ expected to grow by 90% over the Neighbourhood Plan period, in contrast to either much slower growth or a contraction in the share of the younger age groups.

It should be emphasised that this is the default scenario for organic population change if projections at the district scale apply to the NA. This level of ageing may well be accurate given the growing 65-84 population established above. However, East Hampshire scale projections do not reflect the potential for the NA to continue to attract and retain younger families, which is demonstrated in the recent Census data. If the latter trend persists this may translate into a slower trend toward ageing in practice than this modelling exercise suggests.

Table 5-8: Projected age of households, Medstead and Four Marks, 2011 - 2038

Year	24 and under	25 to 34	35 to 54	55 to 64	65 and over
2011	35	147	901	538	713
2038	32	154	783	548	1,356
% change 2011-2038	-8%	5%	-13%	2%	90%

Source: AECOM Calculations

The NPSG notes that the demographic change discussed above can be translated into an ideal mix of dwelling sizes. This is achieved through a model that maps the dwelling size preferences by life stage shown earlier (in Figure 5-2) onto the projected age profile for the NA in Table 5-8 immediately above. The resulting 'ideal' future mix of dwelling sizes can then be compared to the current stock of housing to identify how future development might best fill the gaps.

This approach has limitations, in that it embeds existing size preferences and does not anticipate changes in what people want from their homes. As such, it is appropriate for the results to be taken as a baseline scenario – what would occur if current trends persisted. It may well be the intention of the community to intervene to produce a different outcome more in line with their interpretation of emerging trends and their place- and community-shaping objectives. Layering these factors on top of the indicative picture provided by this model is appropriate for the purpose of drafting NP policies.

The result of this exercise is presented in Table 5-8. It suggests that in order to meet the needs of a changing population and further diversify its housing offer, a range of different sized homes should be delivered, but with a particular focus on mid-sized homes with 2-3 bedrooms.

This indicative mix reflects expected demographic changes (notably aging across the population) and responds to the imbalance in the size profile of homes in the NA when compared to East Hampshire.

Table 5-8: Suggested dwelling size mix to 2042, Medstead and Four Marks

Number of bedrooms	Current mix (2021)	Suggested mix (end of Plan period)	Balance of new housing to reach suggested mix	Indicative policy range
1	4.3%	9.4%	30.0%	15-25%
2	15.0%	22.7%	42.3%	30-50%
3	31.1%	37.4%	27.8%	30-50%
4+	49.6%	30.4%	0.0%	0-20%

Source: AECOM Calculations

The following points sense-check the results of the model against other evidence and suggest ways to interpret them when thinking about policy options.

- The preceding chapter found that affordability is a serious and worsening challenge in the NA. While the provision of Affordable Housing (subsidised tenure products) is one way to combat this, another is to ensure that homes come forward which are of an appropriate size, type and density for local residents' budgets.

- Continuing to provide smaller homes with fewer bedrooms would help to address this situation, although it should be considered whether large numbers of 1 bedroom homes are suitable given the area's character and current density.
- To best meet the needs of the growing cohort of older households expected to be present by the end of the Neighbourhood Plan period, it should also be considered whether the existing options are well tailored to older people's requirements in terms of space, flexibility, quality, location and accessibility.
- Variety should be sought within the mid-sized homes that are built in future to attract both newly forming households on lower budgets and older households with equity from their existing larger homes. While the number of bedrooms required may be similar, other preferences and levels of purchasing power could be very different. Facilitating downsizing among older households may also release those larger homes for use by families who need more bedrooms if the existing stock of larger homes is sufficiently affordable.
- The East Hampshire HEDNA (2022) recommends that new market housing in the district should follow this indicative size mix:
 - 1 Bed: 6%
 - 2 bed: 29%
 - 3 Bed: 41%
 - 4 Bed: 24%
- The recommendation in the HEDNA deviates slightly from the model results in Table 5-9 in suggesting lower increases in the 1-bedroom category and moderate growth in the 4+ bedroom category. This is key evidence warranting potential adjustments to the model results, as suggested in the indicative policy range (right-hand column in the table).

Tenure

The recommendation discussed immediately above applies to all housing in the NA over the NP period. This is considered proportionate for devising policy at neighbourhood scale. However, in practice different size mixes may be appropriate for market housing and Affordable Housing. While this distinction may not be appropriate to make in Neighbourhood Plan policy, since Local Authorities tend to define the precise mix of Affordable Housing required on applicable sites, it is worth thinking through the factors at play.

Generally speaking, the size mix estimated as needed within affordable tenures, particularly Affordable and Social rent, is smaller than the size mix of market housing. This is because under local authority allocation policies, which reflect the shortage of Affordable Housing overall, households are only eligible for the minimum sized home that meets their needs. This means that single people and couples will generally only be entitled to one-bedroom properties. Families with two young children are only likely to be eligible for two-bedroom properties (with the expectation that children share rooms until a certain age). In contrast, people buying their own homes tend to want more space than they technically 'need', such as spare rooms for guests, home working or other uses. This fact is established in the data on under-occupancy presented earlier in this chapter.

There are some key sources of information for thinking through the size needs of different categories. These are:

- The relevant housing evidence for the Local Authority, which will (usually) set out the projected need by size within each tenure over the long-term. In this case, the HEDNA indicates that new affordable homes should follow the following indicative size mix. When compared to the overall mix cited above, this demonstrates that affordable tenures require a dwelling size mix that skews smaller than for market housing.

1 Bed: 38%

2 bed: 32%

3 Bed: 28%

4 Bed: 3%

- The waiting list for affordable rented housing, kept by the Local Authority. This provides a more current snapshot of the size needs of applicant households. As this changes over time, individual planning applications can be decided in ways that meet evolving needs. In this case, approximately 70% of applicants to the Local Authority Waiting List with a connection to Medstead and Four Marks required a smaller home with either 1 or 2 bedrooms.
- The pattern of lettings within the existing stock of Social/Affordable Rented housing. Whilst there may be more households eligible for smaller properties, the availability of larger properties is often severely limited which puts pressure on these larger homes and often results in long waits for those needing larger family sized accommodation.
- Any relevant household survey or consultation work in the NA can also highlight any specific gaps in the market within segments of the population.

To summarise, the overall size mix recommendation presented above applies generally to new housing in the NA. Within this mix, Affordable Housing might require a greater weighting towards smaller sizes to reflect the eligibility of those on the waiting list, while market homes focus on mid-sized homes and some larger options. That said, there is often acute pressure on larger Social/Affordable Rented homes because their availability through lettings is often limited. It is not necessary (and is potentially not appropriate) for Neighbourhood Plans to be prescriptive about the size mix within different tenures, but a range of data sources exist that indicate a direction of travel, which Local Planning Authorities will draw upon when determining applications, and which it is possible for the NPSG to monitor.

Type

The NPSG notes that Planning policy also tends to be less prescriptive about the mix of dwelling types that are needed than the mix of home sizes. This is because the choice to occupy a terraced rather than a detached home, for example, is primarily a matter of wealth, personal preference, and the amount of outdoor space or other features sought than 'need' in the strict sense. This stands in contrast to the matter of dwelling size, where it can be more clearly established that a household with a certain number of members, closely correlated with age, requires a particular number of bedrooms.

The key distinctions when it comes to dwelling type are between flats and houses and, to a lesser extent, bungalows, each of which tend to appeal to occupants with different life circumstances.

However, it remains difficult to generalise about this, particularly when drawing on demographic evidence.

The benefits of delivering a certain blend of dwelling types are more closely related to affordability, which is clearly established as an issue in the NA, and which favours more dense options (e.g. terraces and flats). This imperative to improve affordability is often in conflict with matters of character, which in rural areas tend to favour lower density options that blend in with the existing built environment. This is particularly relevant in the case of flats, a large block of which may not be a welcome proposition in the NA. That said, it is possible to deliver flats in the form of low-rise maisonettes that resemble terraces from street level, which can counter this issue.

In summary, there is a balance to be struck between, on the one hand, improving affordability and choice in the market by encouraging flats and terraces, and, on the other hand, preserving the distinctive character and other features that residents like about the NA today. How far the Neighbourhood Plan should guide on this issue, and in what direction, is a policy decision for the NPSG and community to consider.

Conclusions- Type and Size

The current housing mix

The NPSG notes that the current dwelling mix in Medstead and Four Marks is dominated by detached dwellings which make up close to 70% of all dwellings in the NA. The remaining dwelling profile is made up of semi-detached dwellings (19%) and a smaller share of terraced dwellings (8%) and flats (7%).

In terms of size, the NA is dominated by larger sized homes with either 3 or 4+ bedrooms, which cumulatively make up over 80% of all homes in the NA. The remaining dwelling share is made up of modest sized 2 bed homes (15%) and a very small proportion of 1 bed homes (4%).

When compared to East Hampshire, the NA has a less balanced housing profile, with a smaller share of detached dwellings and a higher share of other dwelling types than wider averages. The same applies for dwelling size, where the NA has a stronger skew towards the largest dwelling categories.

Population characteristics

The NPSG notes that the NA population appears to have increased quite significantly, by 29% over the last decade. The increase in the NA population appears most evident in the population aged 65-84, which grew by 61% over the last decade. All other population cohorts experienced much more modest growth of between 18% and 23%.

Applying East Hampshire scale household projections suggest that the NA population will continue to age over the NP period, with a potential 90% increase in the population aged 65 and over. The projections also suggest that the younger population cohorts in the NA will contract over the same time period.

However, East Hampshire scale projections do not reflect the potential for the NA to continue to attract and retain younger families, which is demonstrated in the recent Census data. If the latter trend persists this may translate into a slower trend toward ageing in practice than this modelling exercise suggests.

Future population and size needs

The NPSG notes that it is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should deliver a variety of dwelling sizes, but some priority should be given to the delivery of homes with 2-3 bedrooms.

While the modelling exercise undertaken here indicates the value of 1-bedroom properties, these may need to be delivered in a more moderate way to reflect patterns of density and character. Likewise, it may not be considered balanced or locally appropriate to completely exclude the delivery of larger (4+ bedroom) homes from future development. An indicative policy range reflecting the results of local and district-scale modelling is as follows:

- 15-25% 1 bedroom
- 30-50% 2 bedroom
- 30-50% 3 bedroom
- 0-30% 4+bedroom

It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

7.0 Specialist Housing for Older People

Introduction

The NPSG notes that It is relatively common for NPs in areas with ageing populations to include policies relating to specialist housing for older people. This chapter considers in detail the specialist housing needs of older people in the NA. It focuses on specialist forms of provision but recognises that the majority of older people will live in the mainstream housing stock. The approach is as follows:

- To review the current provision of specialist housing in the NA;
- To estimate the potential demand for this form of accommodation with reference to the projected growth in the older population and current rates of mobility limitation; and
- To discuss the potential for meeting this need through adaptations to the mainstream stock and other additional considerations.

Because of the wide variation in the level of support needed, as well as the financial capabilities of those affected, the estimates of need presented here should be viewed with caution – as an idea of the broad scale of potential need rather than an obligatory target that must be met.

It is important to note that the need for housing for particular groups of people may well exceed, or be proportionally high in relation to, the total housing need or requirement. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as opposed to the projected new households which form the baseline for estimating housing need overall.

This study covers the need for housing, i.e. buildings that the planning system classifies as Use Class C3 (private dwellings).¹² Residences that fall into Use Class C2 (institutions including prisons, boarding schools and some care homes for older people) are largely beyond the scope of this

research. However, it is possible to estimate the likely need for residential and nursing care over the Neighbourhood Plan period.

The distinction between care homes for older people that fall into use class C2 and those where accommodation is counted as C3 is blurred. As such, the findings of this chapter may justify the provision of extra-care C3 housing and/or C2 care home units, but it is not possible to state definitively how much of each would be required. C3 specialist accommodation is typically self-contained with its own front door, made available on an individual basis with support provided in the home or not at all if the resident does not require it, and offered for sale or rent on the open market.

Definitions

- Older people: people over retirement age, ranging from the active newly retired to the very frail elderly. Their housing needs tend to encompass accessible and adaptable general needs housing as well as the full spectrum of retirement and specialised housing offering additional care.
- Specialist housing for older people: a wide range of housing types specifically aimed at older people, which may often be restricted to those in certain older age groups. This could include residential institutions, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people, including often providing care or other additional services.
- Sheltered Housing¹³: self-contained flats or bungalows where all the residents are older people. Schemes on the whole provide independent, self-contained homes, either to rent or buy. Properties in most schemes have features like raised electric sockets, lowered worktops, walk-in showers, and so on, as well as being linked to an emergency alarm service. Some will be designed to accommodate wheelchair users. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, guest flats and gardens.
- Extra Care Housing: housing which usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required. Residents are able to live independently with 24-hour access to support services and staff, and meals are often also available. In some cases, these developments are included in retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.
- Category M4(2): accessible and adaptable dwellings. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.
- Category M4(3): dwellings which are capable of adaptation for wheelchair users, or are already built for use of wheelchair throughout. These standards can be applied to mainstream housing as well as in specialist accommodation such as sheltered housing and extra care.

Specialist housing for older people

The NPSG notes that there is a total of 82 units of specialist accommodation in the NA at the time of writing the HNA, over 90% of which are available for leasehold purchase. There are also two care

homes offering a total of 81 bedspaces. Details are provided in Appendix E. Planning permission has been granted for an additional 32 bedspaces, once completed this will increase the provision of care home bedspaces to a total of 113.

The 2021 Census indicates that at this time there were 846 individuals aged 75 or over in Medstead and Four Marks. This suggests that current provision is in the region of 97 units per 1,000 of the 75+ population (a common measure of specialist housing supply). It is relevant to note that the national average for England is 136 units per 1,000 of the 75+ population¹⁴, so provision in the NA is lower than the national average.

Demographic characteristics

The starting point for estimating the need for specialist housing for older people is to project how the overall number of older people in Medstead and Four Marks is likely to change in future. This is calculated by extrapolating population projections from the ONS Sub-National Population Projections for East Hampshire. The results are set out in Table 6-1.

The results are set out in Table 6-1, which estimate that by 2042 the population over 75 years old will make up approximately 18% of the overall population, up from 11% in 2021. These projections generally follow the trend identified in the previous chapter, which suggests that the majority of population growth is expected in the older age brackets (provided new construction does not continue to attract a more balanced range of age groups).

A key assumption for the estimate given at the end of this section is that the older people living in the NA currently are already suitably accommodated, either because they occupy the existing stock of specialist accommodation, have made appropriate adaptations to their own homes or do not require support or adaptations. This is unlikely to be completely true, but it is not possible to determine how many such individuals are inadequately housed without evidence from a household survey (which itself may not give a complete picture). As such, the growth in the older population rather than the total at the end of the Neighbourhood Plan period is the key output of this calculation.

Table 6-1: Modelled projection of older population in Medstead and Four Marks by end of Plan period

Age group	2021 Medstead and Four Marks	2021 East Hampshire	2042 Medstead and Four Marks	2042 East Hampshire
All ages	7,740	125,739	8,251	134,034
75+	846	14,028	1,506	24,973
%	10.9%	11.2%	18.3%	18.6%

Source: ONS SNPP 2020, AECOM Calculations

The NPSG note that the next step is to consider the need for different tenures of dwelling for older people. It is assumed that those currently occupying their own home will wish to do so for as long as practicably possible in future, even when downsizing or moving into specialist accommodation. Equally, those who currently rent, either in the private or social sectors, are projected to need affordable rented specialist accommodation.

The 2011 55-75 age bracket is considered the best proxy for the group likely to fall into need for specialist accommodation during the Neighbourhood Plan period to 2041. The top row in Table 6-2 outlines the tenure mix among households aged 55-75 at Local Authority level, which indicates that the vast majority of older people own their own homes, with some social renters and very few private renters.

The expected growth in the 75+ population in the NA is 660 additional individuals by the end of the plan period. This can be converted into 454 households based on the average number of people per household aged 75+ at Local Authority scale. Multiplying this figure by the percentages of 55–75-year-olds occupying each tenure gives a breakdown of which tenures Medstead and Four Marks households are likely to need in 2042 and is shown in the bottom row of Table 6-2.

Table 6-2: Tenure of households aged 55-75 in East Hampshire (2011) and projected aged 75+ in Medstead and Four Marks (2042)

	All owned	Owned outright	Owned (mortgage) or Shared Ownership	All Rented	Social rented	Private rented	Living rent free
East Hampshire (2011 mix)	89.0%	61.3%	27.8%	11.0%	9.4%	1.4%	0.2%
Medstead and Four Marks (2042 projection)	404	278	126	50	43	6	1

Source: Census 2011

It is also important to consider rates of disability by tenure. The tendency for people in rented housing to have higher disability levels is well established. It arises partly because people with more limiting disabilities tend to have lower incomes. It also reflects the fact that as people develop support and care needs, they may find that the only suitable and affordable option to them is available in the social rented sector. Table E-2 in Appendix E presents this data for Medstead and Four Marks from the 2011 Census.

Future needs for specialist accommodation and adaptations

Based on the evidence outlined above, the number of households falling into potential need for specialist accommodation over the Neighbourhood Plan period is calculated to be 171.

The NPSG notes AECOM's modelling, summarised in Table 6-3, is based on the assumption that those whose day-to-day activities are limited a lot may need housing with care (e.g. extra care housing, with significant on-site services, including potentially medical services), while those with their day to day activities limited only a little may simply need adaptations to their existing homes, or alternatively sheltered or retirement living that can provide some degree of oversight or additional services. However, it is important to note that, even those people who have high support or care needs can often be supported to live in their own homes. This is often reflected in policy of local authorities, with explicit aim to reduce the need to commission increasing numbers of care home beds.

The model suggests that the balance of tenure options in both forms of specialist housing should be weighed in favour of market rather than affordable housing. This is because of the high rates of ownership among the existing older population.

Table 6-3: AECOM estimate of specialist housing for older people need in Medstead and Four Marks by the end of the Neighbourhood Plan period

Type	Affordable	Market	Total
Housing with care	13	58	71
Adaptations, sheltered, or retirement living	13	87	100
Total	26	145	171

Source: Census 2011, AECOM Calculations

It is worth comparing these findings with the recommendations of the Housing Learning and Improvement Network (HLIN), one of the simplest and widely used models estimating for the housing needs of older people. HLIN calculations

Data in the HNA Appendix E reproduces the key assumptions of HLIN's Strategic Housing for Older People (SHOP) toolkit. Applying those assumptions to the growth in the older population of the NA results in a total of 166 specialist dwellings that might be required to the end of the Neighbourhood Plan period. This is set out in Table 6-4.

Table 6-4: HLIN estimate of specialist housing for older people need in Medstead and Four Marks by the end of the Neighbourhood Plan period

	Percentage in England	% applied to NA housing requirement figure (1,091 to end of plan period)
Households using wheelchair all the time	0.6%	7
Households using wheelchair either indoors or outdoors	3.0%	33

Source: Survey of English Housing 2018/19

Conclusions- Specialist Housing for Older People

The NPSG notes that there are currently estimated to be around 846 individuals aged 75 or over in Medstead and Four Marks, a number that has grown from 541 in 2011 and is projected to rise to 1,506 by the end of the Neighbourhood Plan period (2042).

A clear majority (89%) of East Hampshire's households aged between 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2042) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently owning are likely to require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent may need subsidised rented housing because they are unlikely to have the funds to buy.

Projected demographic change and need for specialist housing

The 75+ population of the NA is projected to increase from 11% to 19% of the overall population between 2024 and 2042. The growth in the older population should be converted into households because some older people will be cohabiting in old age. The projected growth in the older population (of 660) points to 454 new households made up of persons aged 75+ over the NP period.

The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research.

The two methods for estimating the future need in the NA produce a range of 166 to 171 specialist accommodation units that might be required during the NP period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.

Broadly, between 65 - 85% of this estimated need is likely to be for market purchase. Moreover, between 60-70% of the need may be accommodated through either sheltered accommodation or adaptations to the existing housing stock, rather than extra care accommodation. The potential additional need for care and nursing home beds in Medstead and Four Marks by 2042 can be estimated at around 73 bedspaces.

Following commitments data provided by EHDC, the NA is not expecting any delivery of specialist accommodation over the NP period. However, the main unmet need in Medstead and Four Marks is for market sheltered accommodation (or accommodation which would deliver a similar offering). In some cases, this need may be satisfied by new housing that is accessible and adaptable for people with lower support needs. The findings in this HNA support the full application of EHDC's policy approach to accessible and adaptable dwellings.

8.0 Next Steps

Recommendations for next steps

NPSG notes the AECOM recommendations for the next steps that this NP HNA aims to provide the NPSG with evidence on a range of housing trends and issues from a range of relevant sources. They recommend that the Steering Group should, as a next step, discuss the contents and conclusions with EHDC with a view to agreeing and formulating draft housing policies, bearing the following in mind:

- All Neighbourhood Planning Basic Conditions, but in particular Condition E, which is the need for the Neighbourhood Plan to be in general conformity with the strategic policies of the adopted development plan;
- The views of EHDC;
- The views of local residents;
- The views of other relevant local stakeholders, including housing developers and estate agents; and
- The numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by EHDC.

The NPSG notes that this assessment has been provided in good faith by AECOM consultants on the basis of housing data, national guidance and other relevant and available information current at the time of writing.

Bearing this in mind, the NPSG notes that AECOM recommended that the NPSG should monitor carefully strategies and documents with an impact on housing policy produced by the Government, EHDC or any other relevant party and review the NP accordingly to ensure that general conformity is maintained; and at the same time, monitoring on-going demographic or other trends over the NP period will help ensure the continued relevance and credibility of its policies.

9.0 Consultation January 2025

In January 2025 the NPSG held a 'Drop in' event at Four Marks Village Hall which launched the *Review of the Medstead and Four Marks Neighbourhood Development Plan*. Some 150 visited the event on 26th January 2025, and 200 responded, both hard and soft copy were collected by 1st March.

All parts of the villages were represented but more responses were received from Medstead than Four Marks. The respondents were mainly older members of the area, reflecting the lack of those aged between 24 and 34 in the local area due to employment opportunities and the cost of local housing.

The aspirations on housing need were firstly for those with connections to the area, for those to downsize in the villages and provide homes for Key worker. New homes for new families and affordable housing, together with care homes or age restricted supported housing was advocated by a third of respondents. Larger homes for expanding families, social homes and affordable homes attracted around 20% support,

Housing Types

The NSPG polled the residents' opinion regarding the villager's perception of type and number of bedrooms in dwellings needed in the villages. Semi-Detached Houses and bungalows were promoted by more than two thirds of respondents followed by Detached Houses (half); Terraced Houses (a third), with Flats - within a Block the size of a house, sheltered accommodation, for those that need support; Care Home Places and Maisonettes supported by around a quarter of respondents. Flats - within a midrise building, 3 or 4 Storey and High-Rise block were not supported.

With regard to building size, the greatest perceived need, by far, was for 3 bedroomed houses, followed by 2 bedroomed homes supported by over three quarters of responders, followed by 4-bedroom houses and 2 bedroomed Flats. 4 bedroomed houses were advocated by a third. The lowest need was for 1- and 3-bedroom flats and 5+ bedroomed houses.

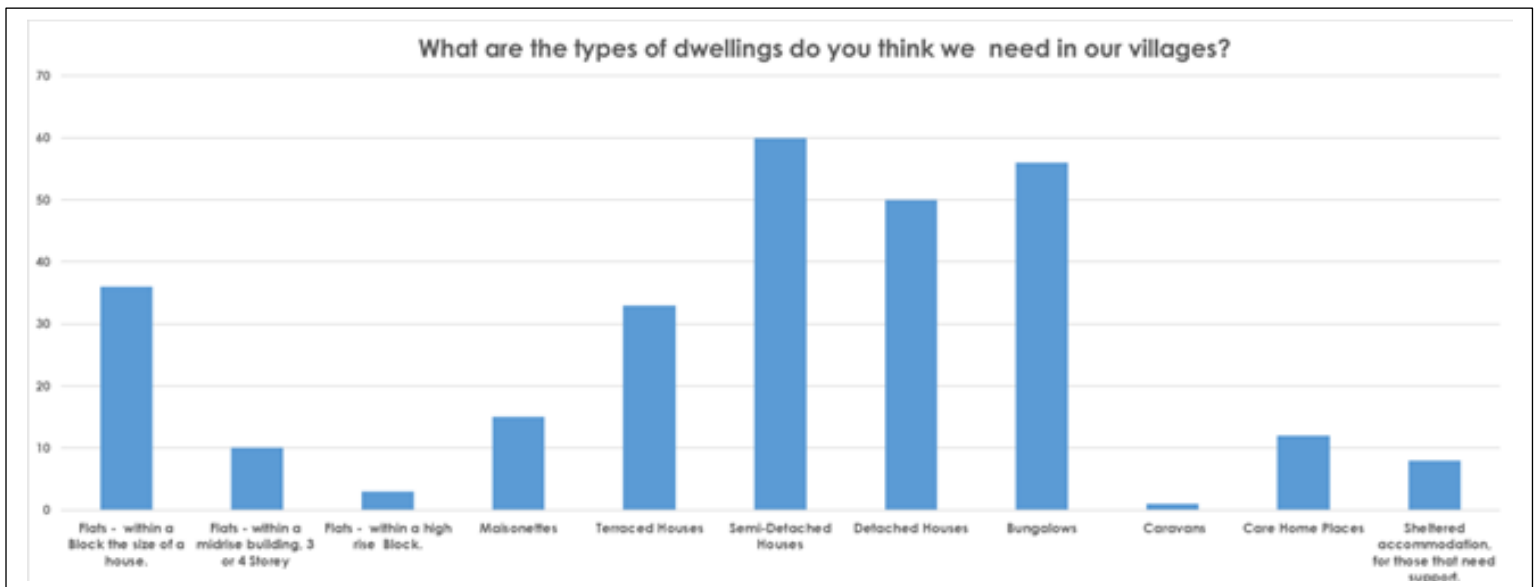
The respondents gave their preferences on the types of dwellings and a subset of bedroom numbers that should be provided.

Of those that responded in descending order the preferences were:

- 3 bedroom house – 171
- 2 bedroom house - 145
- 4 bedroom house - 86
- 2 bedroom flat – 72
- 1 bedroom flat – 37

- 5+ bedroom house – 24
- 3 bedroom flat - 19

The greatest perceived need, by far, was for 3 bedroomed houses, followed by 2 bedroomed houses. 2 bedroomed Flats and 4 bedroomed houses were considered of medium need; with lowest need for 1 and 3 bedroom flats and 5+ bedroomed houses.



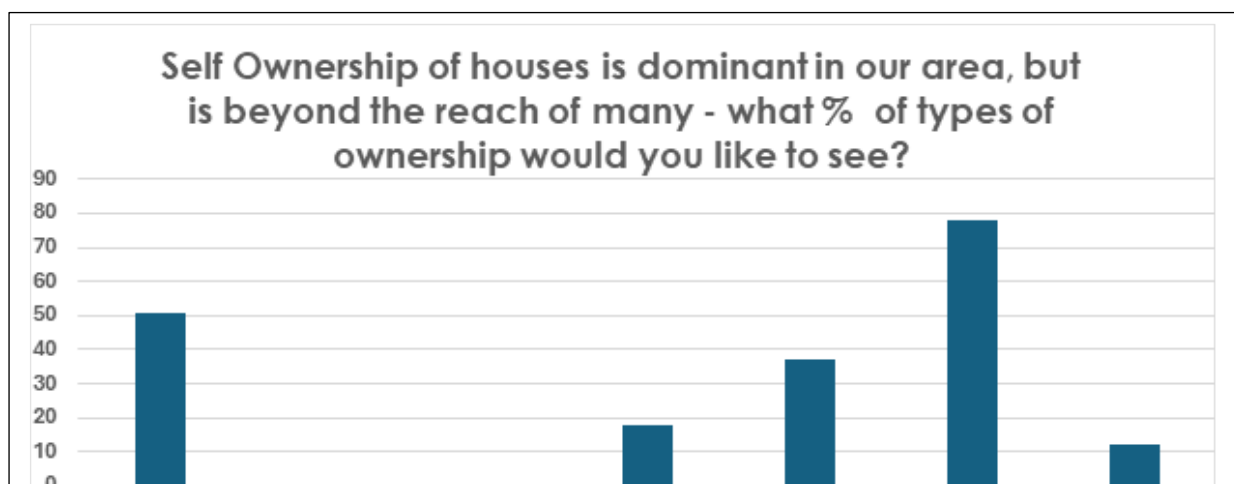
This 'snapshot' of residents' opinions align with the HNA finding for the need for 3 and 2 bedroom dwellings, and the lack of support for 5+ bedroom homes. There was also a call for smaller dwellings to allow older residents to downsize and stay in the villages.

Residents of new homes

Residents' opinions were also gathered regarding the villager's perception of the of residency of the new dwellings needed in the villages,

The respondents gave their preferences on the types of dwellings and a subset of bedroom numbers that should be provided.

The most popular style of tenancy was an Owned, Rented and Shared - 60%/20%/20% mix, followed by 100% Owned (including mortgages) then an equal mix of Owned, Rented and Shared - 33%/33%/33% mix, Less popular were 100% Affordable Housing: - Shared Ownership (Affordable is defined as 20% below market rate) and 100% Affordable Housing - Rental (Affordable is defined as 20% below market rate). 100% Private Rental was not considered.



It can be seen that those who commented wished for a 'housing development mix' of self-ownership, Affordable Housing shared ownership and Affordable Housing rental.

This also aligns with the needs of the HNA.

10.0 Material Changes since the NSGP commissioned the HNA

Additional Planning Permissions Granted

AECOM was commissioned by the NPSG via Locality, the Neighbourhood Planning organization, in January 2025 and a commissioning meeting was held, including the NSPG's consultant P4P, during which local information on the EHDC housing requirements and the uncompleted planning permissions at that time was passed to AECOM.

Since that time, EHDC has approved further planning applications that will reduce the number of dwellings that the NPSG need to allocate. The additional numbers are **XX** in Medstead and **XX** in Four Marks, a total of **XX**. The NPSG must ensure that this document is reflected in its deliberation on housing numbers. These additional dwellings will reduce the number of dwellings allocated by the NPSG.

EHDC Affordable Housing Supplementary Planning Document.

On Friday 18 July 2025 the EHDC adopted the *Affordable Housing Supplementary Planning Document*⁴, the purpose of which was to elaborate upon Joint Core Strategy Policies CP13, CP14 and CP11.

EHDC noted that the purpose of the SPD was to counter the fact that EHDC was one of the most unaffordable areas to live in Hampshire, with current affordability ratios at the time of 13.031, suggesting the average person needs in excess of 13-times their salary to afford an average priced home, and noted

The Council's HEDNA, 2022 says, "the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue across the District."

⁴ **EHDC Affordable Housing Supplementary Planning Document (SPD) July 2025**
<https://www.easthants.gov.uk/sites/default/files/2025-08/Affordable%20housing%20SPD.pdf>

The SPD responds to that need and offers clarification on the provision of affordable housing in East Hampshire, to ensure that appropriate provision is being made where and how it should, and that affordable housing delivery is maximised. This is key - as the HEDNA 2022 says, “the evidence does however suggest that affordable housing delivery should be maximised where opportunities arise, which is supported by Policy CP11 which seeks to “maximise the delivery of affordable housing”.

Further, Joint Core Strategy CP13 refers to the preparation of an SPD, saying “The general criteria for determining the size and type of affordable homes will be set out in SPD for particular locations. This would allow for the flexibility needed. The Council will set out the size and type of affordable housing likely to be needed on specific sites through the Local Plan: Allocations or a development brief SPD. This would allow the use of the most up to date information.”

Affordable housing must be considered early in the planning process so that the optimum quantity and mix of affordable homes that meet local needs are delivered.’

The NPSG must ensure that this document is reflected in its deliberation affordable housing to be allocated.

11.0 Conclusion

The AECOM housing Needs Assessment for the NPSG is a comprehensive report confirming the minimum number of dwellings that the NP needs to provide to 2042. It also identifies the number of Affordable Homes, both for rental and shared ownership required in the period. Its findings have also been echoed by the opinion of residents consulted in January 2025.

It details the current imbalance of size of building compared to the number of buildings and suggests that the NP tries to rebalance the current housing position by reducing the number of 4- and 5-bedroom dwellings on future developments and increasing those with one and two bedrooms.

It also suggests that the NPSG should consider providing downsized homes suitable for older members of the villages who may have additional needs, enabling them to remain in their own homes in the villages, rather than moving into facilities for specialist care.

Appendices

Appendix 1

Neighbourhood Plans – Indicative Housing Figures Guidance Note, January 2025

Table 1 – Minimum annual indicative housing figures

Parish/Town	Annual indicative housing figure (dwellings)	Plan-period indicative housing figure 2024 – 2042 (dwellings)*
The North		
Alton	196	3,531
Four Marks	38	688
Medstead	27	480
Bentley	11	206
Ropley	15	272
Beech	5	92
Bentworth	5	85
Wield	2	37
Froyle	8	142
Binsted	7	132
Shalden	4	69
Lasham	2	30
Worldham	1	10
Farringdon	0	4
Chawton	2	38
The North-East		
Bramshott & Liphook	93	1,675
Whitehill	143	2,569
Headley	52	931
Lindford	25	443
Grayshott	28	496
Kingsley	5	94
Selborne	4	76
The South		
Rowlands Castle	29	526
Horndean	118	2,121
Clanfield	50	892
Minimum Total	870	15,639

*The NPPF requires a plan-period of 15 years from adoption. 18 years has been considered to represent a likely plan-period (2024-2042) to allow for the necessary work on respective NPs and the emerging local plan.

Appendix 2

Medstead and Four Marks Neighbourhood Plan AECOM Housing Needs Assessment

The Executive summary I from the AECOM report is shown here. The full document can be found in the library of associated documents.

1.0 Executive Summary

- 1.1.1 Medstead and Four Marks is a Neighbourhood Area (NA) located in the district of East Hampshire. The NA boundary is made up of the parishes of Medstead and Four Marks, excluding the parts of Four Marks that are within the South Downs National Park.
- 1.1.2 At the time of the 2021 Census the NA was home to 7,740 residents, formed into 3,043 households and occupying 3,107 dwellings. This data indicates quite significant population growth of around 29% since 2011, when the Census 2011 recorded a total of 6,019 residents and 2,334 households.
- 1.1.3 There has been some development in Medstead and Four Marks in recent years. Comparing Census 2021 dwellings figures with 2011 suggests growth of 675 in the number of dwellings over the 10-year period. EHDC has provided data showing that 688 new homes have been built since 2011. This is broadly in line with the difference between the Census figures, and is likely to be largely explained by further construction in the period since 2021.
- 1.1.4 This Executive Summary details the conclusions of each chapter of this Housing Needs Assessment (HNA), addressing each of the themes agreed with the NPSG at the outset of the research.
- 1.1.5 Data from the 2021 Census is continuing to be released. At present, the available data covers population, households, tenure, and dwelling stock characteristics. Some data from the Census 2021 at the localised level is not yet available, as well as some data comparing numerous variables. As such this HNA will draw on the latest available data from the 2021 Census where possible and will also continue to use other data sets, including 2011 Census, Valuation Office Agency data, and ONS projections where necessary to build up evidence at the neighbourhood level.
- 1.1.6 This HNA has been undertaken in line with the National Planning Policy Framework (NPPF) and practice guidance (both published in December 2024).

1.2 Affordability and Affordable Housing

Current tenure profile

- 1.2.1 Home ownership is the dominant tenure in Medstead and Four Marks at 83% of all households, which is much higher than the average seen across East Hampshire (54%). In turn other tenures exist at much smaller proportions in the NA compared to the district and national average – particularly private renting.
- 1.2.2 In terms of changes to the tenure profile over the last decade, the most notable increase has been in the number of new homeowners. But it is also worth highlighting meaningful increases in the number of new social rented and private rented homes, and very large proportional growth in the quantity of shared ownership.

Affordability

- 1.2.3 House prices in Medstead and Four Marks have followed a clear upward growth trajectory over the last decade. The current median house price (middle number when arranged from lowest to highest) is £550,000 which is 44% higher than the median in 2014. The lower quartile price (the

lowest 25% of prices, used as a good proxy for entry level housing) sits at £440,000 and is 46% higher than the 2015 LQ figure.

- 1.2.4 House prices in Medstead and Four Marks appear to be more expensive than the district, where the median cost in 2024 for East Hampshire was £420,000.
- 1.2.5 AECOM has estimated the annual income required to afford various tenures of housing in Medstead and Four Marks. These thresholds are compared to local incomes to determine which options are the most appropriate for local people going forward. The average household income in the NA was £66,700 in 2020, and the lower quartile earnings (per person) were £20,360.
- 1.2.6 Median house prices in Medstead and Four Marks are unaffordable to households on average incomes and would require an income approximately 111% higher than the current median income. Private rent appears to be slightly more affordable than home ownership, and an average income household would be able to afford entry-level rents. However, average market rents would be out of reach for households with an average income.
- 1.2.7 Subsidised routes to home ownership like First Homes, Discount Market Housing and Shared Ownership are intended to target households who can afford to rent but not to buy. In Medstead and Four Marks, there appears to be a large gap between the income required to rent (£51,200) and the income required to buy a home (£113,000), meaning these homes may benefit from Affordable Home Ownership products.
- 1.2.8 However, both Discount Market Sale and First Homes at a minimum discount of between 20-40% would not be affordable to households with an average income. In Medstead and Four Marks, a discount of 50% would be required to bring the cost of purchasing a new home more in line with the income of the average household.
- 1.2.9 Both social and affordable rented housing appear generally affordable to households made up of two lower earners on the basis of their earnings alone. Households made up of one lower earner would not be able to afford either Social or Affordable Rented tenures, but these low-income households may be entitled to housing benefit to support their rental costs depending on their particular circumstances.

The need for Affordable Housing

- 1.2.10 Drawing on the East Hampshire Housing and Economic Development Needs Assessment (HEDNA), AECOM estimate a potential need for 18.4 social/affordable rented homes per annum over the Medstead and Four Marks Neighbourhood Plan (2024-2042), based on prorating the NA's share of the overall East Hampshire district wide figures. The East Hampshire HEDNA also identifies a potential demand for an additional 19.6 new affordable home ownership dwellings per annum over the Medstead and Four Marks Neighbourhood Plan.
- 1.2.11 It should be noted that the households eligible for affordable home ownership products typically do not necessarily lack their own housing but would prefer to buy rather than rent. They have been included in the national planning definition of those in need of Affordable Housing, but their needs are less acute than those on the waiting list for affordable rented housing.

Affordable Housing policy

- 1.2.12 Affordable Housing is typically provided and made financially viable by Local and Neighbourhood Plan policies that require it to be included at a set proportion of market housing developments. The EHDC Local Plan policy on this subject requires 40% of all new housing to be affordable on sites delivering over 10 units.

- 1.2.13 The emerging Local Plan recommends a tenure split of 70% social/affordable rented housing, 30% affordable home ownership dwellings. Based on the affordability analysis in the main body of this report, and recent changes in national policy, this HNA suggests the guideline tenure mix sought in the emerging Local Plan is an appropriate benchmark to help respond to the most acute affordability pressures in the NA.

1.3. Housing Mix: Type and Size

The current housing mix

- 1.3.1 The current dwelling mix in Medstead and Four Marks is dominated by detached dwellings which make up close to 70% of all dwellings in the NA. The remaining dwelling profile is made up of semi-detached dwellings (19%) and a smaller share of terraced dwellings (8%) and flats (7%).
- 1.3.2 In terms of size, the NA is dominated by larger sized homes with either 3 or 4+ bedrooms, which cumulatively make up over 80% of all homes in the NA. The remaining dwelling share is made up of modest sized 2 bed homes (15%) and a very small proportion of 1 bed homes (4%).
- 1.3.3 Medstead and Four Marks has a less balanced housing profile when it is compared to East Hampshire, with the district having a smaller share of detached dwellings and a higher share of other dwelling types on average. The same applies for dwelling size, where the NA has a stronger skew towards the largest dwelling categories.

Population characteristics

- 1.3.4 The Medstead and Four Marks population appears to have increased quite significantly, by 29% over the last decade. The increase in the NA population appears most evident in the population aged 65-84, which grew by 61% over the last decade. Other population cohorts experienced much more modest growth of between 18% and 23%.
- 1.3.5 Applying East Hampshire scale household projections suggests that the Medstead and Four Marks population will continue to age over the NP period, with a potential 90% increase in the population aged 65 and over. The projections also suggest that the younger population cohorts in the NA will contract over the same time period.
- 1.3.6 However, East Hampshire scale projections do not reflect the potential for Medstead and Four Marks to continue to attract and retain younger families, which is demonstrated in the recent Census data. If the latter trend persists this may translate into a slower trend toward ageing in practice than this modelling exercise suggests.

Future population and size needs

- 1.3.7 It is possible to estimate the size mix of future homes that might best accommodate demographic trends and address imbalances in the existing housing stock. The result of this process suggests that new development should deliver a variety of dwelling sizes, but some priority should be given to the delivery of homes with 2-3 bedrooms.
- 1.3.8 While the modelling exercise undertaken here indicates the value of 1 bedroom properties, these may need to be delivered in a more moderate way to reflect patterns of density and character. Likewise, it may not be considered balanced or locally appropriate to completely exclude the delivery of larger (4+ bedroom) homes from future development. An indicative policy range reflecting the results of local and district-scale modelling is as follows:
- 15-25% 1 bedroom
 - 30-50% 2 bedroom

- 30-50% 3 bedroom
- 0-20% 4+bedroom

1.3.9. It is important to remember that other factors should be considered in determining the dwelling mix that is desirable in the NA or on any particular site. These include the specific characteristics of the nearby stock of housing (such as its condition and design), the role of the NA or site within the wider housing market area (linked to any Local Authority strategies or plans) and site-specific factors.

1.4. Specialist Housing for Older People

The current stock

1.4.1. There are currently estimated to be around 846 individuals aged 75 or over in Medstead and Four Marks, a number that has grown from 541 in 2011 and is projected to rise to 1,506 by the end of the Neighbourhood Plan period (2042).

Projected demographic change and need for specialist housing

1.4.2. A clear majority (89%) of East Hampshire's households aged between 55-75 in 2011 (and therefore likely to reach the 75+ bracket by 2042) are owner occupiers and the remainder predominantly rent from a social landlord. This is important because those currently owning are likely to require specialist accommodation for market purchase, being largely ineligible for subsidised housing, while those in private or social rent may need subsidised rented housing because they are unlikely to have the funds to buy.

1.4.3. The 75+ population of the NA is projected to increase from 11% to 19% of the overall population between 2024 and 2042. The growth in the older population should be converted into households because some older people will be cohabiting in old age. The projected growth in the older population (of 660) points to 454 new households made up of people aged 75+ over the Neighbourhood Plan period.

1.4.4. The potential need for specialist housing with some form of additional care for older people can be estimated by bringing together data on population projections, rates of disability, and what tenure of housing the current 55-75 cohort occupy in the NA. This can be sense-checked using a toolkit based on national research.

1.4.5. The two methods for estimating the future need in Medstead and Four Marks produce a range of 166 to 171 specialist accommodation units that might be required during the plan period. These estimates are based on the projected growth of the older population, thereby assuming that today's older households are already well accommodated.

1.4.6. Broadly, between 65 - 85% of this estimated need is likely to be for market purchase. Moreover, between 60-70% of the need may be accommodated through either sheltered accommodation or adaptations to the existing housing stock, rather than extra care accommodation. The potential additional need for care and nursing home beds in Medstead and Four Marks by 2042 can be estimated at around 73 bedspaces.

1.4.7. Following commitments data provided by East Hampshire District Council, the NA is not expecting any delivery of specialist accommodation over the planned period. However, the main unmet need in Medstead and Four Marks is for market sheltered accommodation (or accommodation which would deliver a similar offering). In some cases, this need may be satisfied by new housing that is accessible and adaptable for people with lower support needs. The findings in this HNA support the full application of East Hampshire District Council's policy approach to accessible and adaptable dwellings.