

Eastern Dorset 2015 Strategic Housing Market Assessment

North Dorset District Summary

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Prepared by

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1 INTRODUCTION

- 1.1 This report has been prepared alongside the Eastern Dorset 2015 SHMA. It summarises the findings and recommendations of the SHMA with regard to the District of North Dorset.
- 1.2 The National Planning Policy Framework (NPPF) set out the Government's planning policies for England. It outlines that in planning for housing, councils must work with neighbouring authorities to prepare a Strategic Housing Market Assessment (SHMA) which identifies the full need for both market and affordable housing in their housing market area.
- 1.3 The SHMA defines the Objectively Assessed Need (OAN) for housing as national planning policy requires, as well as considering the need for different types of housing and the housing needs of different groups within the community. The preparation of the 2015 SHMA has been commissioned to respond to the requirements of the NPPF to provide a fit-for-purpose evidence base to inform and support planning and housing policies, including to:
- Reflect the latest datasets including population and household projections;
 - Comply with the requirements of the NPPF, the PPG and objectively assessed need guidance;
 - Comprehensively inform duty to cooperate requirements;
 - Incorporate and have full regard for housing and economic growth imperatives and the connections between them; and enable improved alignment between housing and workspace evidence bases.
- 1.4 The SHMA reviews the definition of the Housing Market Area (HMA), building upon previous national and sub-regional studies, as well as considering up to date guidance and data on migration, commuting and house price dynamics. The analysis clearly identifies an East-West distinction within Dorset:
- An Eastern Dorset market which includes Bournemouth, Poole and Christchurch and parts of both Purbeck, Eastern and North Dorset including Wimborne, Blandford Forum, Wareham and Swanage;
 - A Western Dorset market which includes Weymouth and Portland and Dorchester, and stretches east to Bridport.
- 1.5 In the case of both markets, the migration, travel to work, and house prices evidence all broadly align.
- 1.6 For pragmatic reasons HMAs boundaries are drawn on the basis of local authority boundaries. The SHMA therefore considers to which areas Purbeck and North Dorset most closely relate. In terms of gross migration, travel to work, and house prices the majority of Purbeck, including the most densely populated areas, relate to Poole. North Dorset shows strong links to Poole in terms of commuting and house prices, and its largest settlement, Blandford Forum, falls within Poole's commuting catchment. On this basis and given the balance of evidence, we would therefore group

Purbeck and North Dorset along with Christchurch, East Dorset, Bournemouth and Poole in an Eastern Dorset HMA.

1.7 The SHMA therefore identifies an Eastern Dorset Housing Market Area, as a 'best fit' to local authority boundaries as containing the following:

- Bournemouth;
- Christchurch;
- East Dorset;
- North Dorset
- Poole; and
- Purbeck.

1.8 The SHMA considers the future need for housing in the above local authorities over the period 2013 to 2033. It considers how many homes are needed; what types of homes – both market and affordable; as well as what housing is needed to meet the needs of specific groups within the population including students, older people, and those with disabilities.

1.9 The SHMA is intended to inform the Councils' work on developing future planning policies and housing strategies, and inform discussions regarding the mix of housing on new development schemes. It does not however set policies regarding the future levels of housing provision nor automatically render existing plans and policies out-of-date.

2 OVERALL NEED FOR HOUSING

2.1 The Planning Practice Guidance sets out how SHMAs should be undertaken. This sets out that the starting point for assessing housing need should be household projections, but also identifies that the level of need identified in the projections may require adjustment to take account of factors affecting population trends and household formation rates; to support expected growth in jobs; to take account of market signals pointing towards a need to improve the affordability of market housing; or to increase the delivery of affordable housing to meet identified need. The SHMA has considered these issues.

Trend-based Demographic Projections

2.2 The SHMA takes account of the most up-to-date demographic projections which are the 2012-based Sub-National Population Projections (SNPP) issued by ONS in March 2014 and the associated Household Projections, published by CLG in February 2015. The demographic projections cover the period from 2013 to 2033.

2.3 The 2012-based SNPP shows that North Dorset is expected to grow by around 5,200 people (an increase of 7.4%) over this period. This constitutes 6.5% of total HMA growth. The population of Eastern Dorset is expected to grow by around 79,300 people (an increase of 13.5%) from 2013 to 2033.

Table 1: Projected Population Growth (2013-2033)

	Population 2013	Population 2033	Change in population	% change
North Dorset	69,883	75,070	5,187	7.4%
Eastern Dorset	589,303	668,599	79,296	13.5%
South West	5,372,400	6,083,400	711,000	13.2%
England	53,843,600	61,022,500	7,178,900	13.3%

2.4 The next step in the process is to convert this information into estimates of the number of households in the area. To do this the concept of headship rates is used. Headship rates can be described in their most simple terms as the number of people who are counted as heads of households.

2.5 The SHMA has considered the most up-to-date household projections which are the 2012-based CLG household projections (published Feb 2015). These rates are considered to be more positive than the previous set (2011-based) and typically suggest higher rates of household growth for a given population. At a national level (in the 2012-21 period considered by CLG) the new projections show 10% higher growth in households, however for North Dorset the figure is only 1%.

2.6 The data suggests an increase in households in North Dorset of about 3,900 over the 20-year period (a 13% increase). The number of households in Eastern Dorset is expected to grow by about 46,800 (18%) over this period. This is very slightly higher than expected across the South West but slightly below the national average.

Table 2: Projected Household Growth, 2012-based Household Projections (2013-2033)

	Households 2013	Households 2033	Change in households	% change from 2013
North Dorset	29,457	33,345	3,887	13.2%
Eastern Dorset	258,474	305,300	46,826	18.1%
South West	2,308,994	2,721,252	412,258	17.9%
England	22,499,536	26,797,826	4,298,290	19.1%

2.7 The table below brings together outputs in terms of household growth and housing need using the 2012-based headship rates and our core projection linked to the 2012-based SNPP. To convert households into dwellings the data includes an uplift to take account of vacant homes. Analysis of 2011 Census data on unoccupied household spaces shows that North Dorset has a vacancy rate of 6.1%.

2.8 This projection suggests an annual housing need in North Dorset of 206 additional dwellings per annum over the 20-years 2013-33. This figure equates to 8% of the annual housing need for Eastern Dorset as a whole of 2,477 dwellings per annum.

Table 3: Projected Household Growth 2013-33 – 2012-based SNPP with 2012-based Household Formation Rates

	North Dorset	Eastern Dorset
Households 2013	29,457	258,474
Households 2033	33,345	305,300
Change in households	3,887	46,826
Per annum	194	2,341
Dwellings (per annum)	206	2,477

2.9 This figure would be considered as the “starting point” for considering housing need, following the approach in the PPG. However it is necessary to overlay other factors – considering economic growth potential, market signals and affordable housing need – and examine whether these provide a basis for adjusting the estimate of future housing need.

Economic Growth Potential

2.10 The SHMA has also sought to consider if higher housing provision is needed (relative to the demographic-led projections) to support growth in employment. The SHMA considers two economic growth scenarios:

- A baseline employment growth forecast from Cambridge Econometrics (CE); and
- A Local Knowledge Economic Growth Scenario developed by Dorset County Council in conjunction with the Eastern Dorset local authorities to provide a more realistic and informed assessment of potential economic growth in each area, and incorporates the implications of the Dorset LEP’s Strategic Economic Plan.

2.11 For North Dorset, adjustments are made to expected distribution of employment growth, with an expectation of slightly lower growth rates in construction and health; but with stronger growth in manufacturing and media / IT.

2.12 The SHMA relates growth in employment to that of the overall population, and thus considers the level of housing delivery required to support growth in the resident work force. The following factors are relevant:

- Relationship between jobs and people in work: recognising that some people may hold down more than one job (‘double jobbing’);
- Commuting patterns: recognising that commuting patterns may influence the balance between jobs and residents in employment in different areas; and
- Employment rates: which describe the proportion of people who are in work.

- 2.13 To support the CE 'baseline' employment forecasts around 367 additional homes per annum would be needed in North Dorset to 2033; with around 311 homes needed per annum to support the Local Knowledge Scenario.

Table 4: Jobs Growth and Change in Resident Workforce, 2013-33

	CE Baseline Forecast		Local Knowledge Scenario	
	North Dorset	Eastern Dorset	North Dorset	Eastern Dorset
Change in jobs	5,135	41,731	3,557	43,029
Change in resident workforce	5,313	41,764	3,680	42,909
Change in households to support jobs growth	6,923	51,308	5,860	52,170
Household Growth Per annum	346	2,565	293	2,608
Dwellings (per annum)	367	2,715	311	2,762

- 2.14 Both economic scenarios are above the demographic projections (206 dwellings per annum). In such circumstances the PPG recommends considering an upward adjustment over and above the figure identified in the demographic projections. An upward adjustment of 105 dwelling per annum would bring the figure up to the 311 dpa figure needed to support the Local Knowledge Scenario.

Affordable Housing Needs

- 2.15 The SHMA includes an assessment of the need for affordable housing. The approach follows the Basic Needs Assessment Model, in accordance with the Planning Practice Guidance. The model considers households who are currently living in unsuitable housing, the proportion of newly-forming households who cannot afford to buy or rent market housing without financial support, and existing households that will fall into housing need.
- 2.16 Households with affordable housing need includes those households that are overcrowded or at risk of becoming homeless due to being unable to afford their housing costs. The need for affordable housing is compared against the current affordable housing supply, which is principally related to the re-letting of existing affordable housing. This is used to derive a net need for affordable housing.
- 2.17 The SHMA provides estimates of the need for affordable housing based on a range of secondary data sources, including the 2011 Census, data on household incomes, modelling of population trends, lettings, re-lettings and the future supply of affordable housing.

2.18 The SHMA indicates that if all households who were unable to meet their needs in the market without financial support were to be allocated an affordable home, 146 new affordable homes would be needed in North Dorset each year. The net need is calculated as follows:

$$\text{Net Need} = \text{Backlog Need} + \text{Need from Newly-Forming Households} + \text{Existing Households falling into Need} - \text{Supply of Affordable Housing}$$

Table 5: Estimated level of Affordable Housing Need (per annum)

Area	Backlog need	Newly forming households	Existing households falling into need	Total Need	Supply	Net Need
North Dorset	17	185	95	296	150	146
Eastern Dorset	245	2,428	663	3,336	969	2,367

2.19 Of the identified net affordable housing need in North Dorset, 35% could be met through provision of intermediate affordable housing, with 65% needed social or affordable rented homes. This is a notably higher proportion of intermediate housing than the proportion needs across the Eastern Dorset HMA as a whole (23% intermediate and 77% social or affordable rented).

2.20 While a deficiency in affordable housing is identified, in practice this partly reflects needs from households who are already housed (but in homes which are unsuitable or unaffordable for them). Meeting the needs of these households will not necessarily result in a need for additional housing overall.

2.21 Some households who are unable to secure affordable housing are able to live within the Private Rented Sector supported by housing benefit, It seems likely that the Private Rented Sector will continue to be used to make up for any shortfall of affordable housing.

2.22 The evidence in this section does however indicate a substantial need for affordable housing. In terms of overall housing provision, this suggests that some younger households may be constrained from forming should an increase in housing supply not be achieved. The next section considers this further, taking account of wider evidence of affordability pressures, and considers what scale of additional housing might be necessary to improve affordability.

Market Signals and Affordability

2.23 Responding to Government planning policy and guidance, the SHMA considers whether there is a case for adjusting the level of housing provision to take account of market signals.

2.24 The median house price in North Dorset (over the 2013-2014 period) is £212,000 while the mean house price is £250,000. North Dorset has the second lowest average house prices of the HMA authorities – with only Bournemouth lower. By comparison the HMA median is £225,000 and the mean is £263,000.

2.25 House prices in North Dorset grew substantially between 1998 and 2007, with the median house price increasing from £70,000 in 1998 to £225,500 by the end of 2007, an increase of 222%. House prices fell following the economic downturn in 2008. Over the period from 2008 to mid-2013, North Dorset saw a decline in the median house price of £7,500 – a decrease of 3%. By comparison, nationally there was a 3% increase during this period. Sales volumes also remain notably below pre-2007 levels, which was a trend seen across the HMA and nationally.

2.26 Housing delivery in North Dorset has been below the housing target over the period 2006 – 2013, delivering only 73% of the housing target over this period. This level of delivery is below the average rate across the HMA as a whole where delivery was 95% of the combined target over this period.

Table 6: Housing Delivery Performance vs. Targets, 2006-2013

	Delivery	Target	%
North Dorset	1,653	2,240	74%
Eastern Dorset	13,617	14,385	95%

2.27 Across all areas of the HMA the affordability of property has worsened quite markedly over the past 15 years. In North Dorset the affordability of market housing, measured using the lower quartile house price to lower quartile income ratio is 9.3 (2013 figure). This is slightly below the HMA average is 9.5 and is well above the South West regional figure of 7.8 and the national average of 6.5. This indicates that affordability in the District is a significant issue, as it is across the HMA generally.

2.28 However this has not translated into significant levels of overcrowding in North Dorset, which are low – 4.5% of households having fewer than the number of bedrooms needed to avoid undesirable sharing (2011 Census). This is well below the HMA rate of 7.9%, and the national rate of 8.7%. Similarly, the number of residents living in HMOs is lower in North Dorset than elsewhere. The figure is 3.9% in North Dorset compared to 6.1% across the HMA and 5.8% nationally.

2.29 The housing market signals show that the housing market in North Dorset (as with all of the HMA authorities) has seen strong and steady increase in house prices and increasing affordability pressures through the pre-recession decade. Since the recession market conditions have declined and brought with it tighter regulation and lending restrictions. The evidence considered in this

section suggests that this has impacted on the household formation rates in the District, and that younger households have been particularly affected.

2.30 Drawing the evidence together, the SHMA concludes that the market signals in North Dorset suggest that a modest uplift to the demographic projections is required in order to support a stronger level of household formation from younger households. This is the case in all of the Eastern Dorset HMA authorities. In North an uplift of 19 dwellings per annum is considered appropriate.

Conclusions on Future Housing Needs

2.31 The SHMA has, in line with PPG guidance, used the most up-to-date demographic projections as a starting point and then considered the suitability of adjusting this to account for economic growth and housing affordability.

2.32 The demographic projections identified a housing need of 206 dwellings per annum over the 2013-33 period. Employment growth has been considered using the Local Economic Growth Scenario. This justifies an upward adjustment of 105 dwelling per annum over and above the demographic projections.

2.33 Assessment of affordable housing needs and the housing market signals shows that local market conditions are constraining household formation, particularly for younger households. Therefore a further modest uplift of 19 dwellings per annum in addition to the demographic projections is required.

2.34 **These figures are totalled to give a total annual need of 330 dwellings per annum. This is considered to be the objectively assessed need for North Dorset.**

Table 7: Objectively Assessed Housing Need, 2013-33

	North Dorset	Eastern Dorset
Base Demographic	206	2,477
Supporting Economic Growth – Additional Housing	105	285
Improving Affordability – Additional Housing	19	121
Full OAN	330	2,883

2.35 It should be noted that the SHMA does not set housing targets. It provides an objective assessment of the future need for housing. Government guidance and advice is explicit that the SHMA itself must not apply constraints to the overall assessment of need, for example environmental constraints or issues related to congestion and/or local infrastructure. Such issues are particularly

relevant when considering how much development can be sustainably accommodated and where new development should be located. These issues will be considered, as appropriate, in the development of new Local Plans, alongside any issues related to unmet need from other areas; and policies for economic growth in local plans. The SHMA defines objectively assessed need for housing within the HMA on a policy-off basis, and it is important to recognise that in translating this into housing targets issues regarding the distribution of homes within the HMA, unmet needs from other authorities and 'jobs-homes balance' will need to be considered alongside the evidence herein.

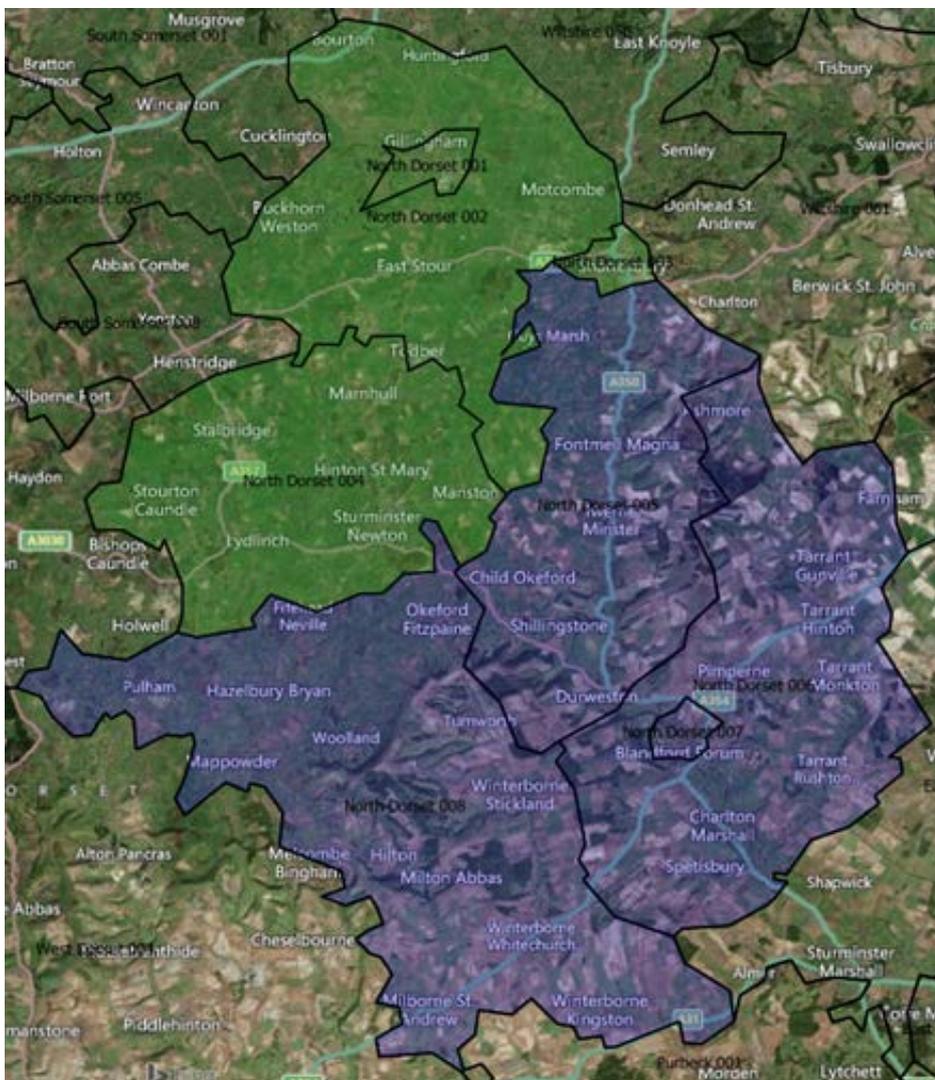
Sub-Area Projections

2.36 The projections presented in the main report have looked at housing requirements for local authorities as a whole. It is also of use in North Dorset to develop these at a smaller-area level. The North Dorset Local Plan Part 1 Pre-submission Document states:

“At the sub-regional level many of the District's spatial characteristics show a 'north-south divide' however, the location of the 'dividing line', which generally runs from north-east to south-west across the central part of the District, depends on the characteristic being examined.”

2.37 Based on analysis of commuting flow data at middle-layer super output area (MSOA) level, we have identified two areas (North and South) which broadly accord with the 'north-south divide' identified in the Local Plan Part 1. The geographical extent of these areas is shown on the map overleaf.

Figure 1: Map of Sub-Areas in North Dorset



Source: GL Hearn

- 2.38 To develop projections for smaller areas the start point has again been the most recent SNPP. From this data a series of birth, death and migration schedules has been developed on the basis of the different population structure in each area. Following this, a model has been set-up for each of the two areas with the ability to interrogate different assumptions to see the output housing need.
- 2.39 There are a number of issues with this approach which make the outputs less robust than at the District level. Key ones include the fact that birth and death rates are assumed to be the same in different parts of the District (in the absence of any robust up-to-date local information) whilst the migration patterns are developed from an understanding of the current population profile in each area rather than any specific local data about the profile of the population moving into and out of each area in the past (again this is due to a lack of up-to-date information).

2.40 The development of a dynamic population projection model is the key part of the local projections with specific local data about employment and headship rates being taken from 2011 Census data to ensure that the outputs about the number of people working and the number of households properly reflect any local differences.

2.41 The figure below shows the baseline population size, the number of households and the number of working people used for the analysis. The data shows that both areas are broadly similar in size with regards to all of the key variables – it is however notable that the proportion of people working is higher in the South although this area has a slightly lower level of population and households – this is linked to the population profile which is discussed below.

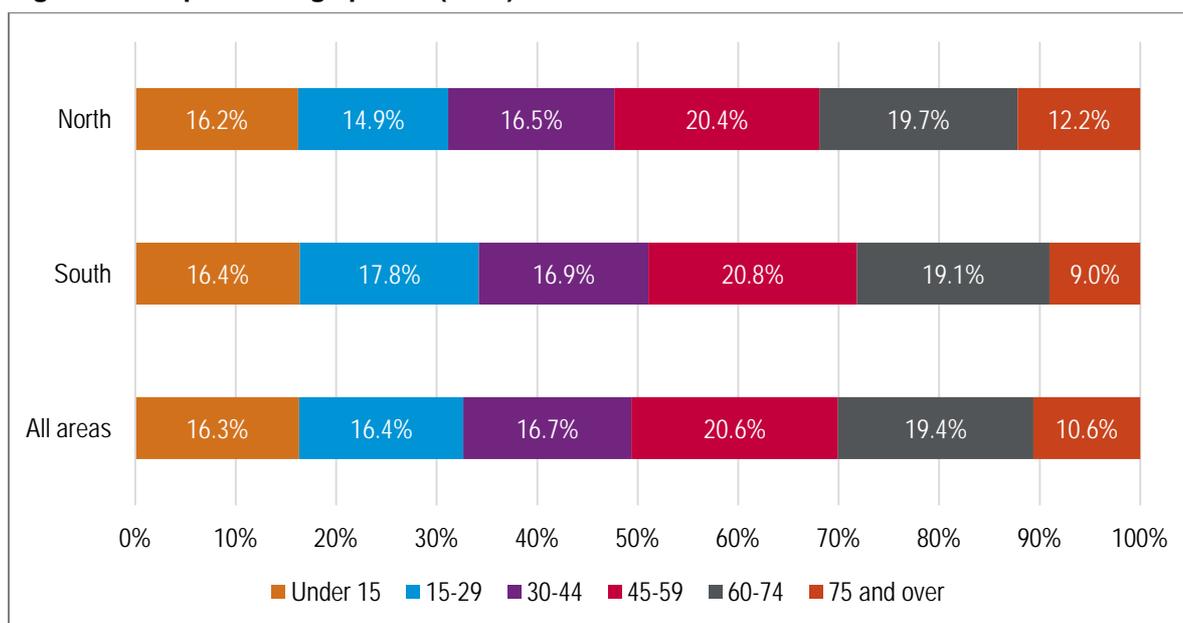
Table 8: Population, households and working population by sub-area (2013)

	Population		Households		Working	
	Number	% of total	Number	% of total	Number	% of total
North	35,120	50.3%	15,282	51.9%	17,002	49.5%
South	34,763	49.7%	14,175	48.1%	17,355	50.5%
TOTAL	69,883	100.0%	29,457	100.0%	34,357	100.0%

Source: Derived from 2011 Census

2.42 The figure below shows the current estimated age structure (in 2013) in each of the above sub-areas split into six broad age bands. The data suggests that the population profile in different parts of the District varies to some extent. In particular the South has a relatively young population whilst the profile in the North is somewhat older. These profiles will affect housing requirements moving forward.

Figure 2: Population age profile (2013)



Source: Derived from Census (2011) and mid-year population estimates

- 2.43 At the smaller area level two projections have been run. The first links to the 2012-based SNPP and 2012-based CLG household projections (updated to take account of 2013 mid-year population estimates) with the second being based on the forecast job growth (knowledge-based scenario).
- 2.44 The figures below show key outputs from the modelling. The data shows a greater need for housing in the South of the District under both of these scenarios. The proportion of the need in the South varies from 61% to 67% depending on the scenario used. The difference between the areas is (as noted above) related to the age structure of the population, with the North of the district generally expected to see a higher level of deaths and slightly lower level of migration due to having an older age structure (older people having higher death rates and generally being less likely to migrate).

Table 9: Housing need by area (2013-2033) – SNPP

	Per annum	2013-33	% in area
North	68	1,366	33.1%
South	138	2,759	66.9%
TOTAL	206	4,124	100.0%

Table 10: Housing need by area (2013-2033) – job-based (knowledge scenario)

	Per annum	2013-33	% in area
North	120	2,396	38.5%
South	191	3,820	61.5%
TOTAL	311	6,216	100.0%

- 2.45 It should be stressed that these projections should be treated as indicative as they do not fully reflect population dynamics in each of the two areas. Additionally, housing land supply could influence where housing is actually provided (as well as any policy decisions about how housing might be distributed between urban and rural parts of the District).

3 NEED FOR DIFFERENT SIZES AND TYPES OF HOMES

- 3.1 The NPPF requires Local Planning Authorities, through the SHMA, to identify the range of types and sizes of accommodation likely to be needed by the future population, including that required by those groups with specific housing needs.
- 3.2 A range of factors have been considered in assessing the types of homes which will be needed in North Dorset over the period to 2033. This includes an assessment of the current housing profile, gaps in the current housing offer, housing affordability and trends in the structure of the population over the plan period.

Need for Different Sizes of Homes

- 3.3 The SHMA models the need for different sizes of homes, taking account of the existing profile, evidence from market signals, issues related to management of the affordable housing stock and long-term demographic trends.
- 3.4 The SHMA identifies that housing provision in North Dorset should be monitored against the broad mix of market housing as set out in the table below. Across the HMA the focus of demand for new market housing will be on two and three-bed properties. However, North Dorset also has a particular need for four or more bedroom homes.

Table 11: Estimated dwelling requirement by number of bedrooms (2013 to 2033) – Market Sector

Area	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
North Dorset	4.2%	37.6%	42.5%	15.7%
Eastern Dorset	9.8%	42.6%	36.1%	11.4%

- 3.5 The mix identified above should inform strategic authority-wide policies and help to inform the 'portfolio' of sites which are considered and ultimately allocated through the Local Plan process. However, we would recommend that strategic policy retains a reasonable degree of flexibility to ensure that, in applying a mix to individual development sites, appropriate regard is given to the nature of the development sites, the character of existing housing stock of the area, as well as the most up-to-date local evidence of need/demand.
- 3.6 With regard to the need for different types of affordable housing, the analysis points to a distribution of need shown below. North Dorset has a particular need for one- and two-bedroom homes. Local Plan policies on affordable housing mix should be informed by these figures considered together with plan-wide viability studies.

Table 12: Estimated dwelling requirement by number of bedrooms (2013 to 2033) – Affordable Sector

Area	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
North Dorset	45.9%	36.5%	16.0%	1.6%
Eastern Dorset	46.3%	32.4%	18.5%	2.9%

Need for Different Types of Homes

- 3.7 As well as looking at the sizes of homes required the SHMA considers the likely need for different types of homes (by built form). This has taken a two-staged process:
- Firstly, to establish the likely split between flatted accommodation and houses/bungalows. This split can readily be ascertained from the modelling as there is a clear link between the size of

homes needed and the built form at this level (i.e. the vast majority of one-bedroom homes would be expected to be flats along with some proportion of two-bedroom accommodation).

- Secondly, once the need for houses/bungalows is established, the analysis considers the profile of dwellings in each area and the extent to which there appear to be gaps in the offer (or alternatively large proportions of particular types). This part of the analysis is to some extent driven by judgement and also takes account of the role of different areas in terms of the housing offer that might be expected (e.g. that households seeking accommodation in rural areas are more likely to be seeking detached homes).

3.8 The analysis shows that North Dorset has a particularly low need for flats. For market housing the SHMA estimates a required housing mix for 10% of dwellings to be flats and 90% houses. In the affordable sector the estimated requirement is for 35-40% flats and 60-65% houses.

3.9 This draws on the modelled data but makes some adjustments in line with the analysis of dwelling size requirements. Consistent with the suggested outputs for dwelling sizes, the figures for affordable housing are set out as a range – this reflects the fact that the recommendations are driven less by the outputs of the modelling than in the case for market housing.

3.10 To consider this information in more detail the analysis moves on to look at the profile of accommodation currently available in each of the market and affordable sectors by type. The analysis draws on Census data and can be split into four main built-forms, these are:

- Detached houses/bungalows
- Semi-detached houses/bungalows
- Terraced houses/bungalows
- Flat, maisonette, apartment

3.11 Based on this analysis the table below brings together a suggested profile of market housing in each area by dwelling type. In North Dorset the analysis suggests a need for around 40% of homes to be detached, 25% semi-detached, 25% terraced, and 10% flats.

3.12 By comparison, across the HMA the analysis suggests a need for around 35% of homes to be detached, 20% semi-detached, 15% terraced, and 30% flats.

Table 13: Suggested mix of market housing by dwelling type (built form)

	Detached	Semi-detached	Terraced	Flat
North Dorset	40%	25%	25%	10%
Eastern Dorset	35%	20%	15%	30%

3.13 A similar analysis has been carried out in the affordable sector. This analysis shows a slightly higher proportion of detached and semi-detached homes and fewer terraced properties – the difference between areas is not as significant as for the analysis of market housing.

3.14 In North Dorset the suggested mix of dwelling types is for 0-5% of homes to be detached, 30-35% semi-detached, 25-30% terraced, and 35-40% flats.

3.15 By comparison, across the HMA the analysis suggests a need for around 0-5% of homes to be detached, 25-30% semi-detached, 15-20% terraced and 50-55% flats.

Table 14: Suggested mix of affordable housing by dwelling type (built form)

	Detached	Semi-detached	Terraced	Flat
North Dorset	0%-5%	30%-35%	25%-30%	35%-40%
Eastern Dorset	0%-5%	25%-30%	15%-20%	50%-55%

Needs of Particular Groups within the Population

3.16 The SHMA Guidance recognises the need to provide housing for older people as part of achieving a good mix of housing. A key driver of change in the housing market over the next 20-years is expected to be the growth in the population of older persons.

3.17 The data shows that the HMA (in line with other areas) is expected to see a notable increase in the older person population. In North Dorset the total number of people aged 55 and over expected to increase by 34% over the period 2013-33; this compares with overall population growth of just 7%. The projected growth in the population aged 55 and over is slightly above the regional figure of 33%, and slightly below the national figure of 36% although this will to a considerable degree be influenced by the current proportion of older people in the population.

Table 15: Projected Change in Population of Older Persons, 2013-33

	Under 55	55-64	65-74	75-84	85+	Total	Total 55+
North Dorset	-8.0%	1.7%	29.8%	59.6%	127.6%	7.4%	34.3%
Eastern Dorset	2.8%	10.7%	30.3%	42.0%	97.8%	13.5%	33.2%
South West	2.8%	6.5%	30.2%	53.6%	120.3%	13.2%	34.2%
England	4.3%	12.6%	34.5%	50.2%	120.7%	13.3%	36.0%

3.18 In addition to providing projections about how the number and proportion of older people is expected to change in the future the SHMA looks at the likely impact on the number of people with specific illnesses or disabilities. For the purposes of the SHMA analysis has focussed on estimates of the number of people with dementia and mobility problems. For both of these health issues the figures relate to the population aged 65 and over.

3.19 The table below shows that both of the illnesses/disabilities are expected to increase significantly in the future although this would be expected given the increasing population. In particular there is projected to be a large rise in the number of people with dementia (up 89%) along with a 72%

increase in the number with mobility problems. These expected increases in North Dorset are notably above the HMA average.

Table 16: Estimated Population Change for Range of Health Issues (2013 to 2033)

	Type of illness/disability	2013	2033	Change	% increase
North Dorset	Dementia	1,139	2,147	1,008	88.5%
	Mobility problems	2,964	5,104	2,141	72.2%
Eastern Dorset	Dementia	10,359	17,538	7,180	69.3%
	Mobility problems	26,000	41,152	15,153	58.3%

- 3.20 Given the ageing population and higher levels of disability and health problems amongst older people there is likely to be an increased requirement for specialist housing options moving forward. The analysis shows a potential need for 1,012 units – 51 per annum. This is around 25% of the total need identified in the demographic modelling (linked to the 2012-based SNPP and household projections).
- 3.21 The SHMA considers changes to the number of people aged 75 and over who are expected to be living in some form of institutional housing. This is a direct output of the demographic modelling which indicates an increase of 339 people living in institutions over the 2013-33 period (17 per annum). This figure is important to note if the Council intends to include C2 class uses in their assessment of 5-year housing land supply as it will be necessary to include figures on both the need and supply side of the equation.
- 3.22 North Dorset has a considerable number of residents in the armed forces living in military accommodation. The vast majority of these are based at Blandford Camp outside Blandford Forum in the south-east of the District.
- 3.23 Persons living in military accommodation are not counted by CLG in the 'household' population but are 'institutional' population¹. Therefore growth in the institutional population is excluded from the household projections but is included in the population projections. The demographic analysis undertaken in the SHMA shows that in North Dorset the institutional population for those aged under 75 years of age is projected to remain constant over the plan period.
- 3.24 This would suggest, based on past trends, that we can expect zero growth in the District's military personnel living on bases. It is our understanding that there is no planned future expansion or repatriation of troops at Blandford Forum. We therefore conclude no growth in the overall need of military personnel in the District.

¹ 'Institutional' population comprises all people not living in private households. These include people living in nursing homes, halls of residence, military barracks and prisons.