Adur and Worthing Strategic Housing Market Assessment

Final Report

Iceni Projects Limited on behalf of

Adur and Worthing Councils

July 2025

Iceni Projects
Birmingham: The Colmore Building, 20 Colmore Circus Queensway, Birmingham B4 6AT
Edinburgh: 7 Alva Street, Edinburgh, EH2 4PH
Glasgow: 177 West George Street, Glasgow, G2 2LB
London: Da Vinci House, 44 Saffron Hill, London, EC1N 8FH
Manchester: WeWork, Dalton Place, 29 John Dalton Street, Manchester, M26FW

t: 020 3640 8508 **| w:** iceniprojects.com | **e:** mail@iceniprojects.com
linkedin: linkedin.com/company/iceni-projects | **twitter**: @iceniprojects

JULY 2025

ICENI PROJECTS LIMITED ON BEHALF OF ADUR AND WORTHING COUNCILS

Adur and Worthing Strategic Housing Market Assessment
FINAL REPORT

Contents

1. Executive Summary

1.1 Adur and Worthing Councils have commissioned Iceni Projects to prepare a Strategic Housing Market Assessment (SHMA). This SHMA provides an evidence base on housing need and mix which will inform local planning policy and decision making. It is intended to inform both future plan-making, including the review of the Adur Local Plan, and consideration of the housing mix in individual planning applications. It considers the period from 2024 to 2042

Recent Migration Patterns

1.2 When considering recent migration to and from Adur and Worthing, Brighton and Hove has consistently remained the primary source of in-migrants for both Worthing and Adur, which is expected due to its large population and proximity.

1.3 The overall profile of in-migrants has not significantly changed for Worthing, with Sussex authorities continuing to be key origins, along with some London boroughs like Croydon and Lewisham. A similar stability is seen in Adur, with Sussex authorities featuring heavily.

1.4 Out-Migration statistics shows that in both Adur and Worthing, other Sussex authorities are significant destinations for people moving out of the area. While Worthing's biggest out-migration location is Arun, Adur's in Worthing, in both cases this is likely a result of people seeking less expensive housing.

1.5 Looking at London as a whole, while some data suggests stronger and growing links with the city, total net migration from London remained the second key origin destination after Brighton for both Adur and Worthing.

Housing Stock and Supply Trends

1.6 At the time of the 2021 census, home ownership rates in Adur and Worthing were relatively high, accounting for 72% and 68% respectively. Private renting was notably low in Adur, at 15% of households, while Worthing had a significantly higher proportion at 22%. The affordable housing sector is modest in size, accounting for 12% of households in Adur and 10% in Worthing.

1.7 The proportion of smaller properties (1 and 2 bed homes) is higher in Adur and Worthing in comparison to regional and national averages, at 48% and 42%, respectively. The housing stock in Adur is predominantly characterised by a larger proportion of semi-detached homes; whilst flatted properties are more prevalent than other house types in Worthing, accounting for 24% of all households in the area.

1.8 In terms of housing delivery, completions in Adur have varied over the past decade. Since 2012/13, housing delivery has fluctuated exceeding the annual target of 177 homes only once in the year 2020/21. In Worthing, housing completions have consistently met annual targets every year, with the exception of the year 2020/21. In both authorities, housing supply is significantly constrained by geography – which is one of a relatively built up area sandwiched between the South Downs National Park and the English Chanel.

Housing Market Dynamics

1.9 Despite rising house prices, currently at a median of £365,000 in Adur and £355,000 in Worthing (Table 4.1), recent market performance has been impacted by broader economic uncertainty and there have been short-term price falls. Entry-level house prices are now 11.3 times lower quartile earnings in Adur and 9.32 times in Worthing. Median affordability ratios stand at 10.06 in Adur and 9.70 in Worthing.

1.10 Median rental values are approximately £1,328 in Adur and £1,271 in Worthing (Table 4.2). Rental values have shown strong growth across all property sizes, particularly 4-bedroom properties in Adur.

1.11 Local Agents indicate a very active rental market in Adur and Worthing which has been impacted by macro economic factors such as interest rate increases and the Renters Reform Bill.

1.12 There are currently no Build-to Rent (BtR) developments in Adur or Worthing nor are there any within the planning pipeline. There are a number of schemes at various stages in the region, with Brighton seeing a large number. It should be noted that this type of development is still in it's infancy in the UK with much of the supply being in large population centres such as London with a smaller amount trickling out to other population centres. As such there are currently no BtR schemes in Adur or Worthing although this may change over time as the wider market expands.

1.13 Going forwards the Councils may consider including a policy on Build-to-Rent development in Local Plan Reviews, as they come forwards. This Policy could set out parameters of what should be expected on BTR schemes such as design, contract lengths, space standards, communal space standards (even if just stipulating wider standards apply) and facilities, outdoor space, bike storage and active transport measures etc. Examples of policies such as this can be found in the London Plan 2021 and associated Affordable Housing and Viability Supplementary Planning Guidance.

Overall Housing Need

1.14 In line with national policies, this report sets out overall housing need leaving aside development constraints, drawing on the standard method as set out in Planning Practice Guidance (PPG). The current Standard Method figures for Adur and Worthing are 547 and 849 dwellings per annum (dpa) respectively, this is based on updated data on each areas affordability ratio from March 2025. Both areas are however significantly 'supply constrained' with a limited land supply available to accommodate residential development influenced by their geography.

1.15 As has been the case in recent years, housing targets in local plans are likely to be primarily influenced by the supply of potential residential land and are unlikely to meet housing need in full. This has implications for planning policies which therefore need to prioritise, where possible, more acute housing needs.

1.16 This report has considered the demographic implications of a potential supply-led scenario for housing growth, and how this might influence the mix of homes needed. It includes demographic projections that link to the current Standard Method figures as well as a capacity led scenario which (indicatively) estimates a delivery of 150 dwellings per annum in Adur and 230 dpa in Worthing.

1.17 In the capacity led scenario there would be a 4.8% population increase (approx. 8,500 people) across Adur and Worthing. It models Adur's population growing by 3.9% and Worthing's by 5.4% between 2024-42. All of this growth would be in the population aged 65 and over; while both Under 16's and 16-64 age groups are expected to decline. Compared to the standard method scenario (which would see population growth of 46,000), it is clear that the effect of a constrained land supply on demographic changes is significant.

Affordable Housing Need

1.18 The analysis in this report takes into account local housing costs (to both buy and rent) along with estimates of household income. Modelling based on the capacity led population projections indicates that there is an acute need for affordable housing in both local authorities with a net need for 323 affordable homes a year in Adur and 493 affordable homes per year in Worthing. In both cases, this exceeds the overall levels of housing provision.

1.19 The majority of need is from households who are unable to buy OR rent and therefore points particularly towards a need for rented affordable housing rather than Affordable Home Ownership (AHO).

Table 1.1 Estimated Need for Affordable Housing (per annum) – split between different affordability groups

	Unable to buy OR rent	Able to rent but not buy	TOTAL	% unable to buy OR rent
Adur	245	78	323	76%
Worthing	338	155	493	69%

Source: Iceni analysis

1.20 The current Adur Local Plan Policy (2017) (Policy 21) seeks 75% rented affordable and 25% intermediate housing; whilst Worthing's Local Plan (2023) seeks 10% affordable home ownership and then a 75/25 split between rented and intermediate housing on remaining affordable housing provision. This reflected national policy at the time of the Plan's preparation.

1.21 The evidence herein would support greater emphasis on delivering rented affordable housing, and particularly provision of housing at social rents. Whilst this needs to be balanced against viability considerations, it would point to a 80/20 split between rented and intermediate affordable housing now being more appropriate with at least 25% of overall affordable housing provision at social rent levels. Rented affordable housing values should not exceed Local Housing Allowance (LHA) levels.

1.22 The study also considers different types of affordable home ownership. Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to privately rent) as it has the advantage of a lower deposit and subsidised rent. The Study finds no strong evidence of a need for First Homes or discounted market housing more generally.

Need for Different Size of Homes

1.23 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population. The proportion of households with dependent children in Adur and Worthing is low. There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas as lone parents are particularly likely to live in social or private rented accommodation. The modelling is based on the capacity led population projections and considers long-term demographic changes as well as adjustments to take account of right-sizing.

1.24 In all sectors across both areas the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes. For rented affordable housing for Under 65s there is a clear need for a range of different sizes of homes, including 45% to have at least 3-bedrooms of which 10% should have at least 4-bedrooms. Our recommended mix is set out below:

Table 1.2 Suggested size mix of housing by tenure – Adur

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	10%	25%	20%	60%
2-bedrooms	45%	45%	35%	40%
3-bedrooms	35%	25%	35%	
4+-bedrooms	10%	5%	10%	

Source: Iceni Analysis

Table 1.3 Suggested size mix of housing by tenure – Worthing

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	5%	30%	25%	60%
2-bedrooms	40%	40%	30%	40%
3-bedrooms	40%	25%	35%	
4+-bedrooms	15%	5%	10%	

Source: Iceni Analysis

1.25 The strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues. The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.

1.26 In applying the conclusions, consideration needs to be given to site location and the character of the area, and the form of development being considered. There is a particular role for the few greenfield sites in Adur and Worthing to play in supporting the delivery of larger family-sized homes (3+ beds); whilst it would equally be reasonable to expect – through policy – some more urban sites to contribute to provision of smaller 1-2 bed homes. The Councils should also monitor the mix of housing delivered.

Older Persons and those with a Disability

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

1.28 The data shows that Adur an d Worthing has an older age structure than seen regionally or nationally and higher levels of disability compared with the regional average. The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (80% of all older person households are outright owners in Adur and 78% in Worthing).

1.29 On the capacity-led forecasts the older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase substantially. Key findings for the 2024-42 period include:

- a 28% increase in the population aged 65+ in Adur and a 29% increase in Worthing – accounting for in excess of 100% of all population growth;

- a 37%-41% increase in the number of people aged 65+ with dementia and a 33%-36% increase in those aged 65+ with mobility problems;
- a need for around 590 additional housing units with support (sheltered/retirement housing) in Adur and 520 in Worthing – mainly in the affordable sector;
- a need for around 500 additional housing units with care (e.g. extra-care) in Adur and 570 in Worthing – the majority in the market sector;
- a need for additional nursing and residential care bedspaces in Adur only (around 470 in the period studied); and
- a need for around 700 dwellings to be for wheelchair users (meeting technical standard M4(3)) – 260 in Adur and 440 in Worthing to 2042.

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

1.31 Adur's Local Plan (Policy 20) and Worthing Local Plan Policy DM1 require all new dwellings to meet M4(2) standards unless it is impractical or unviable. The evidence indicates that this remains appropriate.

1.32 Adur Local Plan Policy 20 seeks M4(3) provision where a local need is identified. The evidence herein would support policies seeking 5% M4(3) homes as part of market housing; and 10% of affordable housing.

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

Other Specific Groups

Children in Care

1.34 There are currently 14 children's residential homes within the parliamentary constituencies that cover Adur and Worthing, 10 of which are privately operated. West Sussex County Council (WSCC) is the relevant authority responsible for managing social care; and is experiencing rising demand for residential care placements, with general trends showing an increase in the number of children requiring such provision. There are greater challenges in finding suitable, local placements. This has resulted in some children being placed further from home than is ideal, reflecting both local and national sufficiency challenges.

1.35 Going forwards the Councils should be broadly supportive of the development of new Children's homes, providing other planning considerations are acceptable. New children's homes are likely to come forward principally through the conversion of existing suburban properties rather than new-build development.

Self and Custom Build

1.36 The Levelling Up and Regeneration Act (LURA) made amendments to the way demand/need and supply of self and custom-built dwellings is calculated. Need must be calculated cumulatively with supply permissions needing to now be able to demonstrate that they will result in a self or custom build dwelling.

1.37 The Councils reviewed their Self and Custom build Registers following the introduction of the Local Connection Test in 2019, with all existing registrants requested to demonstrate a local connection in order to enter onto Part 1. The current register therefore considers entrants from Base Period 5 onwards. Currently there are 17 registrants on Part 1 of Adur's register and 30 registrants on Worthing's. With only Worthing granting any permissions for self and custom build dwellings (3 permissions) in this time period, both areas currently have an unmet need.

1.38 The Councils must also have regard to Part 2 of the Register when undertaking planning, housing, land disposal and regeneration functions. Data indicates that a further 50 entrants lie on Part 2 of the register across the two areas.

1.39 Worthing Local Plan Policy DM1 is supportive of self- and custom-build development; and whilst recognising the constrained supply in both authorities, it would be appropriate for the Adur Local Plan Review to include similar policy support. We would expect this form of development to be principally brought forward through small infill and windfall sites.

Students

1.40 There is no higher education provision and two further education providers in Adur and Worthing. They primarily draw from the local area and as such a majority of their students remain living at home with family rather than moving into student accommodation. There is therefore no justification for a specific policy relating to student housing in either area.

Service Personnel and Key Workers

1.41 There are no military establishments within Adur or Worthing, neither authority are listed within Ministry of Defence (MOD) statistics on the location of military personnel and therefore it is assumed that none are stationed here. There is therefore no justification for a specific planning policy relating to Service Personnel in either area.

1.42 Annex 2 of the NPPF identifies frontline public sector employees such as NHS staff, teachers, police and Military Personnel as Essential Local Workers. As such, accommodation for them specifically comes under the definition of affordable housing.

1.43 This group will largely be accounted for within the assessments of affordable housing need made in this report. Which include analysis of population growth, incomes and concealed households and as a result will not be additional to it.

Homelessness and Victims of Domestic Abuse

1.44 In both Adur and Worthing the number of people presenting as homeless to the council has increased in recent years. One of the key reasons behind this is supply issues in the wider private rental market pushing up costs and making renting unaffordable for many people. Increased presentations is a growing issue for the Councils, particularly when it comes to Temporary Accommodation and the cost for providing this.

1.45 The waiting list for affordable housing is growing also with growth in needs for single people being a key concern. The provision of new small affordable housing units suitable for single people will aid to relieve some of this pressure and allow reliance to TA for smaller households to decrease.

1.46 In terms of Victims of domestic abuse approximately 10% of households presenting as homeless across Adur and Worthing report this as a key reason for becoming homeless. The Pan-Sussex strategy highlights a need for new units for Victims but does not break this down to district or borough level. The Council are aware that new units are needed for victims as many Victims are placed in regular TA which may not offer the best support.

1.47 Overall the strategy encourages the development of a number of different forms of accommodation suitable for Victims such as; dispersed, self-contained units, specialist safe accommodation, short-term/respite, Sanctuary Schemes, improved move-on and second-stage accommodation, and better Private Rented Sector (PRS) options linked with support. These types of schemes can be provided by a range of different operators from councils themselves to registered providers.

2. Introduction

2.1 Adur and Worthing Councils have commissioned Iceni Projects to prepare a Housing Needs Assessment (HNA) for both areas. This HNA provides an evidence base on housing need and mix which will inform local planning policies, particular the Adur Local Plan Review, together with decision making on individual planning applications. This report updates much of the information contained in the 2020 SHMA.

2.2 Worthing Borough has an up-to-date Local Plan, which was adopted in March 2023. A review of the Adur Local Plan is however underway. The housing needs evidence herein can help to inform this. As the Adur Local Plan is in the process of being reviewed, an indicative capacity based scenario has been used within population forecasts to assess against the Standard Method figures. Similarly; as the Worthing Local Plan (WLP) was recently adopted in 2023, the adopted WLP annual housing requirement figure of 230 dwellings per annum has been assessed against the Standard Method figure.

2.3 A significant proportion of both Adur District and Worthing Borough is covered by the South Downs National Park (SDNP), the South Downs National Park Authority is the Plan Making Authority for these parts of Adur and Worthing. It should be noted that a very small proportion of dwelling stock in each authority lies within the SDNP, therefore data for Adur and Worthing as a whole is used throughout this report.

2.4 The report is based on the best and most up-to-date information available at the time of drafting in Spring 2025. The report therefore incorporates changes to the National Planning Policy Framework published in December 2024.

2.5 The remainder of this report is set out as follows:

- Section 3: Migration

- Section 4: Housing Stock and Supply Trends
- Section 5: Housing Market Dynamics
- Section 6: Overall Housing Need
- Section 7: Affordable Housing Need
- Section 8: Housing Mix
- Section 9: Older Persons and those with a Disability
- Section 10: Other Specific Groups

3. Recent Migration Patterns

3.1 This section considers migration to and from other local authorities and Adur and Worthing and specifically how this has changed in the short term from 2020 onwards. Very recent data on migration is somewhat limited with the most comprehensive dataset on internal migration in the UK being the 2021 Census. This data considers moves made between local authorities in the year prior to Census day (21st March 2021), as a result this data reflects much of the Covid lockdown period and as such is impacted significantly by it. We have sought to compare this data with earlier data from the Office for National Statistics (ONS) which takes averages across the 4 year period from 2017-2020.

In-Migration

3.2 The first key measurement to consider is In-Migration, the tables below looks at the top 10 local authorities which saw people move to Adur and Worthing in the relevant periods. In Worthing, Brighton and Hove is the key source of people moving to the area, which given its large population as well as proximity is unsurprising. What is key here is that the profile of in-migrants to Worthing between 2017-20 and 2021 has not really changed. Key origin local authorities are primarily Sussex focused in both periods, with some from slightly further afield such as Portsmouth and the London boroughs of Croydon and Lewisham.

Table 3.1 Worthing, In-Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Brighton and Hove	1,072	Brighton and Hove	1,034
2nd	Adur	910	Adur	719
3rd	Arun	875	Arun	678
4th	Horsham	322	Horsham	265
5th	Mid Sussex	132	Mid Sussex	126
6th	Chichester	98	Chichester	88
7th	Lewes	92	Croydon	84
8th	Crawley	88	Lewes	67
9th	Croydon	82	Crawley	65
10th	Portsmouth	63	Lewisham	59

Source: ONS and Census 2021

3.3 A similar story is seen in Adur, where Brighton and Hove is the key origin destination in both periods, again minimal change is seen in in-migration here with Sussex authorities featuring heavily. Croydon also features as a key origin destination here.

Table 3.2 Adur, In-Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Brighton and Hove	1,513	Brighton and Hove	1,301
2nd	Worthing	507	Worthing	440
3rd	Horsham	146	Horsham	138
4th	Arun	124	Arun	121
5th	Mid Sussex	99	Mid Sussex	89
6th	Lewes	84	Lewes	87
7th	Crawley	43	Wealden	38
8th	Chichester	32	Crawley	30
9th	Wealden	31	Croydon	20
10th	Portsmouth	29	Eastbourne	18

Source: ONS and Census 2021

3.4 With the increase in in migration of some London Boroughs in both areas, it would be appropriate to consider how in-migration from the whole city has changed over time. The table below shows in migration across the two periods in both area while Worthing sees higher in-migration than Adur in both periods it also appears to have increased within the 2021 Census data while in-migration from London to Adur remains much the same.

Table 3.3 In-Migration, All London Boroughs

Rank	2017-20 Average	2021 Census
Adur	286	282
Worthing	737	807

Source: ONS and Census 2021

Out-Migration

3.5 Out-migration considers the number of people who have moved out of Adur and Worthing and to another Local Authority. A key destination for those moving out of Worthing is Arun with approximately the same number of people moving to Arun from Worthing annually across both periods, with almost 3 times the number of people moving to Arun from Worthing than Adur. This may be a factor of Arun generally seeing lower cost housing than Adur and therefore more attractive to Worthing residents because of this. The link with Adur declined slightly between the two periods although does remain strong.

3.6 Overall, Sussex authorities are key migration destinations for people moving away from Worthing, as are other coastal locations such as Southampton, Portsmouth and Bournemouth.

Table 3.4 Worthing, Out-Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Arun	1,290	Arun	1,284
2nd	Adur	507	Brighton and Hove	441
3rd	Brighton and Hove	480	Adur	440
4th	Horsham	280	Horsham	303
5th	Chichester	148	Chichester	112
6th	Mid Sussex	105	Mid Sussex	99
7th	Portsmouth	85	Portsmouth	79
8th	Bournemouth, Christchurch and Poole	69	Bournemouth, Christchurch and Poole	68
9th	Southampton	63	Southampton	64
10th	Lewes	61	Bristol	51

Source: ONS and Census 2021

3.7 In Adur, Worthing is the key destination for those moving away from the area followed by Brighton and Hove, and Arun. Again other Sussex authorities feature highly here as key destinations.

Table 3.5 Adur, Out-Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Worthing	910	Worthing	719
2nd	Brighton and Hove	650	Brighton and Hove	617
3rd	Arun	238	Arun	243
4th	Horsham	238	Horsham	219
5th	Lewes	99	Mid Sussex	97
6th	Mid Sussex	92	Lewes	89
7th	Chichester	52	Chichester	50
8th	Wealden	41	Wealden	38
9th	Portsmouth	39	Bristol	31
10th	Eastbourne	35	Crawley	28

Source: ONS and Census 2021

Net Migration

3.8 Turning then to Net Migration, a positive Net Migration figure shows that there are more people moving into Adur or Worthing from a place than away from it. In contrast to both In and Out-Migration the Net Migration figures indicate that there are strong links with London which do appear to have grown stronger from the 2017-20 period to 2021.

3.9 In Worthing, while both Brighton and Adur feature highly in both periods where 4 other Sussex authorities feature highly in 2017-20 (Horsham, Crawley, Lewes and Mid-Sussex) 3 of the 4 drop off the top 10 destinations in the 2021 period replaced largely with London Borough authorities.

Table 3.6 Worthing, Net Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Brighton and Hove	592	Brighton and Hove	593
2nd	Adur	403	Adur	279
3rd	Croydon	56	Croydon	66
4th	Horsham	42	Sutton	51
5th	Crawley	37	Lewisham	49
6th	Sutton	34	Mid Sussex	27
7th	Lewes	31	Southwark	26
8th	Mid Sussex	28	Bromley	25
9th	Merton	27	Haringey	25
10th	Bromley	24	Reigate and Banstead	24

Source: ONS and Census 2021

3.10 A similar story is true in Adur, although the net migration figures are generally lower than those seen in Worthing.

Table 3.7 Adur, Net Migration

	2017-20 Average		2021 Census	
Rank	Local Authority	People	Local Authority	People
1st	Brighton and Hove	864	Brighton and Hove	684
2nd	Sutton	17	Croydon	18
3rd	Croydon	16	Hackney	15
4th	Crawley	12	Merton	13
5th	Liverpool	8	Wandsworth	13
6th	Kingston upon Thames	8	Hillingdon	13
7th	Wandsworth	7	Ealing	12
8th	Central Bedfordshire	7	Mole Valley	11
9th	Mole Valley	7	Bexley	10
10th	Mid Sussex	7	Sutton	9

Source: ONS and Census 2021

3.11 When Net Migration from all London boroughs is considered the data shows increases in both areas from 2017-20 to 2021. However, despite this increase the total London to Adur and Worthing net migration figures remains 2nd after Brighton as a key origin destination in both areas.

Table 3.8 Net Migration, All London Boroughs

Rank	2017-20 Average	2021 Census
Adur	117	178
Worthing	302	501

Source: ONS and Census 2021

Gross Migration by Population Size

3.12 Turning finally then to Gross Migration relative to the size of the population, this measurement seeks to regularise the migration figures proportionally to the population. Figures show the number of people moving between the two authorities per 1,000 of the population, e.g. in the 2021 Census an average of 6.59 people out of 1,000 based in either Adur or Worthing moved between the two areas in the year prior. A higher figure per 1,000 head indicates a stronger relationship.

3.13 Worthing generally sees stronger links with Sussex based authorities with the strongest being Arun followed by Adur. Adur also sees strong Sussex links although is strongest with Worthing followed by Brighton, the link between the two has declined between the two periods.

Table 3.9 Worthing, Gross Migration per 1,000 head of Population

	2017-20 Average		2021 Census	
Rank	Local Authority	Per 1,000 head	Local Authority	Per 1,000 head
1st	Adur	8.10	Arun	7.10
2nd	Arun	7.96	Adur	6.59
3rd	Brighton and Hove	3.86	Brighton and Hove	3.80
4th	Horsham	2.35	Horsham	2.20
5th	Chichester	1.06	Mid Sussex	0.85
6th	Mid Sussex	0.90	Chichester	0.85
7th	Lewes	0.72	Lewes	0.53
8th	Crawley	0.62	Crawley	0.49
9th	Portsmouth	0.45	Eastbourne	0.38
10th	Eastbourne	0.41	Portsmouth	0.37

Source: ONS and Census 2021

Table 3.10 Adur, Gross Migration per 1,000 head of Population

	2017-20 Average		2021 Census	
Rank	Local Authority	Per 1,000 head	Local Authority	Per 1,000 head
1st	Worthing	8.10	Worthing	6.59
2nd	Brighton and Hove	6.08	Brighton and Hove	5.61
3rd	Horsham	1.83	Horsham	1.69
4th	Arun	1.60	Arun	1.59
5th	Lewes	1.09	Lewes	1.07
6th	Mid Sussex	0.88	Mid Sussex	0.86
7th	Chichester	0.45	Wealden	0.34
8th	Crawley	0.42	Chichester	0.33
9th	Eastbourne	0.36	Crawley	0.32
10th	Wealden	0.32	Eastbourne	0.19

Source: ONS and Census 2021

3.14 While Net Migration from London is high in both areas this does not translate across to Gross Migration per 1,000, in 2021 these figures were very low at only 0.13 with Worthing and 0.04 with Adur. This is likely a result of the very large population of London where the overall gross migration figures to Adur or Worthing are not high in comparison to other places which leads to a weak proportional relationship.

Summary

3.15 **Brighton and Hove has consistently remained the primary source of in-migrants for both Worthing and Adur**, which is expected due to its large population and proximity.

3.16 The overall profile of in-migrants has not significantly changed for Worthing, with Sussex authorities continuing to be key origins, along with some London boroughs like Croydon and Lewisham. A similar stability is seen in Adur, with Sussex authorities featuring heavily.

3.17 Out-Migration statistics shows that in both Adur and Worthing, other Sussex authorities are significant destinations for people moving out of the area. While Worthing's biggest out-migration location is Arun, Adur's in Worthing, in both cases this is likely a result of people seeking less expensive housing.

3.18 Looking at London as a whole, while some data suggests stronger and growing links with the city, **total net migration from London remained the second key origin destination after Brighton** for both Adur and Worthing.

4. Housing Stock and Supply Trends

Housing Offer

Tenure Profile

4.1 At the time of the 2021 Census, Adur District's tenure profile showed a relatively high level of home ownership (72%) of all household whilst Worthing shows a slightly lower rate at 68%. Both districts have a relatively higher rate in comparison to South East and England at 66% and 61%, respectively.

Table 4.1 Tenure Profile by Households, 2021

Area	Owned	Social Rented	Private Rented
Adur	72%	12%	15%
Worthing	68%	10%	22%
South East	66%	14%	19%
England	61%	17%	20%

Source: Census 2021

4.2 Equally, the proportion of social renters in Adur District is slightly higher at 12% when compared to the Worthing borough (10%); whereas social renters in South East and England were higher at 14% and 17%, respectively.

4.3 The Regulator of Social Housing (RSR) provides a summary overview of affordable housing owned or part owned by Registered Providers. According to the data, there are 19 registered providers with properties in the Adur District and 22 registered providers in Worthing Borough. This data is shown in Table 3.2, there were 919 general needs properties in Adur and 4,201 properties in Worthing.

4.4 The two Councils differ slightly in ownership of affordable homes. Where Adur owns its own stock, in Worthing stock that was originally owned by the Council was transferred to Worthing Homes in 1999 who are now in charge of all management of and investment in affordable housing stock.

Table 4.2 The Profile of Existing Affordable Homes in Adur & Worthing, 2024

	Adur	Worthing
General Needs: Self-Contained	919	4,201
General Needs: Non Self-Contained	-	-
General Needs	919	4,201
Supported Housing / Housing for Older People	200	710
Low Cost Home Ownership	177	267

Source: Regulator of Social Housing, 2024[1]

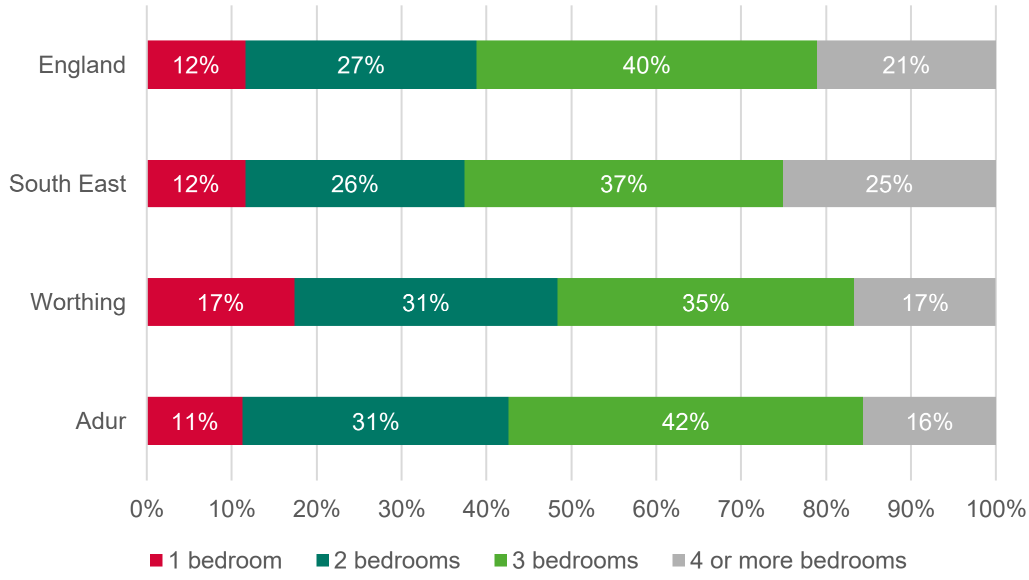
House Sizes and Types

4.5 The household stock within Adur and Worthing has a higher proportion of smaller properties in comparison to regional and national comparatives, as shown in Figure 3.1. At the time of the 2021 Census, the proportion of 1- and 2-bedroom properties accounts for 48% of all housing stock in Worthing; and 42% of stock in Adur.

4.6 Adur and Worthing both show a lower stock of larger properties, specifically 4 or more-bedroom properties than the proportion of stock seen regionally and nationally. This is likely to be influenced by land supply constraints.

[1] Registered provider social housing stock and rents in England 2023 to 2024 - GOV.UK

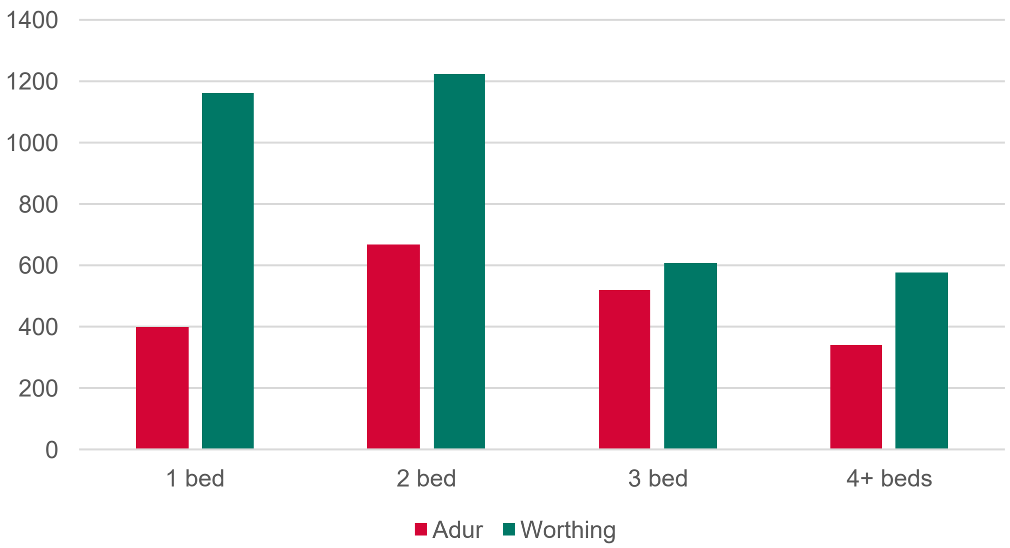
Figure 4.1 Households by Size, 2021



Source: Census, 2021

4.7 Figure 4.2 provides a breakdown of completions by size from 2020 to 2024. Of all completions in Adur and Worthing, the proportion of smaller properties are higher in Worthing in comparison to Worthing. Adur shows a higher proportion of 2 bed property completions in comparison to other sizes in the area. Delivery of larger properties is under-represented.

Figure 4.2 Completions by Size, 2020-2024

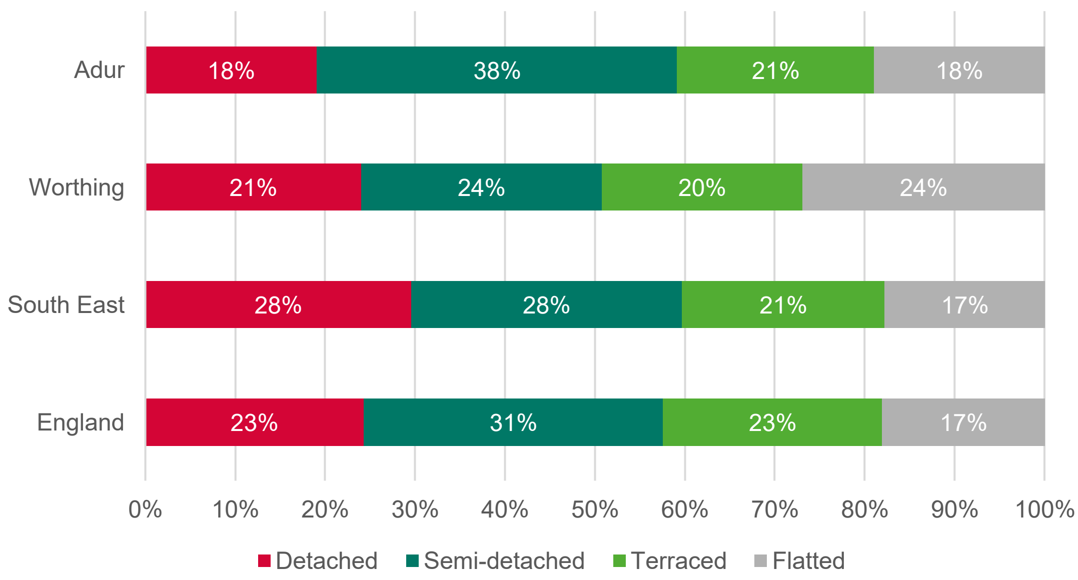


Source: Energy Performance Data

4.8 Figure 4.3 reveals the housing stock split between different areas. Adur shows a higher relative rate of semi-detached housing (38%) in comparison to other areas whilst Worthing shows a higher proportion of flats (24%) than Adur, regional and national rates at 6 percentage points higher than Adur District and 7 percentage points higher than the South East and England as a whole.

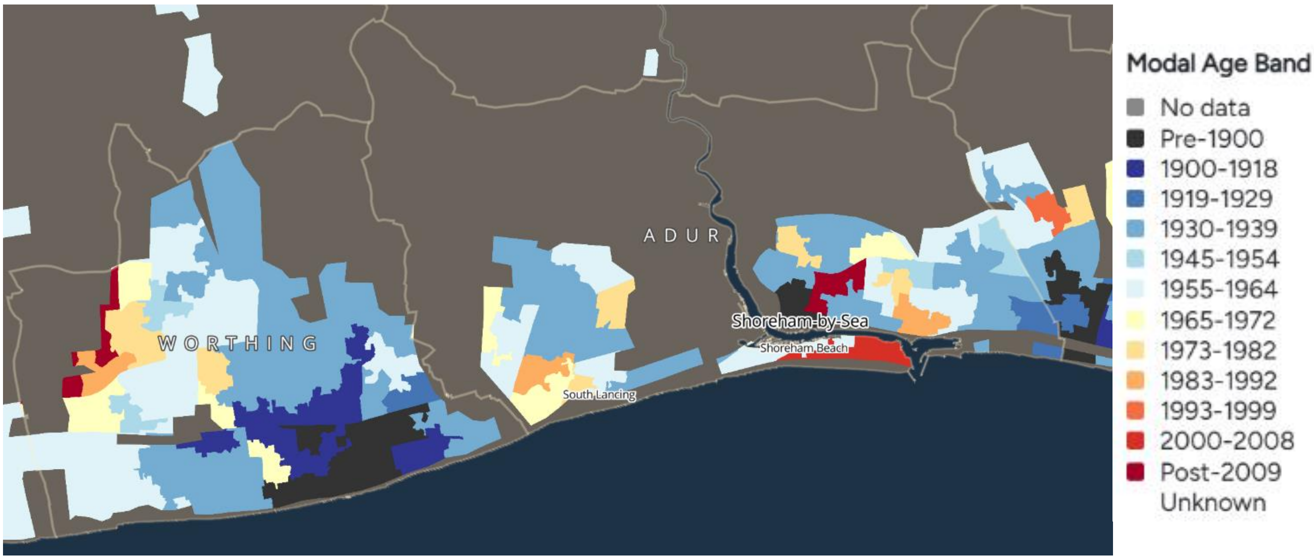
4.9 The proportion of detached dwellings in both Adur and Worthing is less than the proportion seen regionally and nationally. In Adur the proportion of semi-detached dwellings far exceeds all other areas at 38%, compared to Worthing which has the lowest proportion at 24%. Worthing generally sees more denser types of dwelling stock than other areas. This is likely a factor of the generally older housing stock in Worthing compared to Adur. As can be seen in figure 4.4 which shows large areas of Worthing where much of the dwelling stock was constructed prior to 1939 while Adur sees a much more varied mix of ages.

Figure 4.3 Households by Type, 2021



Source: Census, 2021

Figure 4.4 Dwelling Age Bands



Source: Consumer Data Research Centre, Dwelling Ages and Prices, 2024

Profile of Households

4.10 At the time of the 2021 Census, there were approximately 27,700 households[2] in the Adur District and 49,500 households in the Worthing Borough. The household composition of those households in Adur and Worthing, benchmarked against the South East and England are shown in Table 4.3.

[2] Household refers to the census definition of "one person living alone, or a group of people living at the same address and sharing both cooking facilities and a living room or dining area"

Table 4.3 Household Composition, 2021

	Adur	Worthing	South East	England
Single Household: Aged 66 and over	17%	16%	13%	13%
Single Household: Aged under 66	13%	18%	15%	17%
Couple: No children	10%	10%	11%	10%
Couple: Dependent Children	14%	13%	16%	14%
Couple: Non-Dependent Children	6%	5%	6%	6%
Lone Parent: Dependent Children	6%	6%	6%	7%
Lone Parent: Non-Dependent Children	4%	4%	4%	4%
Other: All Full-Time Students	4%	4%	4%	4%
Other: (excl. all full-time students)	6%	6%	7%	7%

Source: Census, 2021

4.11 According to the data, the rate of single households aged over 66 are higher in Adur and Worthing when compared regionally and nationally. The proportion of single households under 66 is higher in Worthing (18%), broadly in line with the national rate (17%). The higher rates of flatted developments in Worthing can be associated with a higher proportion of single households under 66 as they will often be smaller dwellings and therefore more suitable and affordable for single people than larger homes.

4.12 The percentage of couples with dependent children in Adur is slightly higher, albeit a lower rate in comparison to the South East region as a whole. The rate in Worthing is broadly in line with the national rate. Higher rates of family-sized properties correlate with a greater proportion of couples with children, as seen in Adur and the South East overall.

4.13 The table below shows the change in household composition between 2011 and 2021. Both areas have seen a decrease in the proportion of single households under 66. As well as decreases in the proportion of couples with no children, although the decrease in Adur is much more significant than in Worthing. Both areas also see increases in the proportion of couples with dependent children as well as overall increases in the proportion of households with non-dependent children (1.2% in Adur and 1.4% in Worthing).

4.14 Increases in the proportions of families with dependent children will relate to either the in-migration of existing families, or couples in the area having children. Increases in the proportion of households with non-dependent children indicates an increased number of adult children living with their parents in both areas, which is an indicator of housing affordability pressures which results in adult children not moving to a place of their own sooner.

Table 4.4 Change in Household Composition, 2011-2021

	Adur	Worthing
Single Household: Aged 66 and over	0.5%	0.0%
Single Household: Aged under 66	-1.8%	-2.0%
Couple: No children	-2.3%	-0.5%
Couple: Dependent Children	1.2%	0.1%
Couple: Non-Dependent Children	0.4%	0.7%
Lone Parent: Dependent Children	-0.3%	-0.1%
Lone Parent: Non-Dependent Children	0.8%	0.7%
Other household types	0.5%	-0.1%
Other: With dependent children	0.2%	0.0%

Source: Census 2011 and 2021

Occupation of Homes

4.15 Overcrowding refers to the number of properties which have fewer rooms than required. It is calculated based on household size, age and relationships of household members. Whilst under-occupied properties are those with more bedrooms than the house theoretically needs. For instance, an under-occupied property can relate to a couple with no children living in a two or more-bedroom property.

4.16 The rise in overcrowded households and Houses in Multiple Occupations (HMOs) nationally may partly be due to increases in young adults living with parents longer as well as affordability pressures in the rental market forcing people to consider HMO accommodation rather than rent on their own. This reflects the limited access to mortgages faced by many people and undersupply of housing, particularly in the rental sector.

4.17 The English Housing Survey (2023-24) states the overall rate of overcrowding in England during the 2023-24 period as 3%, broadly in line with previous years. According to the 2021 Census data, overcrowding was more prevalent in the rented sectors than for owner occupiers. At the time of the 2021 census, the rate of overcrowding nationally was lower in the owner-occupied sector (25%) when compared to social renters (35%) and private rentals (39%).

4.18 The survey sets out the overall prevalence of non-decent homes decreased from 17% in 2019 to 15% in 2023, compared to pre-pandemic estimates. This decline was observed across different housing tenures, with overcrowded properties in the owner-occupied sector falling from 16% to 14% and in the social rented sector decreasing from 12% to 10%.

4.19 Occupancy rating details the size of a dwelling relative to the size of the household occupying it. We have used the Census bedroom standard which compares the number of bedrooms in a home to the number required by the resident household.

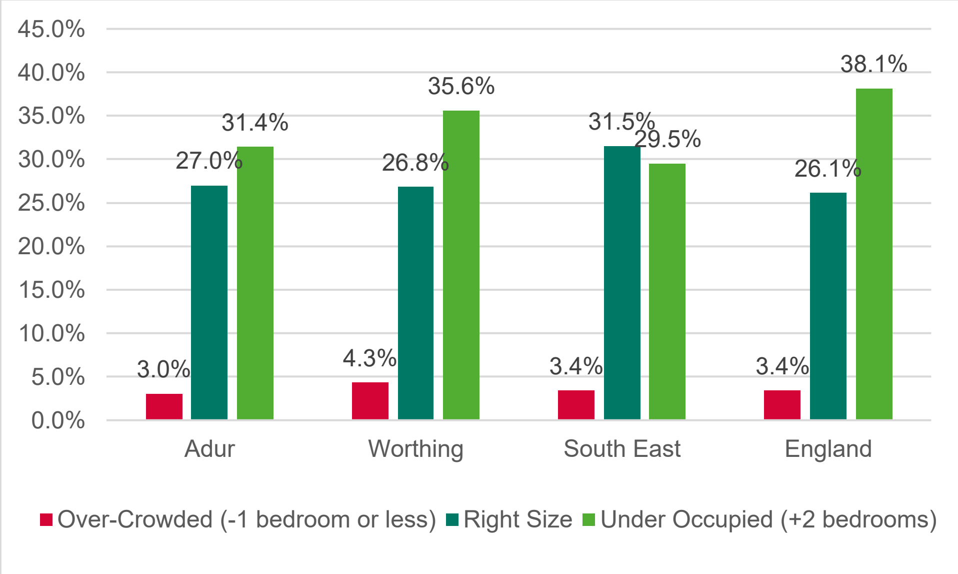
4.20 The rating system can indicate how homes are occupied: a positive score of +1 or more indicates that a dwelling is under-occupied (it has one or more bedrooms than the household needs), 0 indicates a dwelling that is at capacity or right sized and -1 or less a dwelling that it is over-occupied (it has at least 1 bedroom too few than the household needs).

4.21 The number of bedrooms needed by a household is calculated according to the bedroom standard which requires any of the following groups to have their own bedroom:

- adult couple
- any remaining adult (aged 21 years or over)
- two males or (aged 10 to 20 years)
- one male (aged 10 to 20 years) and one male (aged 9 years or under), if there is an odd number of males aged 10 to 20 years
- one male aged 10 to 20 years if there are no males aged 0 to 9 years to pair with him
- repeat the above steps for females
- two children (aged 9 years or under) regardless of sex
- any remaining child (aged 9 years or under)

4.22 The figure below shows the proportion of homes at each occupancy level in the 2021 Census, it should be noted that this does not equal 100% due to homes with only 1 spare bedroom being discounted. Overall, Worthing has the highest proportion of overcrowded homes at 4.3%, higher than the regional and national proportions although does also see a higher proportion of under occupied homes than the regional average. Adur sees a lower proportion of overcrowded homes at 3% but also a lower proportion of under occupied homes. Both areas see similar proportions of homes which are the right size for the household occupying them.

Figure 4.5 Occupancy Rating (bedroom standard)



Source: Census 2021

4.23 Looking at the change in Occupancy between the 2011 and 2021 Census, the table below shows how the proportion of each occupancy type has increased or decreased over time. In both Adur and Worthing the proportion of households which are over-crowded has increased marginally between the two Census's, this is against marginal decreases in the Region and Country.

4.24 The proportion of households in a home that is the right size has also increased marginally in Adur (0.2%) but declined quite significantly in Worthing (-4.6%). The proportion of households living in underoccupied homes has increased in both areas although Worthing has seen a much larger increase than Adur.

4.25 When considered together, the data shows that underoccupancy in Adur has decreased slightly (-0.7%). This sits alongside very slight increases in rightsized and over-crowded households. This indicates that households spaces in Adur are becoming very slightly more pressured.

4.26 The story is somewhat different in Worthing where underoccupied dwellings have increased by 3.6% overall in the 10 year period with a clear shift towards dwellings having 2 or more spare bedrooms. The proportion of right size dwellings has also decreased alongside an increase in overcrowding.

4.27 The changes in occupancy can be down to a number of factors, including demographic change and change in household composition.

Table 4.5 Occupancy Rating Change, 2011-2021

	Over-Crowded (-1 bedroom or less)	Right Size (0)	Under Occupied	
			+1 bedroom	+2 or more bedrooms
Adur	0.5%	0.2%	-2.4%	1.7%
Worthing	1.0%	-4.6%	-4.2%	7.8%
South East	-0.2%	5.8%	2.0%	-7.6%
England	-1.2%	-0.6%	-2.0%	3.8%

Source: Census 2011 and 2021

Shared Housing

4.28 The proportion of people living in a shared dwelling[3] decreased between 2011 and 2021 in both Adur and Worthing, both areas decreasing modestly by -9%. This contrasts with growth at a regional and national level.

Table 4.6 Change in Incidence of Shared Housing

	Change between 2011 and 2021
Adur	-9% (-66)
Worthing	-9% (-211)
South East	1% (1,260)
England	3% (33,200)

[3] Two or more household spaces at the same address that are not self-contained, but combine to form a shared dwelling that is self-contained. Shared Dwellings would only include HMO's where the occupants of the dwelling do not share facilities such as kitchens and bathrooms.

Source: Census 2011 and 2021

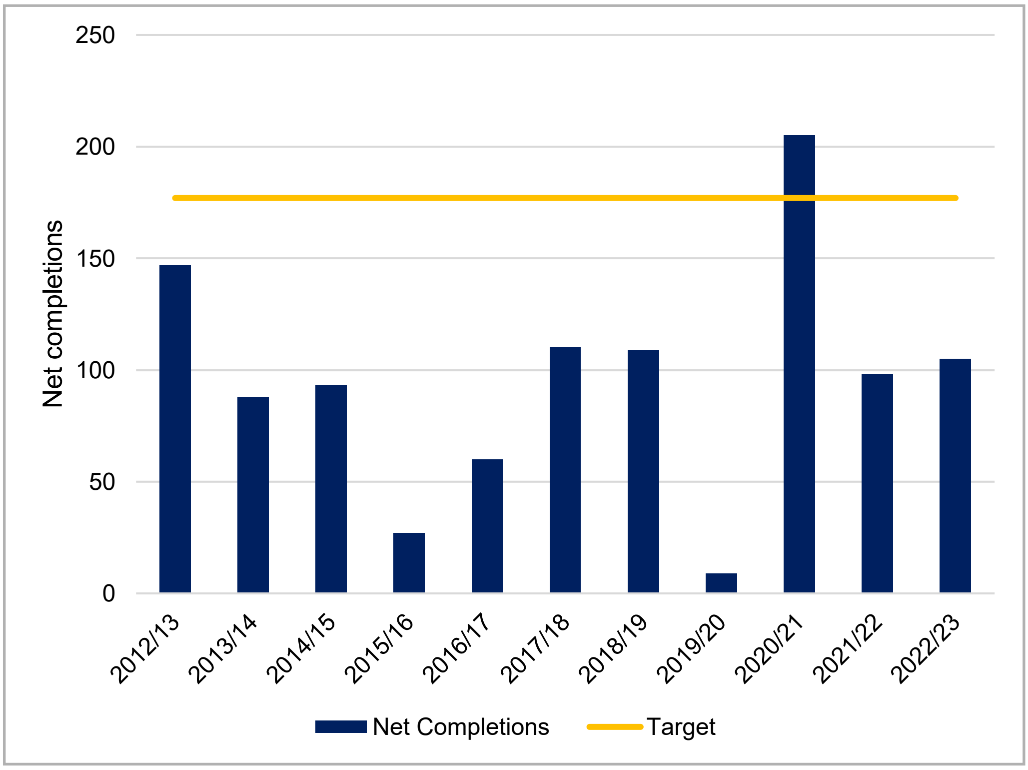
Housing Supply Trends

Housing Completions

4.29 The housing completions data for Adur and Worthing dating back to the year 2012/2013 have been assessed. Figure 4.6 sets out the net housing completions in both authorities from 2012/2013 and 2022/2023 in comparison to the annual housing targets detailed in the Annual Monitoring Reports.

4.30 The Adur Local Plan (adopted in December 2017) sets the housing requirement for development of 3,718 homes over the 2011-32 plan period, equating to an annual average of 177 homes per annum. However as the chart below shows, delivery has fallen consistently below this.

Figure 4.6 Adur District – Total net completions against the annual housing target



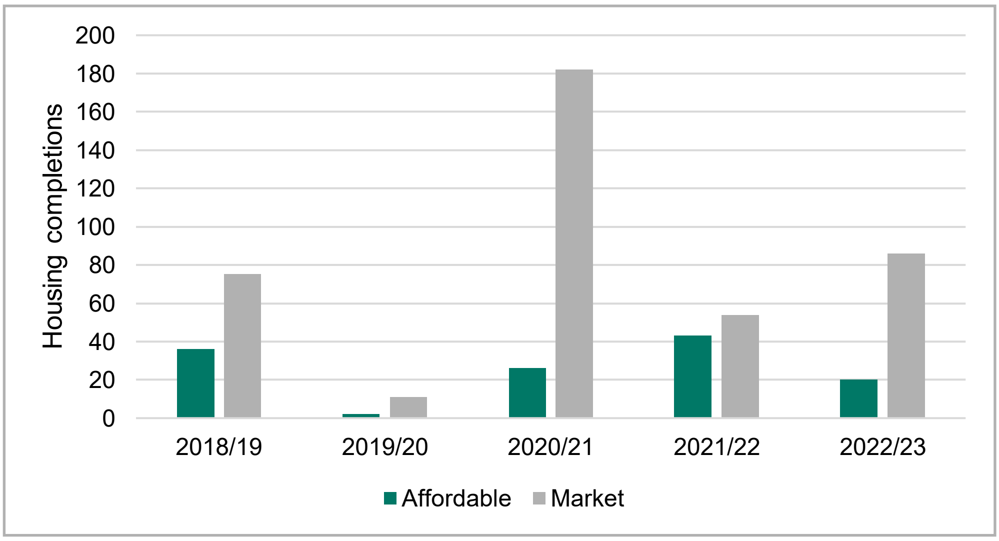
Source: Adur Annual Monitoring Report

4.31 The figure above highlights that housing delivery has varied over the decade, with a peak delivery rate in the year 2020/2021. The rate of net completions shows its lowest rate in 2019/2020.

4.32 Overall the land supply in Adur is significantly constrained with the SDNP in the north of the district hugging the boundary of the built areas and accounting for over half of Adur District overall. The low level of completions in the district is a reflection of this with land supply limited to specific greenfield allocations and brownfield land, if just one or two sites are impacted in a way that slows down delivery, this can really impact the ability of the council to meet annual targets.

4.33 The figure below shows the gross housing completions with regard to the proportion of affordable and market homes delivered. The figure indicates 2019/20 had the lowest affordable home delivery during the five-year period. During 2020/21, a significant number of market homes were delivered compared to other years.

Figure 4.7 Adur District – Gross Market and Affordable[4] Completions

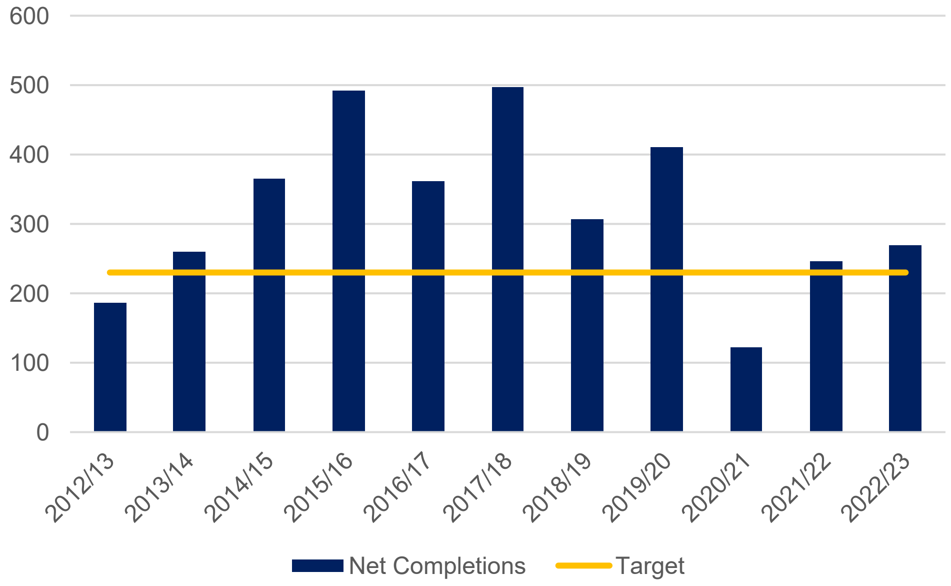


Source: Adur Annual Monitoring Report

[4] Affordable includes social (around 50% market rate), affordable (up to 80% market rate) or intermediate rents, and affordable home ownership products

4.34 Figure 4.8 below sets out the net housing completions across Worthing from 2018/19 onwards set against the Worthing Local Plan target of 230 homes per annum. The figure indicates housing delivery in the area has achieved housing targets, with the exception of the years 2012/13 and 2020/21. The decline in completions during 2020/21 can be linked to the effects of the pandemic.

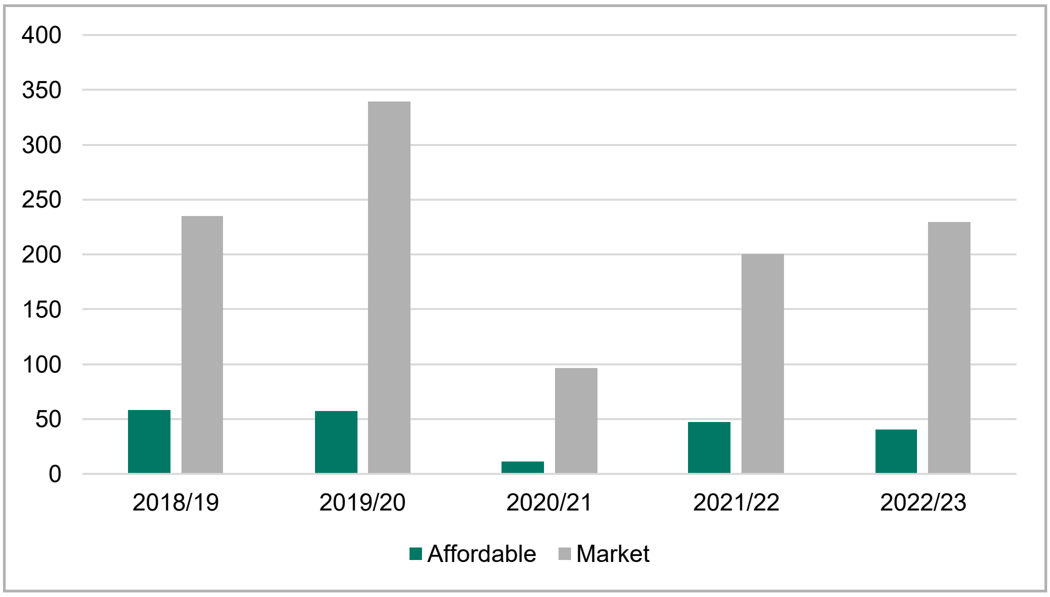
Figure 4.8 Worthing District – total net completions against the annualised target



Source: Worthing Annual Monitoring Report

4.35 The breakdown of completions by market and affordable homes has been set out in Figure 4.9. The figure shows steady delivery of homes during the period with a drop in the year 2020/21. The same trend is shown for the affordable homes delivery.

Figure 4.9 Worthing District – Gross Market and Affordable Completions



Source: Worthing Annual Monitoring Report

Summary

4.36 At the time of the 2021 census, home ownership rates in Adur and Worthing were relatively high, accounting for 72% and 68%, respectively. The figures surpass the averages for the South East and England. In contrast, private renting was notably low in Adur at 15%, while Worthing had a significantly higher proportion at 22%.

4.37 The housing stock in Adur is predominantly characterised by a larger proportion of semi-detached homes in comparison to all other areas. Meanwhile, flatted properties dominate the market in Worthing, accounting for 24% of all households in the area.

4.38 The proportion of smaller properties (1 and 2 bed homes) is higher in Adur and Worthing in comparison to regional and national averages, at 48% and 42%, respectively.

4.39 In terms of housing delivery, completions in Adur have varied over the past decade. Since 2012/13, housing delivery has fluctuated exceeding the annual target of 177 homes only once in the year 2020/21. In Worthing, housing completions have consistently met annual targets every year, with the exception of the year 2020/21.

5. Housing Market Dynamics

House Prices

5.1 According to ONS data, the median house price in Adur is £365,000, approximately 3% lower than the South East average, albeit 26% above the national average. The median house price in Worthing (£355,000) is approximately 5% lower than the median price for South East as a whole but 22% above the national average.

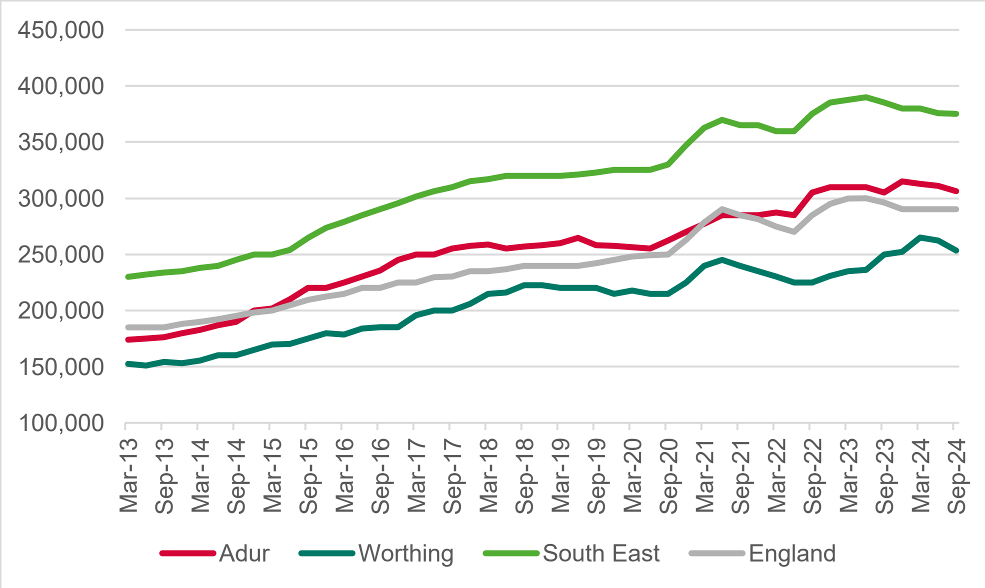
Table 5.1 House Price Benchmarks

Area	Median	Lower Quartile
Adur	£365,000	£306,000
Worthing	£355,000	£253,282
South East	£375,000	£275,000
England	£289,995	£190,587

Source: ONS - median, mean and lower quartile house prices for administrative geographies, year ending September 2024

5.2 The figure below sets out the changes in house prices from 2012 to 2023. The data indicates house price trends have closely followed the South East and England trends over the period. During this period, house prices rose by £178,000 in Adur, equivalent to an 84% increase. In Worthing, the house prices rose by £160,000, equal to an 80% increase. Across the South East, house prices increased by £153,000, equal to 67% and national averages show a £109,000 increase over the period, equal to 60%. In comparison to the regional and national averages, house price increases in Adur and Worthing were higher.

Figure 5.1 Median House Price Trends, 2012-2023



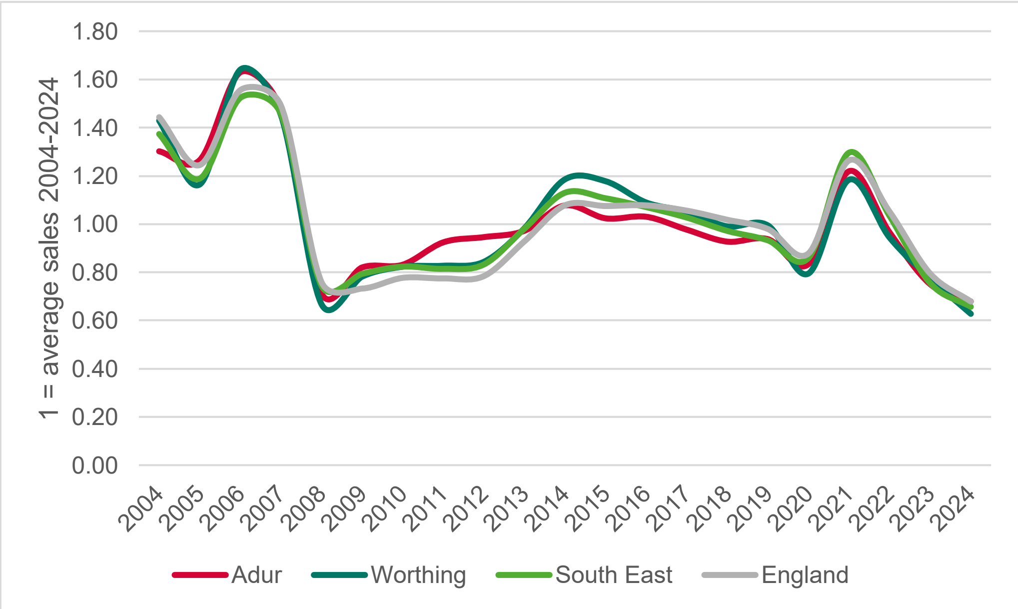
Source: ONS – House Price Statistics for Small Areas (year ending September 2024)

Sales Trends

5.3 Iceni have reviewed long-term property sales performance to assess the relative demand for market homes for sale. The annual sales over the last 20 years is shown in the figure below. The data shows the indexed annual sales for both authorities, benchmarked against regional and national averages. Similar trends across all the areas highlights the impact of macro-economic factors on the market. Housing market activity was subdued between 2009-2014 influenced by the credit crunch, however sales volumes reached 80% of the pre-recession trend. The decrease in sales volume during the year 2020 can be attributed to the Covid pandemic, followed by a spike in sales volumes in the subsequent year. Since 2022, sales have been declining.

5.4 Sales volumes experienced a significant drop nationally between the years 2008-09, which may have been attributed to the credit crunch and subsequent housing market downturn. In 2024 the number of house sales in Adur was 68% of the long term average (2004-2024) higher than that of Worthing which sat at 63% and the South East (66%), it matches the figure of England overall.

Figure 5.2 Indexed Analysis of Sales Trends, 2004-2024

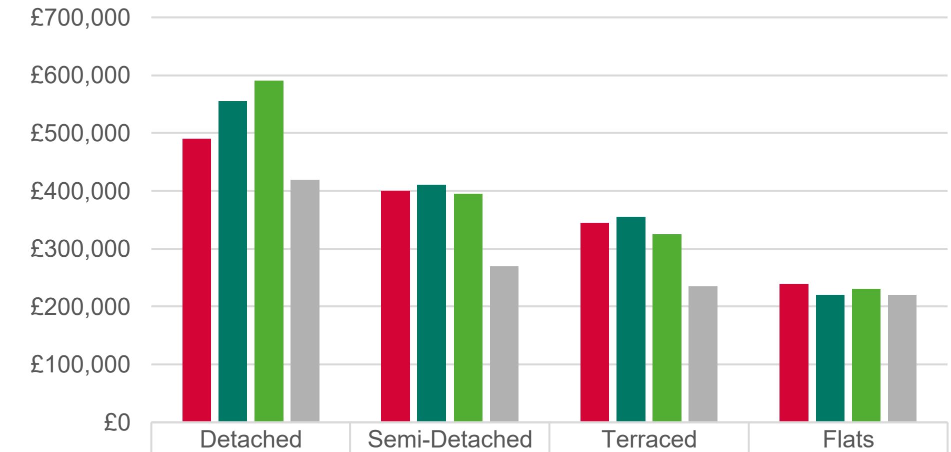


Source: ONS – House price statistics for small areas, 2024

House Price by Type

5.5 Iceni have reviewed property sales data for the year ending September 2024, as shown in the figure below. House prices for the Adur and Worthing areas consistently exceed regional and national averages across all property types, with the exception of detached properties in the South East region. The data indicates larger properties in the Worthing area are generally priced higher than those in Adur. Conversely, terraced and flatted properties in Adur tend to command higher prices compared to Worthing.

Figure 5.3 Median House Prices by Type, September 2024



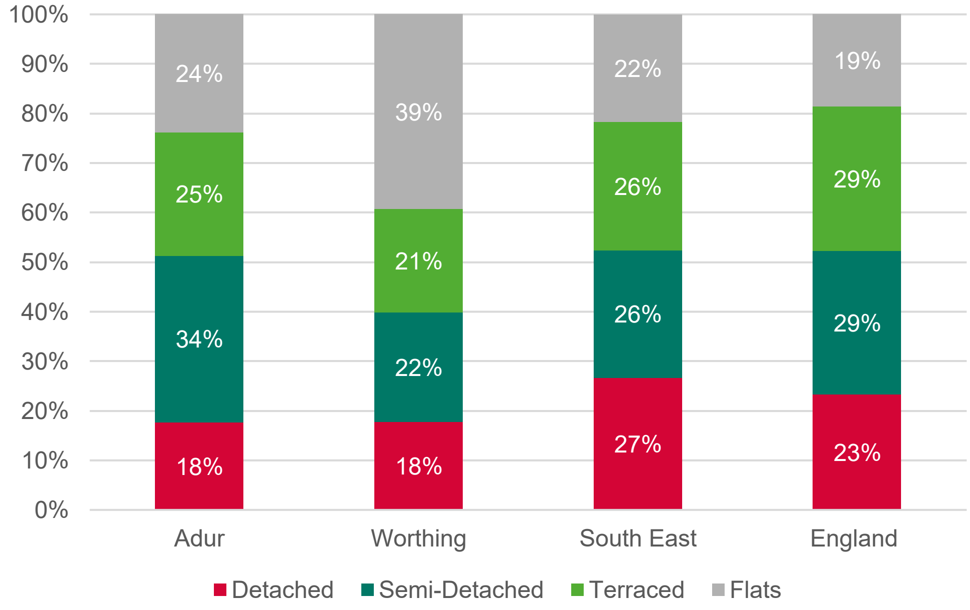
	Detached	Semi-Detached	Terraced	Flats
Adur	£490,000	£400,000	£345,000	£240,000
Worthing	£555,000	£410,000	£355,000	£220,000
South East	£590,000	£395,000	£325,000	£230,250
England	£420,000	£270,000	£235,000	£220,000

Source: ONS – House price statistics for small areas, 2024

5.6 According to ONS data on property sales by dwelling type, the proportion of flatted properties in Worthing is higher than Adur, regional and national averages. Whilst, the rate of detached property sales are at a higher rate in the South East and England as a whole, largely reflecting the stock profile of the area.

5.7 When comparing this to the overall housing stock in the areas according to the 2021 Census (figure 3.3) the proportion of sales of flats in Worthing is very high, this reflects the high proportion of flats in the area and is also likely to partly reflect the nature of housing delivery in the area, much of which is flatted. Adur also sees correlation with the type of stock in the area but again sees a higher proportion of sales of flats compared to stock (24% sales to 18% stock), again this is likely to reflect partly the nature of new build delivery.

Figure 5.4 Sales by Dwelling Type



Source: ONS, House price statistics for small areas, 2024

Rental Trends

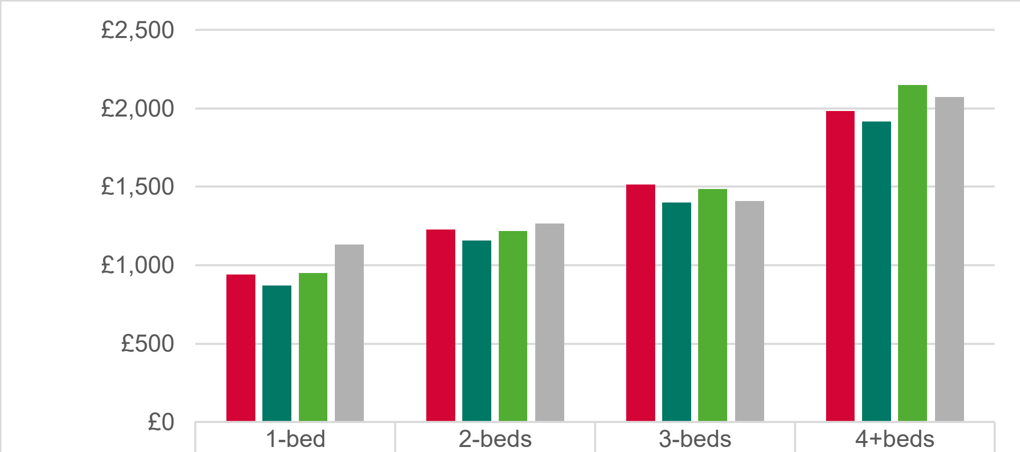
5.8 In March 2025, the median rental values in Adur averaged £1,328 per calendar month (PCM), while in Worthing the average was less at £1,271. Both areas shows a lower rate than the South East region and England as a whole, although the difference is not large.

Table 5.2 Median Rents, March 2025

Area	Median Average Rent (PCM)
Adur	£1,328
Worthing	£1,271
South East	£1,368
England	£1,386

Source: Price Index of Private Rental Data

Figure 5.5 Median Rental Values by Size, March 2025



	1-bed	2-beds	3-beds	4+beds
Adur	£938	£1,223	£1,513	£1,981
Worthing	£868	£1,157	£1,397	£1,912
South East	£948	£1,218	£1,485	£2,147
England	£1,133	£1,265	£1,407	£2,072

Source: Price Index of Private Rental Data

5.9 The figure above reveals the variations across different property sizes. In Adur, rental prices are generally higher than Worthing. Properties with 3-beds in Adur are the most expensive pcm than all other areas, whilst prices for all sizes of property in Worthing are less expensive than other areas

5.10 An analysis of median rental values across a five year period highlights the steady rise in rents in Adur and Worthing compared to broader regional and national benchmarks is shown in the figure below. It is very clear that all areas have seen huge increases in costs per month for rental properties since June 2022.

5.11 This increase in Adur and Worthing as well as the country and region are a result of macro-economic factors such as rising interest rates, the Bank of England increased base level interest significantly at this time from 1.25% in June 2022 to 5% in June 2023. This has ultimately impacted landlords profit which in turn drives up rents, as well as declining stock in the sector as landlords divest from it which causes the existing stock to be more in demand.

Figure 5.6 Increase in Private Rents, 2015-2025

Source: Price Index of Private Rental Data

5.12 The table below sets out the rental growth between March 2020 and March 2025. The strongest rental growth is seen for 3-beds in Adur during that period, rising from £1,395 to £1,950 (40%). Across all areas the largest increase in rental values was apparent for single rooms, with the exception of Adur where the data indicated a decrease in rental values.

Table 5.3 Rental Increase by Size, March 2020 - March 2025

	1-bed	2-beds	3-beds	4+beds
Adur	31.7%	31.2%	32.6%	31.1%
Worthing	29.6%	29.4%	30.3%	30.2%
South East	28.8%	28.3%	29.5%	28.2%
England	29.0%	29.3%	30.5%	29.3%

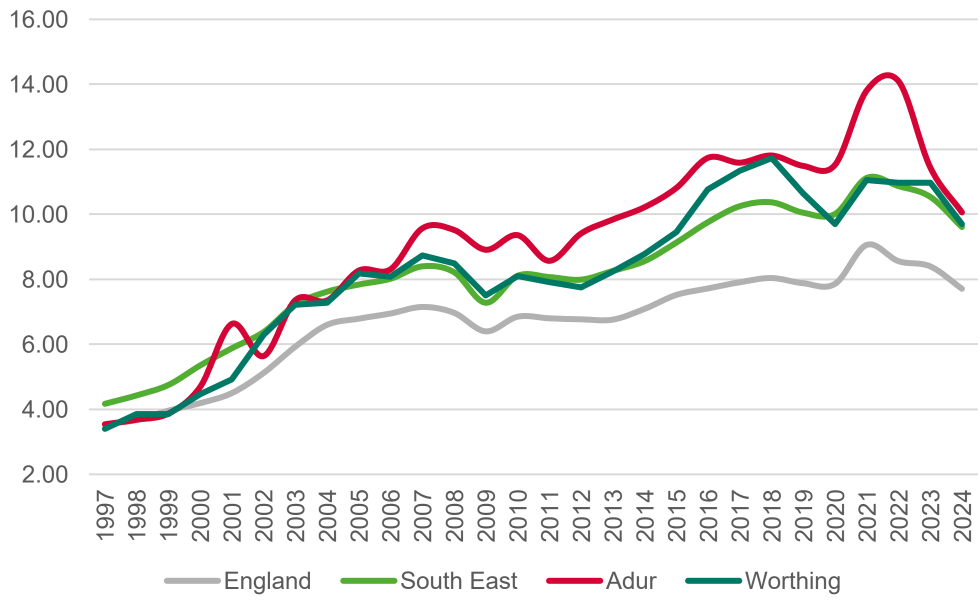
Source: Price Index of Private Rental Data

Housing Affordability

5.13 Iceni have reviewed evidence on the affordability of market housing by analysing the relationship between lower quartile and median house prices in comparison to incomes.

5.14 The figure below indicates that workplace-housing affordability[5] has deteriorated since 1997 within both Adur and Worthing. Overall, the affordability trend aligns with regional and national patterns since 2005, though it remains at a higher level in Adur.

Figure 5.7 Workplace-based Median Affordability Ratio, 1997 to 2024



Source: ONS, Ratio of house price to workplace-based earnings (lower quartile and median) 1997-2024

5.15 The median house prices in Adur and Worthing were initially around four times the median workplace-based earnings, aligning with the national average. However, affordability has significantly declined with median house prices now tenfold workplace-based earnings in both

[5] Workplace affordability refers to the comparison of house prices with workplace-based earnings (which are the earnings recorded for the area where an individual works) as opposed to residence-based earnings, which reflect the income associated with the area where they live.

areas. This shift has made market housing increasingly inaccessible for many younger households.

5.16 The table below presents the latest median and lower quartile workplace-based affordability ratios as of the year ending 2024. During this period, the median house price in Adur was approximately 10.06 times the median workplace-based earnings, while in Worthing it was 9.70.

5.17 Lower quartile house prices in Adur were approximately 11.30 times workplace-based earnings, compared to 9.32 in Worthing and 9.38 across the South East. The elevated ratios relative to the regional average are largely due to a local earnings profile skewed toward lower income levels.

Table 5.4 Affordability Ratio 2024 (Workplace based)

Area	Lower Quartile Ratio	Median Ratio	Difference
Adur	11.30	10.06	1.24
Worthing	9.32	9.70	-0.38
South East	9.38	9.61	-0.23
England	6.77	7.71	-0.94

Source: ONS, 2024

Agent Engagement

5.18 Iceni has conducted further research into the local housing market by engagement with local estate agents in Adur and Worthing. Overall agents were more focused on the rental market than the sales market, considering this to be the more active part of the sector at this moment in time.

5.19 In the rental market one agent set out that typically they are handling around three lets per month, focusing on 1-2 bed flats. These flats are popular with singles and couples aged 18-65+, with tenancy lengths ranging from short term (6 months) to long-term (10,20, even 40 years). Rents in the area were described as reasonable, however upcoming policy changes to the Renter's Reform Bill could have an impact on the future landscape of the market.

5.20 The demand for larger (3/4+ bedroom) properties are high, reflecting the demographic of those attracted to the area. Schools and amenities appeal to families and public service key workers, for whom there is assumed demand. Most of the agency's landlord are Buy to Let investors with the market remaining competitive. The agent suggested affordability constraints are starting to moderate rent increases.

5.21 An agent from Oakley Lettings sets out that Shoreham is experiencing significant development, noting the demographic is expected to shift in the future. Overall, the area attracts a mix of families, downsizers and first-time buyers with the market being predominantly freehold dwellings (60-70%). Post-pandemic (2022+), the sales market has experienced a drop, with higher mortgage interest rates and more properties for sale. Buyer demand overall has eased and sellers are being advised to be realistic on price.

5.22 In contrast to sales, rental demand is "always there" in Shoreham and considered to be particularly strong. Properties are let quickly, with agents considering there to be high demand for Build to Rent Schemes if they were delivered in Shoreham. The rental market is described as "totally different to sale", with persistent undersupply that Build to Rent schemes could help with. There is less rental properties targeted at healthcare and public service key workers now compared to the pandemic period with some developers having targeted schemes specifically at key workers in particular. Although post-pandemic this is less some demand remains.

5.23 One agent mentioned how UK rents remain at record highs, but growth is slowing due to affordability constraints. Supply is still below pre-pandemic levels and demand continues to outstrip supply. With regard to the future of the market, new legislation (e.g. Renters Reform Bill) may moderate rent increases but supply shortages are expected to persist, especially for family homes and larger properties.

5.24 Agents in working between Lancing and Worthing reported that demographics are a mix of local families and newcomers from Brighton and London, often seeking more affordable housing and better quality of life by the sea. Rental tenants are generally seeking longer-term tenancies.

5.25 Overall, Adur and Worthing's proximity to good schools, community amenities and strong transport links are major factors in its ongoing popularity. These factors contribute to its reputation as a desirable place for families and young professionals.

Housing in Multiple Occupation (HMOs)

5.26 This section of the report examines the market for housing in multiple occupation (HMOs) within the study area. A small HMO (use class C4) is a property which is let to between three and six people who form more than one household[6] and share a toilet bathroom or kitchen facilities. Where there are more than six unrelated individuals sharing amenities, this is termed a large HMO (Use Class Sui Generis).

5.27 At present large HMOs require planning permission while small HMOs are a permitted development when they are converted from an existing large home. Where there is evidence to justify it the Councils can introduce an Article 4 Direction (A4D) which will require any change of use to receive planning permission.

[6] A household consists of either a single person or members of the same family who live together. It includes people who are married or living together and people in same-sex relationships.

5.28 The HMO market is broad and technically includes entry-level housing, student housing and smaller households of friends sharing as well as unrelated adults.

5.29 Data relating to HMOs is incomplete, this stems from not all HMOs requiring a licence, only those occupied by five or more people. There will also be incidences where HMOs of five or more people are not registered and the extent of this illegal activity is not known.

5.30 We have sought to draw together data from a range of sources as well as consult with local letting agents to get a better understanding of the scale of demand in the study area.

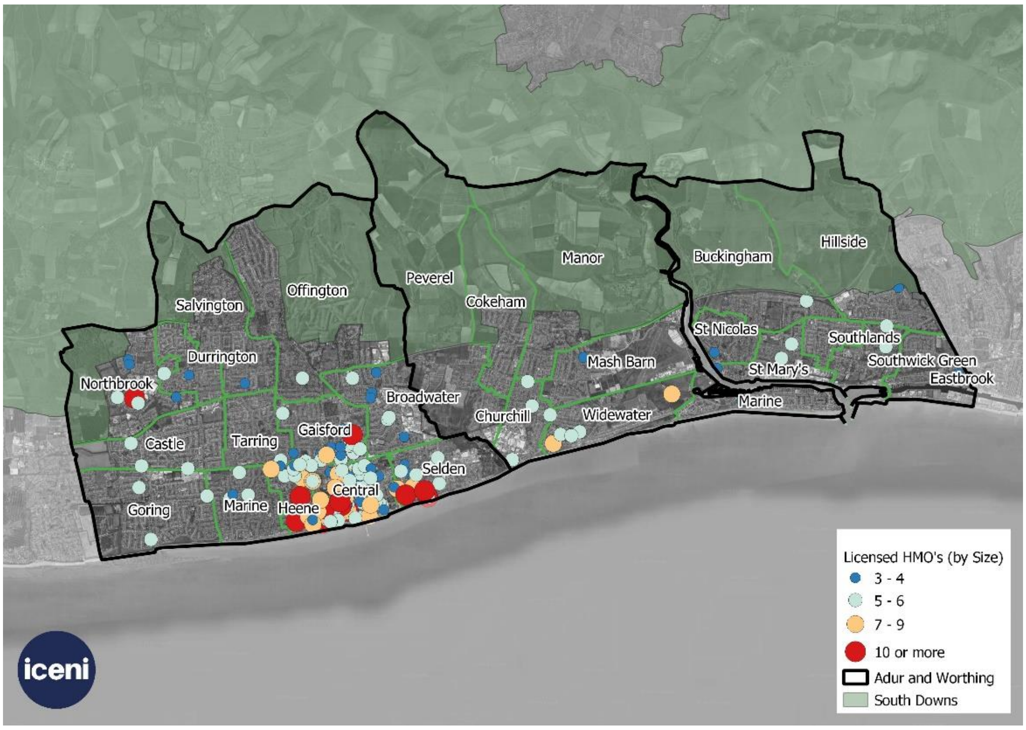
Scale of HMOs

5.31 According to the 2021 Census, in Adur there were 1,197 "Other" household types excluding those with dependent children, there were 2,101 in Worthing . This equates to around 4.3% of households in Adur and 4.2% in Worthing.

5.32 According to Council data 198 dwellings are currently registered as HMO's within the area, 21 in Adur and 177 in Worthing. It is estimated that there are a total of 35 HMO's that are licensable in Adur and 190 in Worthing meaning that in both areas there are likely to be HMO's that are operating without a license. In 2023-24 Local Authority Housing Statistics suggest that there were 1,515 total HMO's within Adur and Worthing, most of which will be small enough to not require a license.

5.33 The figure below shows the distribution of Licensed HMO's across Adur and Worthing. Worthing Central appears to see the biggest concentration of units with a varied mix of smaller 3-6 bedroom units as well as larger 10+ bedroom units.

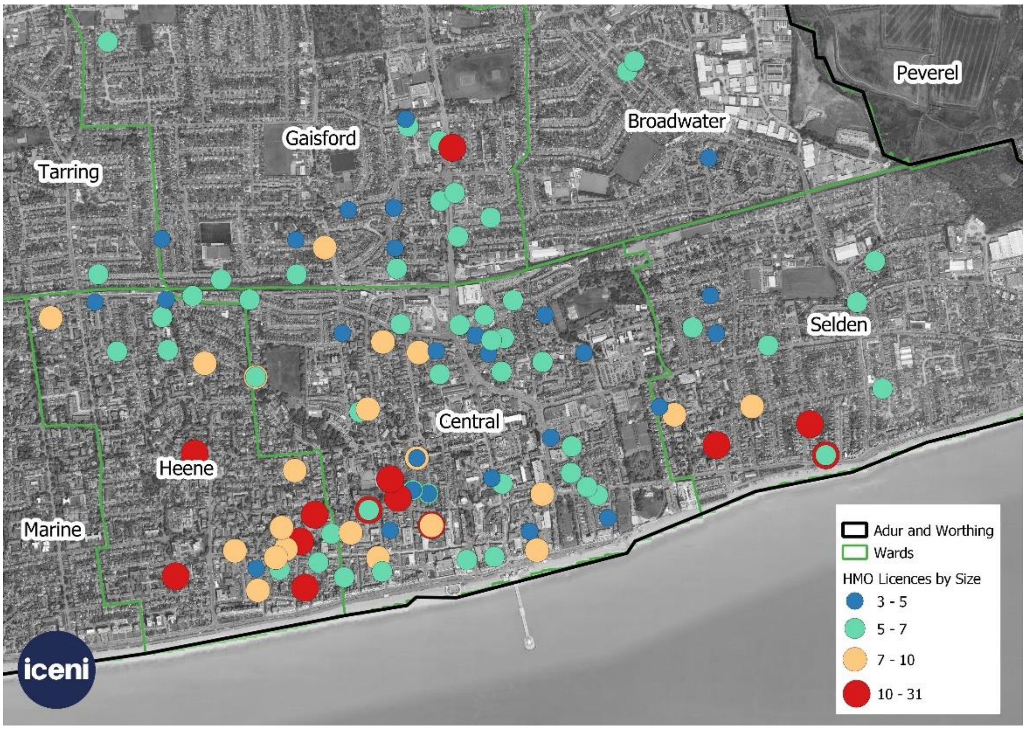
Figure 5.8 Licensed HMO distribution



Source: Council data

5.34 When zooming in closer to this map, the figure below shows the distribution across the central worthing area as can be seen there are a large number of HMO’s across the Central ward, this spills across into the Heene, Selden and Gaisford wards. There appears to be a particular concentration of larger HMO’s around the boundary of the Central and Heene wards. This concentration is likely a factor of the type of stock in the area, very large Victorian terraces for example that lend themselves easily to conversion into HMO’s.

Figure 5.9 Central HMO distribution



Source: Council Data

5.35 The tables below shows the distribution of Licensed HMO's by Ward in Adur and Worthing, showing the actual number of licenses as well as the maximum number of households and occupants that may be within them.

5.36 Adur sees a total of 21 licenses with a maximum number of 133 occupants. The Widewater ward see's the highest number of licenses as well as highest maximum occupant level of 45, there are two particularly large HMO's in this ward that contribute to this high figure. St Mary's see's the next highest at 3 with other wards only seeing 1-2 licensed HMO's.

Table 5.5 Licensed HMO's by Ward – Adur

	Number of Licenses	Max Households	Max Occupants	Licences as a proportion of total households
Widewater	6	44	45	0.4%
St Mary's	3	16	17	0.1%
Churchill	2	12	12	0.1%
Eastbrook	2	10	13	0.1%
Southwick Green	2	12	12	0.1%
Buckingham	1	7	7	0.1%
Hillside	1	5	5	0.0%
Manor	1	6	6	0.1%
Marine	1	5	5	0.1%
Mash Barn	1	5	5	0.1%
St Nicolas	1	5	6	0.0%
Total - Adur	21	127	133	0.1%

Source: Council Data

Table 5.6 Licensed HMO's by Ward – Worthing

	Number of Licenses	Max Households	Max Occupants	Licences as a proportion of total households
Central	67	447	480	1.1%
Heene	36	303	348	0.7%
Gaisford	23	139	144	0.6%
Selden	19	180	196	0.5%
Broadwater	8	44	44	0.2%
Northbrook	7	44	45	0.2%
Marine	6	30	34	0.1%
Castle	4	25	26	0.1%
Goring	3	19	22	0.1%
Durrington	1	5	5	0.0%
Offington	1	6	6	0.0%
Salvington	1	5	5	0.0%
Tarring	1	6	6	0.0%
Total - Worthing	177	1,253	1,361	0.3%

Source: Council Data

5.37 In Worthing the number of licensed HMO’s is much higher at 177 with the Central ward seeing the highest number at 67, followed by Heene, Gaisford and Selden.

5.38 Across both Adur and Worthing it would appear the central, close to seafront locations appear most prevalent for larger HMO’s, again this is likely a factor of the age of stock but also could be a factor of access to services being better in these central areas which suits those in need of HMO accommodation who may not have access to a car.

HMO Market

5.39 Between 2014 and 2023 ONS published quarterly rental statistics on different rental costs per calendar month. This dataset has unfortunately been discontinued but the table below shows how the rental costs for different sizes of units changed over time. It is used here as it also includes data on Room and Studio rents which are relevant to HMO costs.

5.40 As can be seen the price of rooms to rent in Worthing has increased by 63% in that time which is a faster rate of growth than all other property sizes and is significantly higher than growth in the wider areas. Conversely in Adur the most amount of growth has been seen in rental costs for 3- bedroom properties.

Table 5.7 Rental Change (pcm, Sept 14 – Sept 22)

	Room	Studio	1-bed	2-beds	3-beds	4+beds	Overall
£pcm Change							
Adur	£118	£285	£280	£425	£583	£450	£445
Worthing	£260	£200	£300	£375	£450	£470	£315
% Change							
Adur	29%	56%	47%	55%	65%	30%	61%
Worthing	63%	44%	55%	52%	50%	38%	47%
South East	15%	26%	29%	23%	33%	16%	25%
England	22%	24%	35%	33%	26%	32%	34%

Source: ONS, 2023

5.41 We can also examine Rightmove for a more up-to-date understanding of the HMO market. Although it is not a comprehensive view of the market (indeed many rooms will be advertised directly by the landlord more informally through newspapers and websites such as Gumtree and Facebook) it is also only a snapshot of the market.

5.42 In total, Rightmove was advertising 11 rooms within houseshares across Worthing, prices for these ranged from £425 to £800 pcm. A further search of rental site SpareRoom showed 33 rooms available within house shares with across Worthing with prices ranging from £425 to £1,000 pcm. In Adur Rightmove advertised 20 rooms in houseshares, here prices range from £625 to £850 pcm. SpareRoom advertises around 25 rooms for rent in Adur, prices range from £600 pcm up to £1,475.

Policy Response

5.43 The HMO sector varies between Adur and Worthing, while Worthing has a large number of HMO's this is not what is seen in Adur. HMO's provide lower cost/more affordable accommodation for those in lower wage jobs, and those who can't secure affordable housing – which includes younger single people. There is no single definitive number on scale of HMOs, however the Local Authority Housing Statistics (LAHS) suggest that there is in the region of 1,515 HMO's across Adur and Worthing with most of these within Worthing.

5.44 While HMO's can meet specific needs for workers and those who are on lower incomes, high concentrations can lead to an erosion of the character of an area and impact community cohesion. It can also lead to environmental and economic impacts, as such planning controls can be introduced to manage their presence in the authorities.

5.45 There is also a wider need within the National Planning Policy Framework (NPPF) to ensure mixed and balanced communities, therefore high concentrations of housing of a particular type, not just HMOs, should be avoided.

5.46 At present, planning controls can limit the delivery and occupation of newly built dwellings as HMOs. However, subject to certain conditions the change of use from a dwelling house to a small HMO is a permitted development meaning it does not require planning permission.

5.47 Furthermore, licencing and private sector enforcement are means of controlling standards in the sector. Going forwards this role will be enhanced by the Renters Rights Bill, which will allow authorities more power to enforce against unlicensed or dangerous HMO's. There is however still a question around capacity to do this within the team at Adur and Worthing.

5.48 Councils do have the power, through the use of an Article 4 Directions, to introduce the requirement for planning permission for small HMOs and therefore remove permitted development rights. Note this is not a power to restrict small HMOs but rather to require them to get planning permission. This will allow the Council to manage where new HMOs can be permitted to maintain a balance of housing types across the study area.

5.49 Article 4 Directions cannot be applied across the entirety of each area without justification. In any case, **we do not believe that there is any evidence for such a policy to be applied within Adur and Worthing at this current time.** This is due to the relatively small number of HMO's when compared to households at only 0.3% of all households across Worthing and 0.1% in Adur.

5.50 The Council should however continue to monitor the number of licensed HMO's in the area, with particular focus on the Central and Heene wards where the existing concentration is higher. This monitoring should include consideration on how HMO's interact with the wider market and community.

5.51 While Article 4 Directions (A4D) can better manage the supply of HMOs there is also the possibility that it could displace them to other nearby areas where the A4D is not in place, ultimately increasing the impact that HMO's have on the wider area. Despite this A4D's are effective at limiting the impact of HMO's in existing areas of high concentrations. With this in mind, the spread of HMOs in should be monitored and responded to accordingly with the strengths and weaknesses of introducing A4D's considered.

5.52 Other potential responses are to ensure a greater supply of smaller one-bed and studio flats as this will divert some of the demand. This can be delivered through build-to-rent developments which can also deliver affordable private rent. This ensures a supply of smaller affordable homes in each area as an alternative to HMOs.

Build to Rent

5.53 With respect to Build to Rent, the Housing White Paper (February 2017) set out that the Government wanted to build on earlier initiatives to attract new investment into large-scale scale housing which is purpose-built for market rent (i.e., Build to Rent).

5.54 The Government set out that this would drive up the overall housing supply, increase choice and standards for people living in privately rented homes and provide more stable rented accommodation for families – particularly as access to ownership has become more challenging.

5.55 The NPPF sets out that the needs of people who rent their homes (as separate from affordable housing) should be assessed and reflected in planning policies (Paragraph 63). The NPPF glossary also includes a definition for Build to Rent development:

> *"Purpose-built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses but should be on the same site and/or contiguous with the main development."*

5.56 It therefore represents development which is constructed with the intention that it will be let rather than sold.

Benefits of Build-to-Rent

5.57 The benefits of Build to Rent are best summarised in the Government's A Build to Rent Guide for Local Authorities which was published in March 2015. The Guide notes the benefits are wide-ranging but can include:

- Helping local authorities to meet the demand for private rented housing whilst increasing tenants' choice "as generally speaking tenants only have the option to rent from a small-scale landlord."
- Retaining tenants for longer and maximising occupancy levels as Build to Rent investment is an income-focused business model;
- Helping to increase housing supply, particularly on large, multiple-phased sites as it can be built alongside build-for-sale and affordable housing; and
- Utilising good design and high-quality construction methods which are often key components of the Build to Rent model.

5.58 This Build to Rent Guide provides a helpful overview of the role that Build to Rent is intended to play in the housing market, offering opportunities for those who wish to rent privately (i.e. young professionals) and for those on lower incomes who are unable to afford their own home.

5.59 Over recent years there has been rapid growth in the Build to Rent sector backed by domestic and overseas institutional investment. Savills' UK Build to Rent Market Update[7] for Q2 2024 states that the BTR market

[7] https://www.savills.co.uk/research_articles/229130/364472-0

now had 115,000 completed units, 45,400 under construction and 100,700 in the development pipeline, a total of 261,870 units.

5.60 However, much of this stock is located in the largest cities of London, Manchester, Birmingham and Leeds. It has begun to reach smaller towns and secondary locations although activity is reduced due to the economy of scale required and the lack of potential tenants for this product.

The Profile of Tenants

5.61 The British Property Federation ("BPF"), London First and UK Apartment Association ("UKAA") published (November 2022) a report[8] profiling those who live in Build to Rent accommodation in England. Whilst this is focused on more urban locations, it helps understand the broad profile of tenants. According to their research around 40% of residents were aged between 25 and 34, this is the largest group with 30% of residents under 24 and the remaining 30% In older age groups. This is broadly similar to the wider private rented sector.

5.62 The survey-based data identified that incomes are similar to those in private rented sector accommodation with 18% earning between £26,000 and £32,000, and 23% earning between £32,000 and £44,000.

5.63 The report also noted that Build to Rent has comparable levels of affordability but is notably more affordable for couples and sharers.

Potential Demand in Adur and Worthing

5.64 There are currently no Build to Rent developments operating or within the planning pipeline in Adur or Worthing. There are however a number of schemes at various stages of the planning pipeline in Brighton, one 103 unit scheme under construction in Burgess Hill (Mid Sussex), two

[8] https://bpf.org.uk/our-work/research-and-briefings/who-lives-in-build-to-rent-2022/

completed (185 and 227 units) and one in planning (182 units) schemes in Crawley and a further scheme in planning in Horsham (124 units).

5.65 Going forward, we foresee potential of the market to develop and for build-to-rent development to occur in Adur and Worthing, particularly in Worthing which has the larger relative private rented sector. Planning policies should support this, recognising in particular its potential to address constraints to growth more widely in the private rented sector.

The Recommended Policy Response

5.66 The PPG on Build to Rent recognises that where a need is identified local planning authorities should include a specific plan policy relating to the promotion and accommodation of Build to Rent.

5.67 In recognition of the potential growth of the sector, and with the expectation that there is likely to be some activity moving forward. The Councils may consider including a planning policy on Build-to-Rent development to set out parameters of what should be expected on BTR schemes such as design, contract lengths, space standards, communal space standards (even if just stipulating wider standards apply) and facilities, outdoor space, bike storage and active transport measures etc. An example of this can be found in the London Plan 2021 and associated Affordable Housing and Viability Supplementary Planning Guidance.

5.68 Seeking regulation in these standards for BTR schemes recognises that they are fundamentally different from regular open market schemes and should seek to encourage their development while also promoting and protecting tenant amenity. Outlining expectations in Planning Policy regarding how BTR schemes would be considered at planning application stage will also be beneficial in providing some developer assurance and indicate support from the Councils on the principle of this type of scheme. Planning Policies should also deal with how affordable housing policies would be applied to BTR schemes.

5.69 Given that the sector is still evolving, we would recommend that the Councils are not overly prescriptive on the mix of dwelling sizes within new Build to Rent development. The NPPF's definition of Build-to-Rent development sets out that schemes will usually offer tenancy agreements of three or more years and will typically be professionally managed stock in single ownership and management control.

5.70 The Councils will also need to consider affordable housing policies specifically for the Build-to-Rent sector. The viability of Build to Rent development will however differ from that of a typical mixed tenure development in the sense that returns from the Build to Rent development are phased over time whereas for a typical mixed tenure scheme, capital receipts are generated as the units are sold.

5.71 In general terms, it is expected that a proportion of Build to Rent units will be delivered as 'Affordable Private Rent' housing. Planning Practice Guidance[9] states that:

> *"The National Planning Policy Framework states that affordable housing on build-to-rent schemes should be provided by default in the form of affordable private rent, a class of affordable housing specifically designed for build-to-rent. Affordable private rent and private market rent units within a development should be managed collectively by a single build-to-rent landlord.*
>
> *20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build-to-rent scheme. If local authorities wish to set a different proportion, they should justify this using the evidence emerging from their local housing need assessment, and set the policy out in their local plan. Similarly, the guidance on viability permits*

[9] ID: 60-002-20180913

developers, in exception, the opportunity to make a case seeking to differ from this benchmark.

National affordable housing policy also requires a minimum rent discount of 20% for affordable private rent homes relative to local market rents. The discount should be calculated when a discounted home is rented out, or when the tenancy is renewed. The rent on the discounted homes should increase on the same basis as rent increases for longer-term (market) tenancies within the development"

5.72 The Councils should have regard to the PPG on Build-to-Rent developments. This states that at least 20% of the units within a Build to Rent development should be let as affordable private rented units at a discount of 20% to local market rents. The Councils might consider whether these should be capped at LHA rates, subject to viability. The Brighton City Plan Part 2 already has such a policy in place (Policy DM6). Affordable housing provision on these schemes would be subject to viability, for example one scheme at Sackville Trading Estate in Hove provides 10% of units with a discount of 25% off market rent.

Summary

5.73 Despite rising house prices, currently at a median of £390,000 in Adur and £360,000 in Worthing, recent market performance has been impacted by broader economic uncertainty as indicated by drops in the figures. Entry-level house prices are now 11.3 times lower quartile earnings in Adur and 9.32 times in Worthing. Median affordability ratios stand at 10.06 in Adur and 9.70 in Worthing.

5.74 Rental values have shown strong growth across all property sizes, particularly 4-bedroom properties in Adur. Median rental values are approximately £1,175 in Adur and £990 in Worthing.

5.75 Local Agents stressed a very active rental market in Adur and Worthing which has been impacted by macro economic factors such as interest rate increases and the Renters Reform Bill.

6. Overall Housing Need

6.1 This section of the report considers overall housing need set against the December 2024 NPPF and Planning Practice Guidance (PPG) – specifically the Standard Method for assessing housing need This results in a need for 547 dwellings per annum in Adur and 849 per annum in Worthing (this is based on update affordability data published in March 2025). The section also considers potential population change with a notional capacity-led projection (estimated to be around 150 dpa in Adur and 230 in Worthing based on the adopted Worthing Local Plan requirement figure of 230 dpa.) The projections look at the 2024 to 2042 period.

6.2 This Standard Methodology is new and updates the former which was based on population change to one based primarily on housing stock. Key data sets include ONS Live Table 125 on Dwelling Stock and the ONS workplace based affordability ratios. Both data sets are updated annually. The data in this report relates specifically to the latest available data in March 2025.

6.3 The method used has been to develop trend-based projections and then flex levels of migration to and from the two local authorities so there is a sufficient population to fill the suggested number of homes. The analysis below starts with a review of local population trends.

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

- *get Britain building again, to build new homes, create jobs, and deliver new and improved infrastructure;*
- *take a brownfield first approach and then release low-quality grey belt land, while preserving the Green Belt;*
- *boost affordable housing, to deliver the biggest increase in social and affordable housebuilding in a generation;*

- *bring home ownership into reach, especially for young first-time buyers; and*
- *promote a more strategic approach to planning, by strengthening cross-boundary collaboration, ahead of legislation to introduce mandatory mechanisms for strategic planning;*

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

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

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

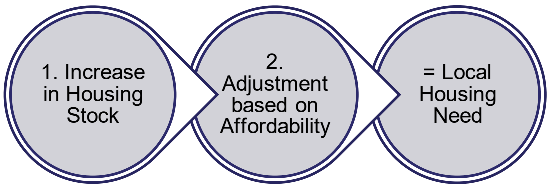
6.8 It is further suggested that ‘High and rapidly increasing house prices indicate an imbalance between the supply of and demand for new homes, making homes less affordable. The worsening affordability of homes is the best evidence that supply is failing to keep up with demand’.

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

The Standard Method

6.10 The starting point for this is the standard methodology for calculating housing need, which is clearly set out by the Government in Planning Practice Guidance. The two-step process is set out in the figure below and worked through below.

Figure 6.1 Overview of the Standard Method for Calculating Local Housing Need



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

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

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

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

Step One: Setting the Baseline

6.14 The first step in considering housing need against the standard method is to establish a baseline of housing stock. This is derived from the

Office for National Statistics (ONS) Live Table 125 which is published annually (but also updated regularly). The data used in this report is from March 2025.

6.15 As of 2023 Adur had 28,892 dwellings with Worthing having 51,986 dwellings. The baseline is 0.8% of the existing housing stock for the area and this equates to 231 dwellings per annum in Adur and 416 in Worthing.

Step Two: Affordability Adjustment

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

6.17 The latest (workplace-based) affordability data relates to 2024 and was published by ONS in March 2025. For Adur this and the previous four years had an average ratio of 12.19, for Worthing this was 10.48. Based on the calculation set out above this results in an uplift of 237% in Adur and 204% in Worthing.

6.18 The table below sets out the Standard Method for both areas which results in an annual housing need for 547 dwellings per annum in Adur and 849 dwellings per annum in Worthing.

Table 6.1 Standard Method – March 2025

	Adur	Worthing
Total Dwelling Stock	28,892	51,986
Step 1. Annual Dwellings Stock Increase (0.8%)	231	416
Average Affordability Ratio (2020-24)	12.19	10.48
Uplift	237%	204%
Step 2. Housing Need	547	849

Source: MHCLG, 2024

6.19 Land supply constraints mean that it is highly unlikely that housing need will be met in either Adur or Worthing.

Population & Demographic Trends

6.20 As of mid-2023 (the latest date for which ONS has published mid-year population estimates (MYE)), the population of Adur and Worthing is estimated to be 176,900; this is an increase of around 7,700 people over the previous decade (a 5% increase), which is somewhat lower than seen across the other areas studied; population growth in Adur has been recorded as particularly low.

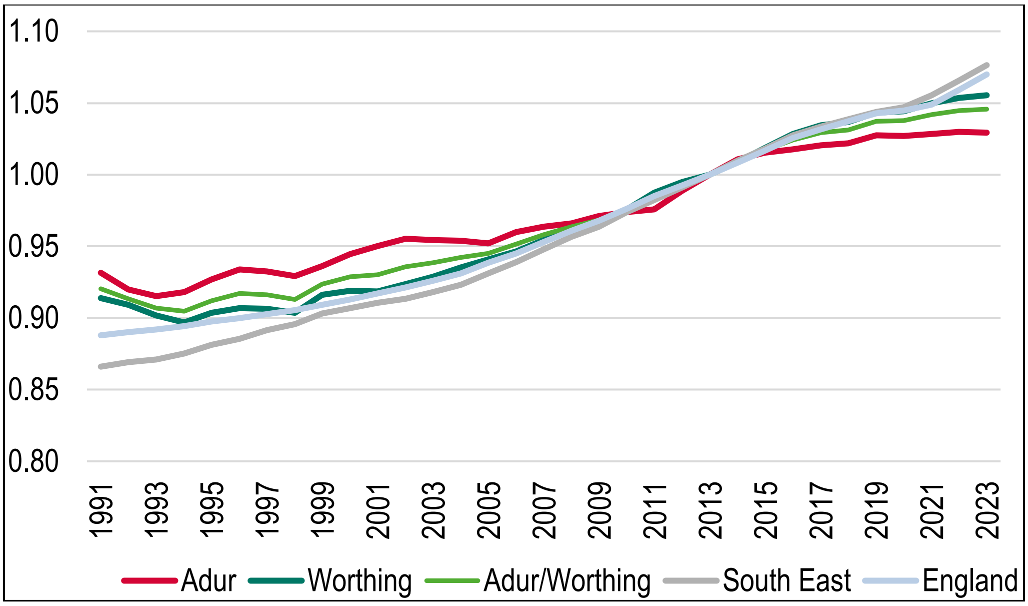
Table 6.2 Population change (2013-23)

	2013	2023	Change	% change
Adur	62,850	64,687	1,837	2.9%
Worthing	106,349	112,240	5,891	5.5%
Adur and Worthing	169,199	176,927	7,728	4.6%
South East	8,809,382	9,482,507	673,125	7.6%
England	53,918,686	57,690,323	3,771,637	7.0%

Source: ONS

6.21 The figure below shows an indexed population change back to 1991 (index to 1 in 2013). This shows population growth to have generally been weaker than seen in other areas throughout the period studied.

Figure 6.2 Indexed Population Change – 1991-2023

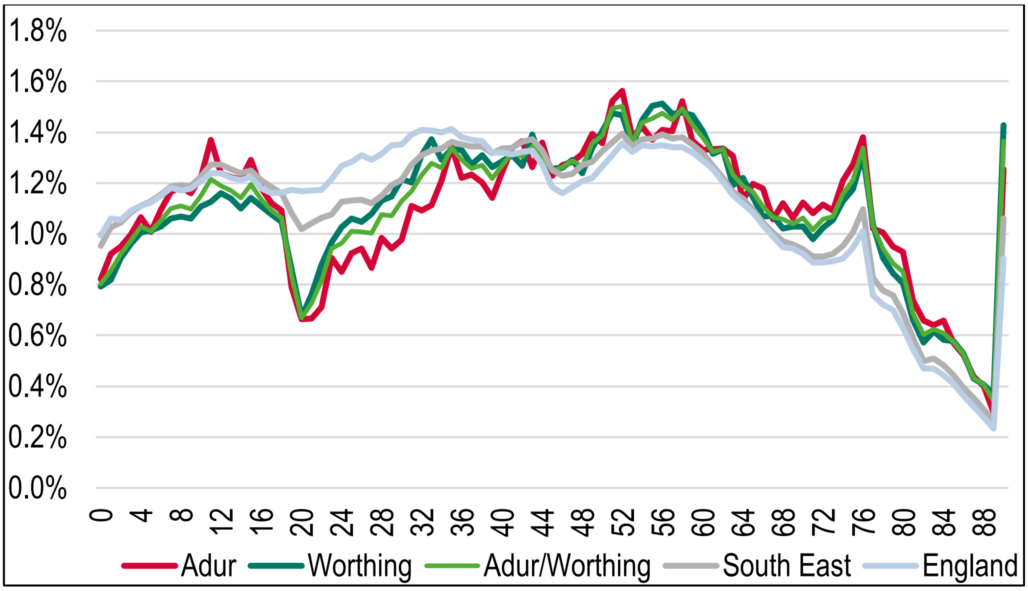


Source: ONS

Age Structure

6.22 The figure below shows the age structure by single year of age (compared with a range of other areas). From this it is clear that Adur and Worthing has a much older age structure with a higher proportion of people in virtually all age groups from about 50 onwards. The data also shows a low proportion of people in their late teens and early 20s, which will be linked to people moving away for further education.

Figure 6.3 Population profile (2023)



Source: ONS

6.23 The analysis below summarises the above information (including total population numbers for Adur and Worthing) by assigning population to three broad age groups (which can generally be described as a) children, b) working age and c) pensionable age). This analysis highlights the higher proportion of people aged 65+ and also fewer children (17% aged Under 16).

Table 6.3 Population profile (2023) – summary age bands

	Adur and Worthing		South East	England
	Population	% of population	% of population	% of population
Under 16	30,099	17.0%	18.6%	18.5%
16-64	105,720	59.8%	61.7%	62.9%
65+	41,108	23.2%	19.8%	18.7%
All Ages	176,927	100.0%	100.0%	100.0%

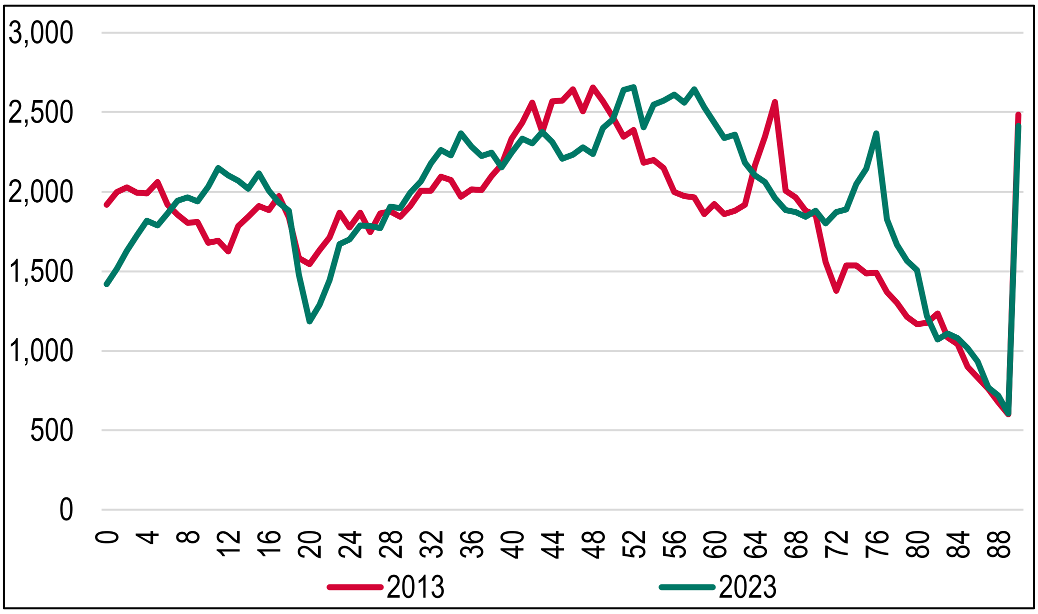
Source: ONS

Age Structure Changes

6.24 The figure below shows how the age structure of the population has changed in the 10-year period from 2013 to 2023 – the data used is based on population so will also reflect the increase seen in this period.

There have been some changes in the age structure, including increases in the population in their 50s; the number of people aged 65 and over also looks to have increased notably. Where there are differences, it is often due to cohort effects (i.e. smaller or larger cohorts of the population getting older over time).

Figure 6.4 Population age structure (people) (2013 and 2023) – Adur and Worthing



Source: ONS

6.25 Again, the information above is summarised into the three broad age bands to ease comparison (for each area separately). Across the two areas the analysis shows population increases in both adult age bands with the highest proportionate increase being amongst those aged 65 and over. However, in total population terms the key growth age group has been people aged 16-64 – this age group increasing by 3,900 people, accounting for 50% of all population change in the area. There are some differences between locations with Adur seeing an increase in the number of children (a reduction in Worthing) but a far more modest increase in those aged 16-64.

Table 6.4 Change in population by broad age group (2013-23) – Adur

	2013	2023	Change	% change
Under 16	11,051	11,597	546	4.9%
16-64	37,484	37,577	93	0.2%
65+	14,315	15,513	1,198	8.4%
TOTAL	62,850	64,687	1,837	2.9%

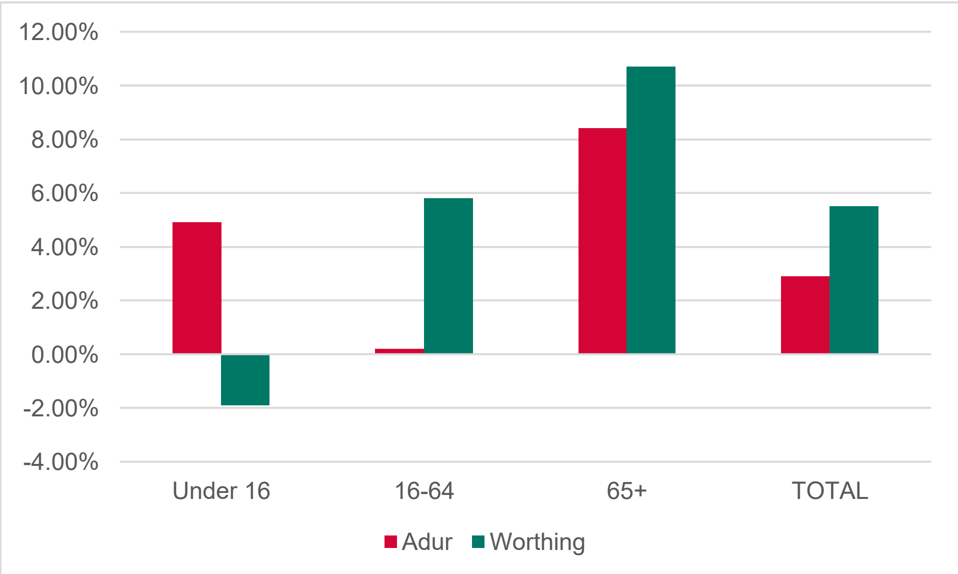
Source: ONS

Table 6.5 Change in population by broad age group (2013-23) – Worthing

	2013	2023	Change	% change
Under 16	18,853	18,502	-351	-1.9%
16-64	64,379	68,143	3,764	5.8%
65+	23,117	25,595	2,478	10.7%
TOTAL	106,349	112,240	5,891	5.5%

Source: ONS

Figure 6.5 Change in population by broad age group (2013-23) - Adur and Worthing



Source: ONS

Components of Population Change

6.26 The table below consider the drivers of population change from 2011 to 2023. The main components of change are natural change (births minus deaths) and net migration (internal/domestic and international). There is also an Unattributable Population Change (UPC) which is a correction made by ONS upon publication of Census data if population has been under or over-estimated (this is only calculated for the 2011-21 period). There are also ‘other changes’, which are variable (sometimes positive and sometime negative) – these changes are often related to armed forces personnel, prisons or boarding school pupils.

6.27 The data shows natural change to generally be dropping over time – there are now a large number of excess deaths compared with births. Migration is variable as can be seen in the Table below. It is consistently positive for internal (domestic) migration with generally lower levels of net international migration.

6.28 The analysis also shows (for the 2011-21) period a small negative level of UPC (totalling around 480 people over the 10-year period), this suggests when the 2021 Census was published ONS had previously over-estimated population change. Overall, the data shows a continuing trend of increasing population throughout the period studied although the last four-years or so do show lower levels of growth.

Table 6.6 Components of population change, mid-2011 to mid-2023 – Adur

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	-34	752	76	-4	34	824
2012/13	70	509	56	8	49	692
2013/14	86	522	30	7	30	675
2014/15	-26	178	66	8	57	283
2015/16	-31	12	123	5	30	139
2016/17	-56	153	46	7	47	197
2017/18	-85	46	62	9	54	86
2018/19	-44	289	44	6	55	350
2019/20	-188	82	24	0	52	-30
2020/21	-159	112	40	-1	90	82
2021/22	-166	116	140	3	0	93
2022/23	-267	93	146	-10	0	-38

Source: ONS

Table 6.7 Components of population change, mid-2011 to mid-2023 – Worthing

	Natural change	Net internal migration	Net intern-ational migration	Other changes	Other (unattri-butable)	Total change
2011/12	-97	1,047	-8	26	-169	799
2012/13	-175	762	106	12	-153	552
2013/14	-126	904	264	55	-155	942
2014/15	-244	1,190	225	13	-138	1,046
2015/16	-173	900	395	9	-122	1,009
2016/17	-350	898	198	13	-116	643
2017/18	-317	658	17	-2	-65	291
2018/19	-171	810	31	21	-39	652
2019/20	-429	654	-78	5	-20	132
2020/21	-450	987	58	-4	-1	590
2021/22	-486	509	341	4	0	368
2022/23	-531	326	435	-12	0	218

Source: ONS

Developing Trend-Based Projections

6.29 The purpose of this section is to develop trend-based population projections using the latest available demographic information – these projections are then used as a base to develop an alternative scenario linking to the Standard Method (and capacity). A key driver for developing new projections is due to publication of 2021 Census data which has essentially reset estimates of population (size and age structure) compared with previous mid-year population estimates (MYE) from ONS (ONS has subsequently updated 2021 MYE figures to take account of the Census). In addition, as referenced above, a 2023 MYE is now available, this has been used here.

6.30 The projections developed look at estimated migration trends over the past 5-years with this period being used as it is consistent with the time period typically used by ONS when developing subnational population projections.

6.31 Below, the general method used for each of the components and the outputs from the trend-based projections is set out. The population projection uses the framework of ONS subnational population projections (SNPP) as a start point. This means considering data on births, deaths and migration. The most recent ONS projections are 2018-based and therefore quite out-of-date, given there are now population estimates and components of change data up to 2023. The 2018-based projections are however used as a start point from which up-to-date projections can be developed.

Natural Change

6.32 Natural change is made up of births and deaths and the analysis above has shown a general downward trend over time. To project trends forward, the analysis looks at each of births and deaths separately and compares projected figures in the 2018-SNPP with actual recorded figures in the MYE.

6.33 The analysis also takes account of differences between the estimated population size and structure in 2021 (in the 2018-SNPP) and the ONS MYE (as revised to take account of Census data). Overall, it is estimated recent trends in fertility are lower (around 11%-12% lower than projected in 2018) and mortality rates are broadly similar and so some adjustments have been made.

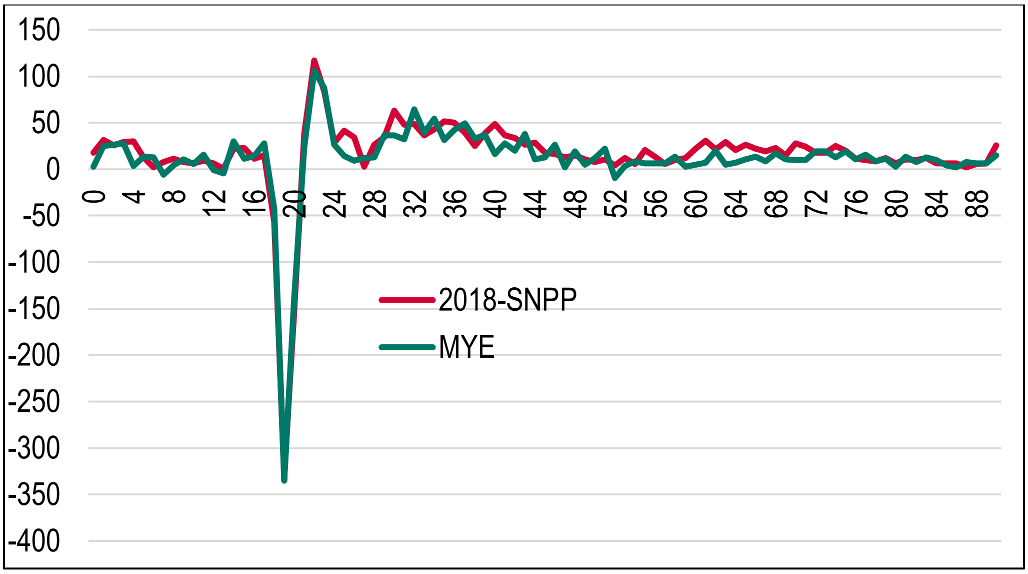
Migration

6.34 The migration analysis looks separately at each of in- and out-migration and for internal and international migration – all data being considered by sex and single year of age. Trend based projections do not typically simply project trends forward and can vary year by year, in part relating to how the population of other areas is projected to change. The approach used is to look at migration trends in the 2018-23 period and compare these with figures projected back in the 2018-SNPP for the same period. Adjustments are then be made to migration numbers to provide a best estimate of a future projection based on recent trends. This method will provide a realistic view of projected migration in the absence of being able to develop a full matrix of moves at a national level (as ONS would do).

6.35 Although the migration modelling uses in- and out-migration separately, the figure below looks at net migration to highlight the differences between the trend recorded by ONS for the 2018-23 period and the projected net migration in the 2018-SNPP. Overall, ONS recorded net migration (internal and international added together) at an average of 1,032 per annum, whilst the 2018-SNPP projected for there to be a higher level of net in-migration over the same period (an average of 1,436 per annum on average).

6.36 The figure below shows the age structure of net migration to be broadly similar across both Adur and Worthing in both the projections and the MYE. Any differences are reflected in the trend-based projection developed below.

Figure 6.6 Age structure of net migration (2018-SNPP and MYE) – annual averages (2018-23) – Adur and Worthing



Source: ONS

Population Projection Outputs

6.37 The estimates of fertility, mortality and migration (including changes over time) have been modelled to develop a projection for the period to 2042 (the end of the plan period). The projection outputs start from 2024, but as we only have ONS estimates to 2023 the data to get from 2023 to 2024 is also projected (on this trend-based position). The table below shows overall projected population growth of around 8,400 people – a 5% increase from 2024 levels. Within this the population of Adur is projected to drop slightly, this is due to lower fertility rates- and consistent mortality rates leading to negative natural change.

Table 6.8 Projected population growth under a trend-based scenario (2024-42)

	Population 2024	Population 2042	Change	% change
Adur	64,738	64,284	-454	-0.7%
Worthing	112,631	121,447	8,816	7.8%
Adur and Worthing	177,369	185,730	8,361	4.7%

Source: Iceni analysis

Household Projections

6.38 To understand what this means for housing need the population growth is translated into household growth using household representative rates (HRR) and data about the communal (institutional) population. These have again been updated using data from the Census with the table below summarising the assumptions used.

6.39 For the communal population, it is assumed actual numbers are held constant up to ages under 75, with the proportion of the population being used for 75+ age groups – this approach is consistent with typical ONS projections.

6.40 In interpreting the tables below (by way of examples) the data for Adur shows around 8.0% of females aged 85-89 live in communal establishments (i.e. are not part of the household population) whilst around 74% of males aged 50-54 are considered to be a 'head of household' (where they are living in a household).

6.41 Generally the HRRs increase by age, this is due to older people being more likely to live alone, often following the death of a spouse or partner.

Table 6.9 Communal Population and Household Representative Rates from 2021 Census – Adur

Age	Communal population		Household Representative Rates	
	Male	Female	Male	Female
0 to 15	77	52	-	-
16 to 19	60	62	0.009	0.007
20 to 24	1	4	0.099	0.105
25 to 29	2	3	0.357	0.238
30 to 34	4	2	0.585	0.304
35 to 39	6	5	0.685	0.326
40 to 44	3	5	0.754	0.361
45 to 49	4	0	0.742	0.429
50 to 54	4	4	0.740	0.452
55 to 59	4	7	0.771	0.484
60 to 64	9	6	0.733	0.487
65 to 69	8	9	0.694	0.477
70 to 74	11	20	0.739	0.511
75 to 79	0.012	0.016	0.802	0.602
80 to 84	0.010	0.030	0.856	0.676
85 to 89	0.031	0.080	0.891	0.792
90 or over	0.116	0.197	0.913	0.918

Source: Derived from Census 2021 (mainly Tables CT 106 and 10

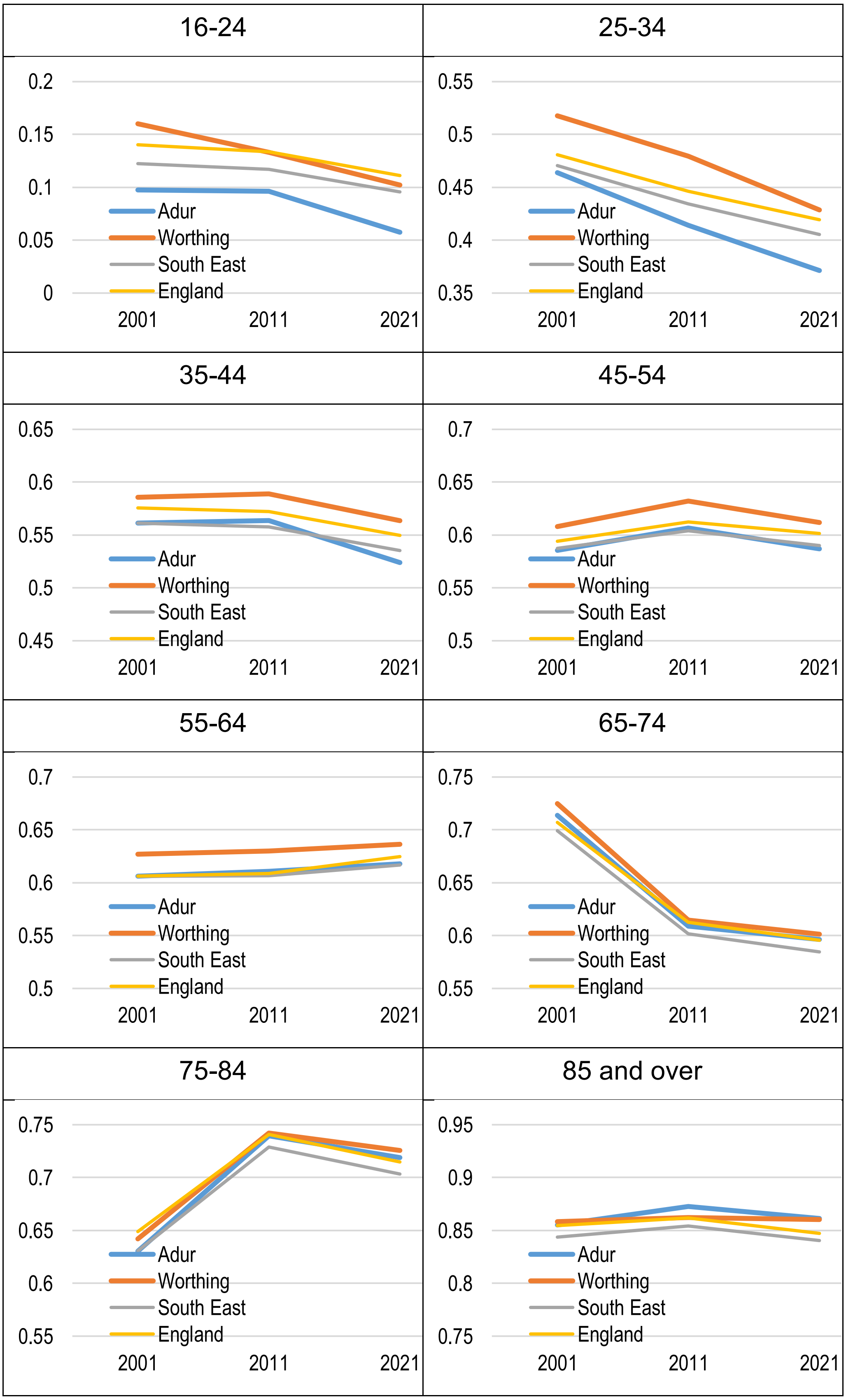
Table 6.10 Communal Population and Household Representative Rates from 2021 Census – Worthing

Age	Communal population		Household Representative Rates	
	Male	Female	Male	Female
0 to 15	4	5	-	-
16 to 19	5	22	0.023	0.023
20 to 24	24	6	0.164	0.172
25 to 29	19	20	0.409	0.310
30 to 34	31	14	0.622	0.369
35 to 39	22	6	0.730	0.384
40 to 44	26	16	0.753	0.412
45 to 49	31	21	0.756	0.444
50 to 54	33	25	0.768	0.488
55 to 59	39	15	0.776	0.517
60 to 64	42	27	0.741	0.519
65 to 69	46	31	0.682	0.485
70 to 74	54	54	0.740	0.521
75 to 79	0.030	0.030	0.816	0.599
80 to 84	0.050	0.070	0.864	0.693
85 to 89	0.070	0.120	0.897	0.786
90 or over	0.155	0.306	0.941	0.897

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

6.42 For household representative rates (HRRs) the figures are calculated at the time of the Census. If ONS follow the method used in their most recent projections for future releases then they are likely to build in the trend between the last three Census points (2001, 2011 and 2021). The figure below shows a summary analysis of the changes in HRRs by age.

Figure 6.7 Change in household representative rates by age 2001-21



Source: ONS

6.43 Arguably the key groups to look at are younger age groups where there may have been a degree of suppression in household formation (due to affordability) and this does appear to be the case in both Adur and Worthing – particularly for those aged 25-34 and to a lesser extent 16-24 and 35-44. Continuing this trend in the projection would therefore potentially build in further suppression and would not be a positive reaction to the Standard Method seeking to improve affordability.

6.44 For some older age groups there does also appear to be a trend of increasing or decreasing HRRs – particularly the 65-74 and 75-84 age groups (and mainly in the 2001-11 period). For these age groups it is considered that the 'trends' are more likely to be due to cohort effects rather than any trend that should be modelled moving forward.

6.45 The approach to HRRs taken in this report for the trend-based projection is to hold figures constant at the levels shown in the 2021 Census. However, when considering a higher housing need (linking to the Standard Method) the possibility of some increases for younger age groups is modelled (i.e. to reduce or reverse suppressed household formation) – this is discussed in relation to the Standard Method projection below.

6.46 Applying the HRRs to the trend-based population projection shows a projected increase of 6,700 households over the 2024-42 period, at an average of 371 per annum (82 per annum in Adur and 288 per annum in Worthing).

Table 6.11 Projected change in households – trend-based

	Households 2024	Households 2042	Change in households	Per annum
Adur	27,936	29,419	1,483	82
Worthing	50,912	56,098	5,186	288
Adur and Worthing	78,847	85,517	6,669	371

Source: Iceni analysis

Developing a Projection linking to the Standard Method and Supply Capacity

6.47 As well as developing a trend-based projection it is possible to consider the implications of housing delivery in line with the Standard Method. The analysis below looks at how the population and household structures might change if providing this level of homes occurs. This is 547 dwellings per annum in Adur and 849 dpa in Worthing (March 2025). A scenario has been developed which flexes migration to and from each area such that there is sufficient population for this level of additional homes to be filled each year.

6.48 In addition, a scenario has been developed that look at the implications of delivery of 150 homes per annum in Adur (this in notional and capacity led) and 230 per annum in Worthing (local plan led), this would lead to delivery of 2,700 in Adur and 4,140 in Worthing over the plan period).

6.49 Within the modelling, migration assumptions have been changed so that across the areas the increase in households matches the housing need (including a standard 3% vacancy allowance). Adjustments are made to both in- and out-migration (e.g. if in-migration is increased by 1% then out-migration is reduced by 1%).

6.50 The analysis also considers Planning Practice Guidance (PPG) was revised in December 2024, alongside the new Standard Method and provides some indication of why the Government sees a need to increase housing delivery[10]. Paragraph 006 (Reference ID: 2a-006-20241212) states:

'Why is an affordability adjustment applied?

[10] https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments

An affordability adjustment is applied as housing stock on its own is insufficient as an indicator of future housing need because:

- *housing stock represents existing patterns of housing and means that all areas contribute to meeting housing needs. The affordability adjustment directs more homes to where they are most needed*

- *people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.*

The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes.'

6.51 The previous PPG also stated that an affordability uplift is required because *'household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live'* and it is arguably interesting that this has now been removed.

6.52 Essentially, the Government considers that by providing more homes there is the opportunity for increased migration to an area to fill the homes although the possibility (despite being removed from the PPG) for more households to form could also be a consideration.

6.53 The modelling does therefore consider the possibility of additional housing delivery allowing the opportunity for additional households to form. For the Standard Method projection, it has been modelled that HRRs for age groups up to 44 could return to the levels seen in 2001 (and shown on the figure above). For the capacity-based projection (which potentially sees household growth closer to the trend-based projection) it is assumed HRRs remain at 2021 levels.

6.54 In developing these projections a population increase of around 2,495 people Adur and 6,078 Worthing is shown. This is based on dwelling delivery at 150 homes a year in Adur across both areas and 230 in

Worthing. When assuming delivery in-line with the Standard Method, a 26% increase in the population is shown jointly both areas, 28,000 people in Worthing and 17,000 people in Adur.

Table 6.12 Projected population growth under the Capacity-led projection (2024-42)

	Population 2024	Population 2042	Change	% change
Adur	64,738	67,233	2,495	3.9%
Worthing	112,631	118,709	6,078	5.4%
Adur and Worthing	177,369	185,942	8,573	4.8%

Source: Iceni analysis

Table 6.13 Projected population growth under the Standard Method (2024-42)

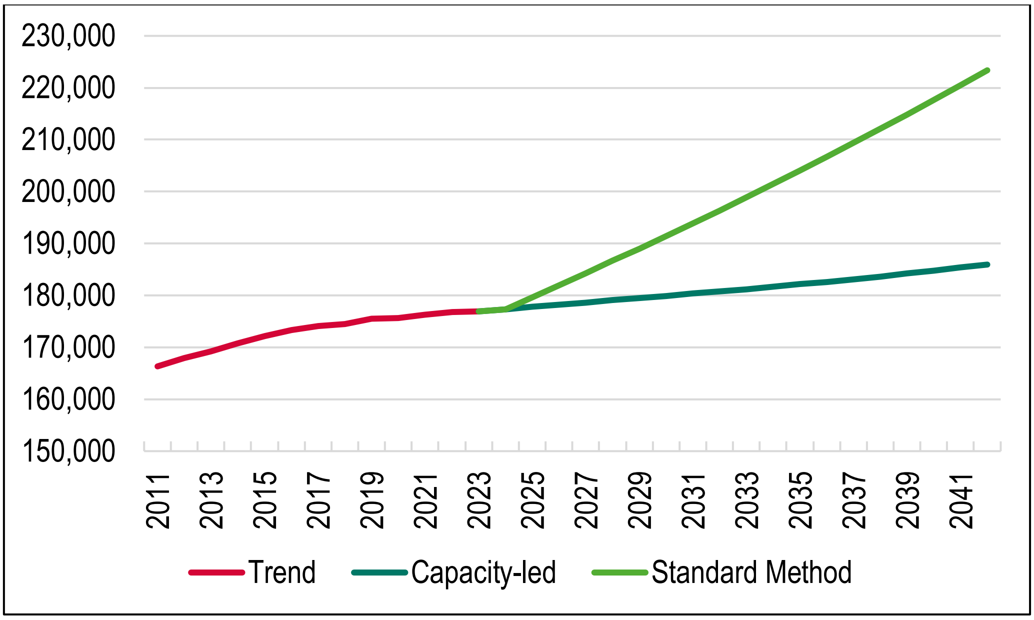
	Population 2024	Population 2042	Change	% change
Adur	64,738	81,960	17,222	26.6%
Worthing	112,631	141,411	28,779	25.6%
Adur and Worthing	177,369	223,371	46,002	25.9%

Source: Iceni analysis

6.55 Below are a series of charts showing past trends and projected population growth and key components of change for each of the projections developed. The first figure looks at overall population growth, before considering natural change and net migration.

6.56 The analysis suggests the population of Adur and Worthing could rise to 223,400 by 2042 (up from an estimated 177,400 in 2024) a 25.9% increase, or 1.4% per annum. For comparison, between 2011 and 2023 the population increased by an average of around 0.5% per annum and so the Standard Method would be projected to provide a boost in population growth. The figures below shows how the total population across both areas would change within each projection. While the figure considers both Adur and Worthing, the overall trend for each area is the same with the key figures set out in tables 6.12 and 6.13.

Figure 6.8 Past trends and projected population – Adur and Worthing

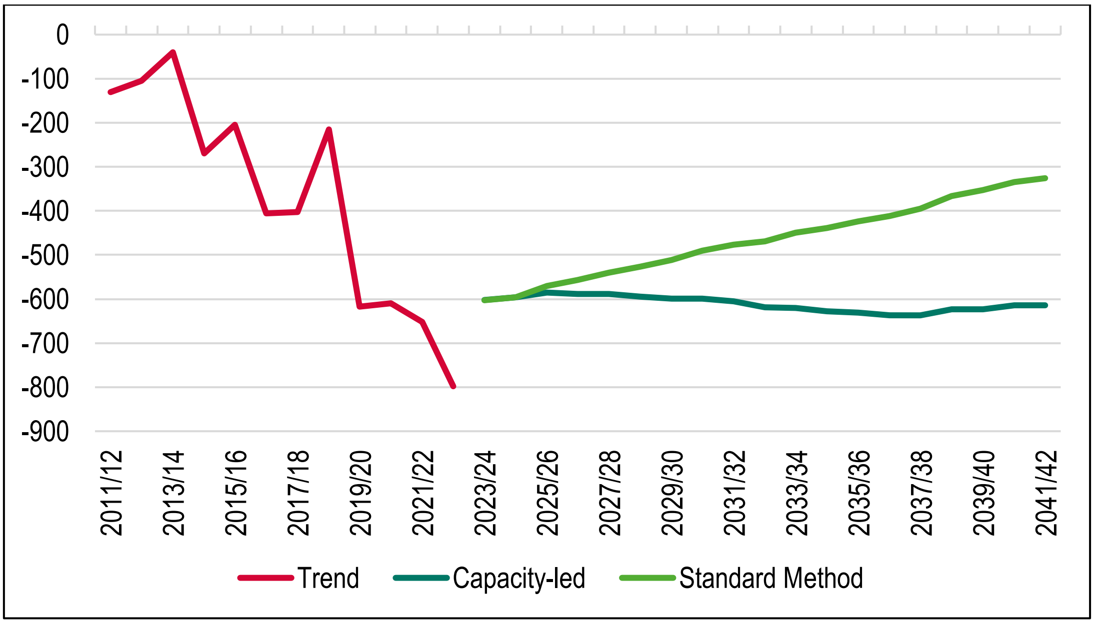


Source: ONS and Iceni analysis

6.57 In both Adur and Worthing the main reason for the higher population growth would be due to increased net in-migration, although the decline in natural change (births minus deaths) would also be flattened off as the population rises (as there will be more females of child-bearing age).

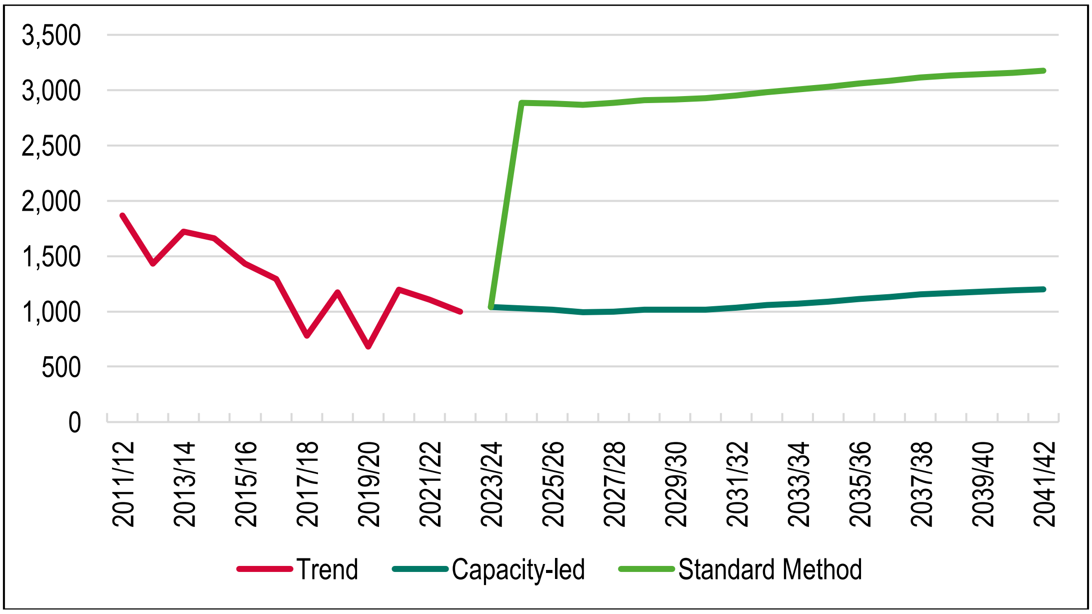
6.58 The figures below show projected natural change and net migration under the scenarios. Focussing on net migration, the analysis suggests that with higher delivery linked to the Standard Method net migration would be at a level significantly higher than typical past trends in both Adur and Worthing. The figures below are intended to visually show how each of the population projections would differ from past trends. Although the figures show Adur and Worthing together the trends shown in the figures are the same for both authorities. Key figures to consider for each authority are in tables 6.14 to 6.17.

Figure 6.9 Past trends and projected natural change – Adur and Worthing



Source: ONS and Iceni analysis

Figure 6.10 Past trends and projected net migration – Adur and Worthing



Source: ONS and Iceni analysis

6.59 A final analysis compares age structure changes under each of these projections. In both cases the projections show an ageing of the population and that with higher growth there would be higher increases in the number of children and people of 'working-age' (16-64).

Table 6.14 Projected population change 2024 to 2042 by broad age bands – capacity-led – Adur

	2024	2042	Change in population	% change
Under 16	11,444	10,163	-1,281	-11.2%
16-64	37,677	37,059	-618	-1.6%
65 and over	15,617	20,012	4,395	28.1%
Total	64,738	67,233	2,495	3.9%

Source: Demographic Projections

Table 6.15 Projected population change 2024 to 2042 by broad age bands – Standard Method – Adur

	2024	2042	Change in population	% change
Under 16	11,444	13,256	1,812	15.8%
16-64	37,677	46,591	8,914	23.7%
65 and over	15,617	22,114	6,497	41.6%
Total	64,738	81,960	17,222	26.6%

Source: Demographic Projections

Table 6.16 Projected population change 2024 to 2042 by broad age bands – capacity-led – Worthing

	2024	2042	Change in population	% change
Under 16	18,253	18,927	673	3.7%
16-64	68,402	66,173	-2,229	-3.3%
65 and over	25,976	33,610	7,634	29.4%
Total	112,631	118,709	6,078	5.4%

Source: Demographic Projections

Table 6.17 Projected population change 2024 to 2042 by broad age bands – Standard Method – Worthing

	2024	2042	Change in population	% change
Under 16	18,253	23,212	4,959	27.2%
16-64	68,402	81,340	12,939	18.9%
65 and over	25,976	36,858	10,882	41.9%
Total	112,631	141,411	28,779	25.6%

Source: Demographic Projections

Summary

6.60 The current Standard Method figures for Adur and Worthing are 547 and 849 dpa respectively.

6.61 This section has developed a population projection that links to the current Standard Method figures as well as a capacity led scenario which estimates a delivery of 150 dwellings per annum in Adur and 230 dpa in Worthing.

6.62 In the capacity led scenarios there would be a 4.8% population increase jointly across both areas, 2,495 people Adur and 6,078 Worthing. All of this growth would be in the population aged 65 and Over while both Under 16's and 16-64 age groups are expected to decline. In the Standard Method based scenario population growth would be 25.9% jointly both areas, 28,000 people in Worthing and 17,000 people in Adur. This scenario would also see significant growth in the 65 and Overs (41.8%) but also growth in the younger age groups.

7. Affordable Housing Need

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

Affordable Housing Sector Dynamics

7.2 The 2021 Census indicated that 12% of households in Adur lived in social or affordable rented homes, with the sector accommodating around 3,400 households. In Worthing, a lower proportion of the population live in social/affordable rented homes (10% - 4,800 households).

7.3 Data from the Regulator of Social Housing (RSH) for 2024 indicates that the Council and Registered Providers (RPs) owned 9,200 properties across the two local authorities, of which 82% were for general needs rent; 13% supported housing or housing for older people; and 5% low cost home-ownership homes (such as shared ownership properties).

7.4 The majority of general needs homes are rented out at social rents (95% of all homes in Adur and 92% in Worthing) and the rest at affordable rents.

Table 7.1 Stock owned or Managed by the Council and Registered Providers – Adur and Worthing

	Adur	Worthing	Total	% of stock
General needs rented	3,297	4,241	7,538	82.3%
Supported/older persons housing	472	710	1,182	12.9%
Low cost home ownership	177	267	444	4.8%
Total	3,946	5,218	9,164	100.0%

Source: RSR Geographical Look-Up Tool 2024

7.5 As at April 2024, there were 980 households on the Council's Housing Register in Adur and 1,925 households in Worthing. In addition, data for September 2024 shows there were 159 households accommodated in temporary accommodation in Adur (some 42% (66 households) of these being households with children). In Worthing, there were 470 households in temporary accommodation, with 149 (32%) being households with children.

Overview of Method

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

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

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

Affordable Housing Definitions

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

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

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

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

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

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

Affordability

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

7.9 The tables below shows estimated current prices to both buy and privately rent a lower quartile home in each area (excluding newbuild sales when looking at house prices). In Adur, across all dwelling sizes the analysis points to a lower quartile price of £290,000 and a private rent of £1,200 per month, with prices and rents in Worthing being estimated to generally be slightly lower (lower quartiles of £240,000 to buy and £1,025 per month to rent privately).

Table 7.2 Estimated lower quartile cost of housing to buy (existing dwellings) and privately rent (by size) – Adur

	To buy	Privately rent
1-bedroom	£180,000	£1,025
2-bedrooms	£265,000	£1,225
3-bedrooms	£350,000	£1,700
4-bedrooms	£475,000	£2,500
All dwellings	£290,000	£1,200

Source: Land Registry and Internet Price Search

Table 7.3 Estimated lower quartile cost of housing to buy (existing dwellings) and privately rent (by size) – Worthing

	To buy	Privately rent
1-bedroom	£165,000	£900
2-bedrooms	£240,000	£1,250
3-bedrooms	£350,000	£1,500
4-bedrooms	£475,000	£1,900
All dwellings	£240,000	£1,025

Source: Land Registry and Internet Price Search

7.10 Next it is important to understand local income levels as these (along with the price/rent data) will determine levels of affordability (i.e. the ability of a household to afford to buy or rent housing in the market without the need for some sort of subsidy). Data about total household income has been based on ONS modelled income estimates, with additional data from the English Housing Survey (EHS) being used to provide information about the distribution of incomes. Data has also been drawn from the Annual Survey of Hours and Earnings (ASHE) to consider changes since the ONS data was published.

7.11 Overall, the average (mean) household income across the study area is estimated to be around £55,300, with a median income of £46,400; the lower quartile income of all households is estimated to be £26,500. There is some difference between the two authorities with incomes estimated to be slightly higher in Worthing.

Table 7.4 Estimated average (median) household income

	Median income	As a % of study area average
Adur	£44,200	95%
Worthing	£47,600	103%
Adur and Worthing	£46,400	-

Source: ICENI analysis

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

- Rental affordability – a household should spend no more than 35% of their income on rent; and

- Mortgage affordability – assume a household has a 10% deposit and can secure a mortgage for four and a half times (4.5×) their income.

Need for Affordable Housing

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

Current Need

7.14 In line with PPG paragraph 2a-020, the current need for affordable housing has been based on considering the likely number of households with one or more housing problems (housing suitability). The table below sets out estimates of the number of households within each category. This shows an estimated 5,500 households as living in 'unsuitable housing', with two-thirds of these being in Worthing. Over 1,000 of these (across the study area) currently having no accommodation (homeless or concealed households).

Table 7.5 Estimated number of households living in unsuitable housing (or without housing)

	Concealed and homeless h'holds	H'holds in over-crowded housing	Existing affordable housing tenants in need	H'holds from other tenures in need	TOTAL
Adur	327	833	75	553	1,787
Worthing	691	1,646	105	1,239	3,682
Adur and Worthing	1,018	2,479	180	1,792	5,469

Source: Iceni analysis

7.15 In taking this estimate forward, the data modelling next estimates the need by tenure and considers affordability. It is estimated that around three-fifths of those households identified above are unlikely to be able to afford market housing – therefore an estimated current need from around 3,205 households. From this estimate, households living in affordable housing are excluded (as these households would release a dwelling on moving and so no net need for affordable housing will arise) and the total current need is estimated to be 2,367 households.

7.16 For the purposes of analysis, it is assumed that the Councils would seek to meet this need over a period of time. Given that this report typically looks at needs in the period from 2024 to 2042, the need is annualised by dividing by 18 (to give an annual need for around 132 dwellings). This does not mean that some households would be expected to wait 18-years for housing as the need is likely to be dynamic, with households leaving the current need as they are housed but with other households developing a need over time.

7.17 The table below shows this data for the two authorities – this is split between those unable to rent OR buy and those able to rent but NOT buy. Given the pricing of housing in the study area, this analysis shows a more modest need for those able to rent but not buy and in all cases the number unable to rent OR buy is notably higher.

Table 7.6 Estimated current affordable housing need by affordability

	Number in need (excluding those in AH)	Annualised		
		TOTAL	Unable to rent OR buy	Able to rent but NOT buy
Adur	751	42	36	6
Worthing	1,617	90	75	15
Adur and Worthing	2,367	132	110	21

Source: Iceni analysis

Projected Housing Need

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

7.19 Overall it is estimated that 1,234 new households would form each year and around three-fifths will be unable to afford market housing; this equates a total of 775 newly forming households will have a need per annum on average – the majority are households unable to rent OR buy.

Table 7.7 Estimated Need for Affordable Housing from Newly Forming Households (per annum)

	Number of new households	% unable to afford	Annual newly forming households unable to afford	Unable to rent OR buy (per annum)	Able to rent but NOT buy (per annum)
Adur	422	71.9%	303	227	76
Worthing	812	58.1%	472	337	135
Adur and Worthing	1,234	62.8%	775	564	211

Source: Iceni Analysis

7.20 The second element of newly arising need is existing households falling into need. To assess this, information about households entering the social/affordable rented sector housing has been used to represent the flow of households onto the Housing Register over this period. Following the analysis through suggests a need arising from 145 existing households each year – again most are households unable to buy OR rent.

Table 7.8 Estimated Need for affordable housing from Existing Households Falling into Need (per annum)

	Total Additional Need	Unable to rent OR buy	Able to rent but NOT buy
Adur	33	29	5
Worthing	112	93	19
Adur and Worthing	145	122	24

Source: Iceni analysis

Supply of Affordable Housing Through Relets/Resales

7.21 The future supply of affordable housing through relets is the flow of affordable housing arising from the existing stock that is available to meet future need. This focusses on the annual supply of social/affordable rent relets. Information from a range of sources (mainly Social Housing Lettings and Sales data (CoRe) and Local Authority Housing Statistics (LAHS)) has been used to establish past patterns of social housing turnover. Data for three-years has been used (2021-22 to 2023-24).

7.22 The figures are for general needs lettings but exclude lettings of new properties and also exclude an estimate of the number of transfers from other social rented homes. These exclusions are made to ensure that the figures presented reflect relets from the existing stock. On the basis of past trends data, it is been estimated that 214 units of social/affordable rented housing are likely to become available each year moving forward.

Table 7.9 Analysis of Past Social/Affordable Rented Housing Supply, 2021/22 – 2023/24 (average per annum) – Adur and Worthing

	Total Lettings	% as Non-New Build	Lettings in Existing Stock	% Non-Transfers	Lettings to New Tenants
2021/22	369	88.6%	327	61.8%	202
2022/23	340	94.1%	320	74.9%	240
2023/24	418	72.2%	302	66.9%	202
Average	376	84.2%	316	67.7%	214

Source: CoRe/LAHS

7.23 It is also possible to consider if there is any supply of affordable home ownership products from the existing stock of housing. One source is likely to be resales of low-cost home ownership products with data from the Regulator of Social Housing showing a total stock in 2024 of 444 (177 in Adur and 267 in Worthing). If these homes were to turnover at a rate of around 5% then they would be expected to generate around 22 resales each year. These properties would be available for these households and can be included as the potential supply. The table below shows the estimated supply of affordable housing from relets/resales in each authority.

Table 7.10 Estimated supply of affordable housing from relets/resales of existing stock by local authority (per annum)

	Social/affordable rented	Low Cost Home Ownership (LCHO)	TOTAL
Adur	47	9	55
Worthing	168	13	181
Adur and Worthing	214	22	236

Source: CoRe/LAHS/RSR

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

Net Need for Affordable Housing

7.25 The table below shows the overall calculation of affordable housing need. The analysis shows that there is a need for 816 dwellings per annum across the study area – an affordable need is seen in both authorities. The net need is calculated as follows:

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

Table 7.11 Estimated Need for Affordable Housing (per annum)

	Current need	Newly forming house-holds	Existing h'holds falling into need	Total Gross Need	Relet/ resale supply	Net Need
Adur	42	303	33	378	55	323
Worthing	90	472	112	674	181	493
Adur and Worthing	132	775	145	1,052	236	816

Source: Iceni analysis

7.26 This can additionally be split between households unable to afford to buy or rent and those able to rent but not buy. For this analysis it is assumed the LCHO supply would be meeting the needs of the latter group, although in reality there will be a crossover between categories. For example, it is likely in some cases that the cost of shared ownership will have an outgoing below that for privately renting and could meet some of the need from households unable to buy or rent – the issue of access to deposits would still be a consideration.

7.27 The table below shows the affordable need figure split between the two categories. Across the whole study area the analysis shows around 71% of households as being unable to buy OR rent, with this figure being slightly lower in Worthing.

Table 7.12 Estimated Need for Affordable Housing (per annum) – split between different affordability groups

	Unable to buy OR rent	Able to rent but not buy	TOTAL	% unable to buy OR rent
Adur	245	78	323	76%
Worthing	338	155	493	69%
Adur and Worthing	583	233	816	71%

Source: Iceni analysis

7.28 These figures can also be standardised based on the size of each location (in this case linked to the number of households shown in the 2021 Census). This shows a higher need in Adur, although the difference between the two areas is not substantial.

Table 7.13 Standardised level of affordable housing need

	Net Need	Estimated households (2021)	Net need per 1,000 households
Adur	323	27,679	11.7
Worthing	493	49,539	9.9
Adur and Worthing	816	77,218	10.6

Source: Iceni analysis

The Role of the Private Rented Sector (PRS)

7.29 The discussion above has already noted that the need for affordable housing does not generally lead to a need to increase overall housing provision. However it is worth briefly thinking about how affordable need works in practice and the housing available to those unable to access market housing without Housing Benefit. In particular, the role played by the Private Rented Sector (PRS) in providing housing for households who require financial support in meeting their housing needs should be recognised.

7.30 Whilst the Private Rented Sector (PRS) does not fall within the types of affordable housing set out in the NPPF (other than affordable private rent which is a specific tenure separate from the main 'full market' PRS), it has evidently been playing a role in meeting the needs of households who require financial support in meeting their housing need. Government recognises this, and indeed legislated through the 2011 Localism Act to allow Councils to discharge their "homelessness duty" through providing an offer of a suitable property in the PRS.

7.31 Data from the Department of Work and Pensions (DWP) has been used to look at the number of Housing Benefit supported private rented homes. As of November 2024, it is estimated that there were around 4,900 benefit claimants in the Private Rented Sector (1,800 in Adur and 3,100 in Worthing). From this, it is clear that the PRS has contributed to the wider supply of 'affordable homes' with the support of benefit claims.

7.32 Whilst the PRS is providing housing for some households, there are however significant risks associated with future reliance on the sector to meet an affordable housing need. The last couple of years have seen rents increase whilst Local Housing Allowance (LHA) levels have remained static. In the Autumn Statement 2023, the then Government increased the LHA rent to the 30th percentile of market rents (although this is based on existing rents and not rents likely to be payable by those moving home); Universal Credit will also rise. However, demand pressure and wider factors affecting landlord decision making (including changes to taxation and regulatory changes) could nonetheless have some impact of restricting future supply of PRS properties to those in need; emphasising the need to support delivery of genuinely affordable homes.

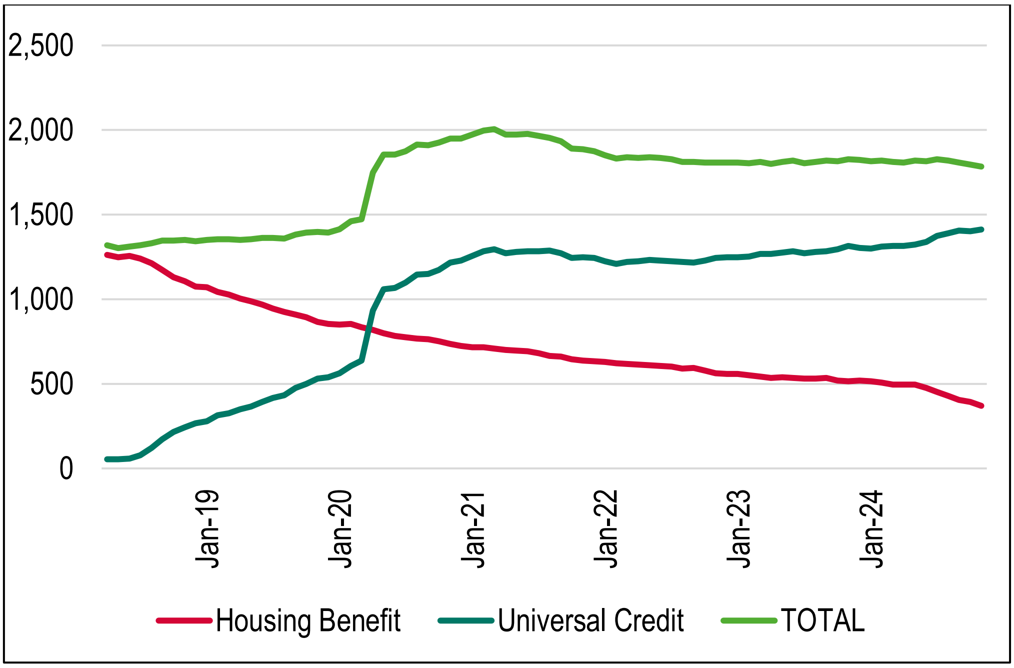
7.33 The figures below show the trend in the number of claimants in each area. This shows there has been a notable increase since March 2020, which is likely to be related to the Covid-19 pandemic. However, even the more historical data shows a substantial number of households claiming benefit support for their housing in the private sector (typically around 1,400 in Adur and 3,300 in Worthing).

7.34 The data about the number of claimants does not indicate how many new lettings are made each year in the PRS. However, data from the English Housing Survey (EHS) over the past three years indicates that nationally around 7% of private sector tenants are new to the sector each year. If this figure is applied to the number of households claiming

HB/UC then this would imply around 340 new benefit supported lettings in the sector per annum.

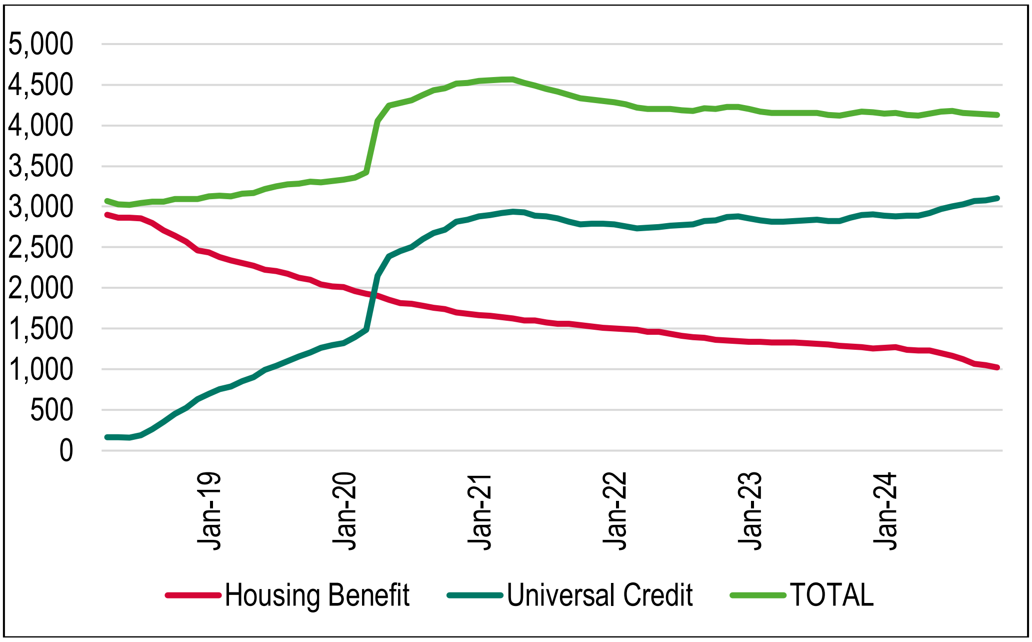
7.35 A key current issue is that there has historically evidently been a reliance on the PRS to address the shortfall in delivery of affordable housing. The Councils have worked proactively with private landlords to do so through the Opening Doors project. With limited current growth in the sector, there are real risks associated with continuing to do so which emphasise the importance of seeking to boost the delivery of affordable housing.

Figure 7.1 Number of Housing Benefit/Universal Credit claimants in the PRS – Adur



Source: Department of Work and Pensions

Figure 7.2 Number of Housing Benefit/Universal Credit claimants in the PRS – Worthing



Source: Department of Work and Pensions

7.36 Whilst housing delivery through the Local Plan can be expected to secure additional affordable housing it needs to be noted that delivery of affordable housing through planning obligations is an important, but not the only means, of delivering affordable housing; and the Council should also work with housing providers to secure funding to support enhanced affordable housing delivery on some sites and through use of its own land assets.

7.37 Regardless of the discussion above, the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue across the study area. It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided. As noted previously, the evidence does however suggest that affordable housing delivery should be maximised where opportunities arise.

Types of Affordable Housing

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

Social and Affordable Rented Housing

7.39 The tables below show current rent levels in each authority for a range of products along with relevant local housing allowance (LHA) rates. Worthing Borough fall entirely within the Worthing Broad Rental Market Area (BRMA) with parts of Adur also within this BRMA as well as being partly in the Brighton & Hove BRMA (Shoreham-by-Sea being within the BRMA). For Adur, the table therefore shows the range of LHA rates across the Borough, with just a single figure presented for Worthing. Data about average social and affordable rents has been taken from the Regulator of Social Housing (RSH) and data is also compared with lower quartile market rents.

7.40 The analysis shows that social rents are significantly lower than affordable rents; the analysis also shows that affordable rents are well below lower quartile market rents – particularly for larger property sizes. The LHA rates for all sizes of home are generally below lower quartile market rents for all sizes of accommodation. This does potentially mean that households seeking accommodation in many locations may struggle to secure sufficient benefits to cover their rent.

Table 7.14 Comparison of rent levels for different products – Adur

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA range
1-bedroom	£413	£665	£1,025	£758-£917
2-bedrooms	£474	£808	£1,225	£947-£1,197
3-bedrooms	£541	£851	£1,700	£1,177-£1,446
4-bedrooms	£607	£798	£2,500	£1,461-£1,995
ALL	£482	£789	£1,200	-

Source: RSH, VOA and market survey

Table 7.15 Comparison of rent levels for different products – Worthing

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA
1-bedroom	£432	£590	£900	£758
2-bedrooms	£508	£765	£1,250	£947
3-bedrooms	£564	£925	£1,500	£1,177
4-bedrooms	£635	£1,143	£1,900	£1,461
ALL	£504	£755	£1,025	-

Source: RSH, VOA and market survey

7.41 To some extent it is easier to consider the data above in terms of the percentage one housing cost is of another and this is shown in the tables below. Focusing on 2-bedroom homes in Adur, the analysis shows that social rents are significantly cheaper than market rents (and indeed affordable rents) and that affordable rents (as currently charged) represent 66% of a current lower quartile rent.

Table 7.16 Difference between rent levels for different products – Adur

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	62%	40%	65%
2-bedrooms	59%	39%	66%
3-bedrooms	64%	32%	50%
4-bedrooms	76%	24%	32%
ALL	61%	40%	66%

Source: RSH and market survey

Table 7.17 Difference between rent levels for different products – Worthing

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	73%	48%	66%
2-bedrooms	66%	41%	61%
3-bedrooms	61%	38%	62%
4-bedrooms	56%	33%	60%
ALL	67%	49%	74%

Source: RSH and market survey

7.42 The table below suggests that around 16% of households who cannot afford to rent privately could afford an affordable rent at 80% of market rents, with a further 9% being able to afford current affordable rents. There are also an estimated 29% who can afford a social rent (but not an affordable one). A total of 46% of households would need some degree of benefit support (or spend more than 35% of income on housing) to be able to afford their housing (regardless of the tenure). This analysis points to a clear need for social rented housing.

Table 7.18 Estimated need for affordable rented housing (% of households unable to afford to buy OR rent)

	Adur	Worthing	Adur and Worthing
Afford 80% of market rent	13%	18%	16%
Afford current affordable rent	13%	6%	9%
Afford social rent	31%	28%	29%
Need benefit support	43%	48%	46%
All unable to afford market	100%	100%	100%

Source: Affordability analysis

7.43 The analysis indicates that provision of up to 75% of rented affordable housing at social rents could be justified; albeit in setting planning policies, this will need to be considered alongside viability evidence. Higher provision at social rents will reduce the support through housing benefits required to ensure households can afford their housing costs; but this needs to be balanced off against impacts on overall delivery of rented affordable housing. Where homes are delivered at affordable rents, the rents should not exceed LHA levels.

Intermediate Housing

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

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

7.46 The tables below set out a suggested purchase price for affordable home ownership/First Homes in Adur and Worthing by size. It works through first (on the left hand side) what households with an affordable home ownership need could afford (based on a 10% deposit and a mortgage at 4.5 times' income). The right-hand side of the table then sets out what Open Market Value (OMV) this might support, based on a 30% discount. The lower end of the range is based on households who could afford to rent privately without financial support at LQ rents; with the upper end based on the midpoint between this and the lower quartile house price.

7.47 Focussing on 2-bedroom homes in Adur, it is suggested that an affordable price is between £210,000 and £237,500 and therefore the open market value of homes would need to be in the range of £300,000 and £339,300 (if discounted by 30%). Although set out as a range, any price below the bottom end would also be considered as affordable, and potentially might meet some of the need from households unable to buy OR rent.

Table 7.19 Affordable home ownership prices – Adur

	What households with an affordable home ownership need could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£175,700-£177,900	£251,000-£254,100
2-bedrooms	£210,000-£237,500	£300,000-£339,300
3-bedrooms	£291,400-£320,700	£416,300-£458,200
4+-bedrooms	£428,600-£451,800	£612,200-£645,400

Source: Iceni analysis

Table 7.20 Affordable home ownership prices – Worthing

	What households with an affordable home ownership need could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£165,000	£235,700
2-bedrooms	£214,300-£227,100	£306,100-£324,500

3-bedrooms	£257,100-£303,600	£367,300-£433,700
4+-bedrooms	£325,700-£400,400	£465,300-£571,900

Source: Iceni analysis

7.48 It is difficult to definitively analyse the cost of newbuild homes as these will vary from site-to-site and will be dependent on a range of factors such as location, built-form and plot size. We have however looked at newbuild schemes currently advertised on Rightmove with the table below providing a general summary of existing schemes. The analysis covers both Adur and Worthing as there were very few non-retirement newbuild homes advertised in Worthing at the time of the research – indeed the number of new homes in Adur was also quite low.

7.49 This analysis is interesting as it shows the median newbuild price to generally be above the top end of the OMV required to make homes affordable to those in the gap between buying and renting. That said, homes at the bottom end of the price range could potentially be discounted by 30% and considered as affordable.

7.50 This analysis shows how important it will be to know the OMV of housing before discount to be able to determine if a product is going to be genuinely affordable in a local context – providing a discount of 30% will not automatically mean it becomes affordable housing. Overall, it is considered the evidence does not support a need for First Homes (or other discounted market products) in a local context, and in particular that they are unlikely to be affordable for those households who are in need.

Table 7.21 Estimated newbuild housing cost by size – Adur and Worthing

	No. of homes advertised	Range of prices	Median price
1-bedroom[11]	4	£215,000-£230,000	£220,000
2-bedrooms	15	£270,000-£550,000	£385,000
3-bedrooms	19	£375,000-£570,000	£485,000
4+-bedrooms	13	£445,000-£825,000	£600,000

Source: Iceni analysis

7.51 With regard to First Homes specifically, the analysis does also suggest it will be difficult to provide housing other than 1- or possibly 2-bedroom homes given a price cap of £250,000 and therefore a reasonable mix of housing in this tenure would not be possible.

7.52 The analysis below moves on to consider shared ownership, for this analysis an assessment of monthly outgoings has been undertaken with a core assumption being that the outgoings should be the same as for renting privately so as to make this tenure genuinely affordable. The analysis has looked at what the OMV would need to be for a shared ownership to be affordable with a 10%, 25% and 50% share. To work out outgoings the mortgage part is based on a 10% deposit (for the equity share) and a repayment mortgage over 25-years at 5% with a rent at 2.75% per annum on unsold equity.

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

[11] These prices were all based on a single scheme in Adur and may therefore not be representative

7.54 By way of an explanation of the tables (focussing on 2-bedroom homes in Adur) – if a 50% equity share scheme came forward then it is estimated the OMV could not be above £324,000 if it is to be genuinely affordable (due to the outgoings being in excess of the cost of privately renting). However, given the subsidised rents, the same level of outgoings could be expected with a 10% equity share but a much higher OMV of £473,000. Although affordability can only be considered on a scheme by scheme basis, it is notable that we estimate a median 2-bedroom newbuild to cost around £385,000 – for this size of accommodation, this points to shared ownership not being genuinely affordable with a 50% share, but could be with shares of 25% (and probably around 30%).

Table 7.22 Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Adur

	50% share	25% share	10% share
1-bedroom	£271,000	£338,000	£396,000
2-bedroom	£324,000	£404,000	£473,000
3-bedroom	£450,000	£560,000	£657,000
4-bedrooms	£662,000	£824,000	£966,000

Source: Iceni analysis

Table 7.23 Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Worthing

	50% share	25% share	10% share
1-bedroom	£238,000	£297,000	£348,000
2-bedroom	£331,000	£412,000	£483,000
3-bedroom	£397,000	£494,000	£579,000
4-bedrooms	£503,000	£626,000	£734,000

Source: Iceni analysis

7.55 A further affordable option is Rent to Buy; this is a Government scheme designed to ease the transition from renting to buying the same home. Initially (typically for five years) the newly built home will be provided at the equivalent of an affordable rent (approximately 20% below the market rate). The expectation is that the discount provided in that first five years is saved in order to put towards a deposit on the purchase of the same property. Rent to Buy can be advantageous for some households as it allows for a smaller ‘step’ to be taken on to the home ownership ladder.

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

7.57 In order to access this tenure, it effectively requires the same income threshold for the initial phase as a market rental property although the cost of accommodation will be that of affordable rent. The lower-than-market rent will allow the household to save for a deposit for the eventual shared ownership or market property. In considering the affordability of rent-to-buy schemes there is a direct read across to the income required to access affordable home ownership (including shared ownership). It should therefore be treated as part of the affordable home ownership products suggested by the NPPF.

Summary

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

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

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

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

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

8. Need for Different Sizes of Homes

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

Background Data

8.2 The number of families in Adur and Worthing (defined for the purpose of this assessment as any household which contains at least one dependent child) totalled 20,300 as of the 2021 Census, accounting for 26% of households; this proportion is lower than seen across the region and nationally.

Table 8.1 Households with Dependent Children (2021)

	Adur and Worthing		West Sussex	South East	England
	No.	%	%	%	%
Married couple with dependent children	10,414	13.5%	15.0%	16.3%	14.4%
Cohabiting couple with dependent children	3,757	4.9%	4.4%	4.4%	4.5%
Lone parent with dependent children	4,512	5.8%	5.5%	6.0%	6.9%
Other households with dependent children	1,630	2.1%	2.1%	2.5%	2.7%
Households without dependent children	56,905	73.7%	73.1%	70.9%	71.5%
Total	77,218	100.0%	100.0%	100.0%	100.0%
Total with dependent children	20,313	26.3%	26.9%	29.1%	28.5%

Source: Census (2021)

8.3 The table below shows the same information for each of the two local authorities. There are some modest variations in the proportion of households with dependent children, this being slightly higher in Adur – the proportion of households with dependent children is lower than the regional and national average in both areas.

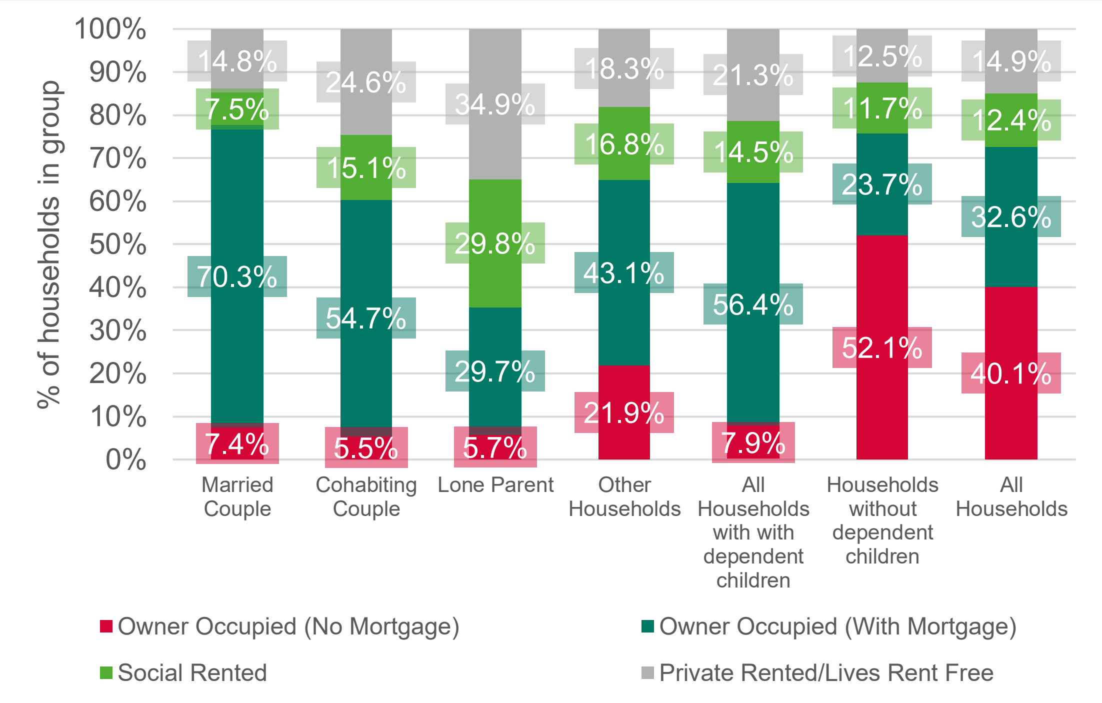
Table 8.2 Households with dependent children (2021) – local authorities

	Adur	Worthing	Adur and Worthing
Married couple with dependent children	13.8%	13.3%	13.5%
Cohabiting couple with dependent children	5.3%	4.6%	4.9%
Lone parent with dependent children	5.7%	5.9%	5.8%
Other households with dependent children	2.2%	2.0%	2.1%
Households without dependent children	72.9%	74.1%	73.7%
Total	100.0%	100.0%	100.0%
Households with dependent children as a proportion of all households	27.1%	25.9%	26.3%

Source: Census (2021)

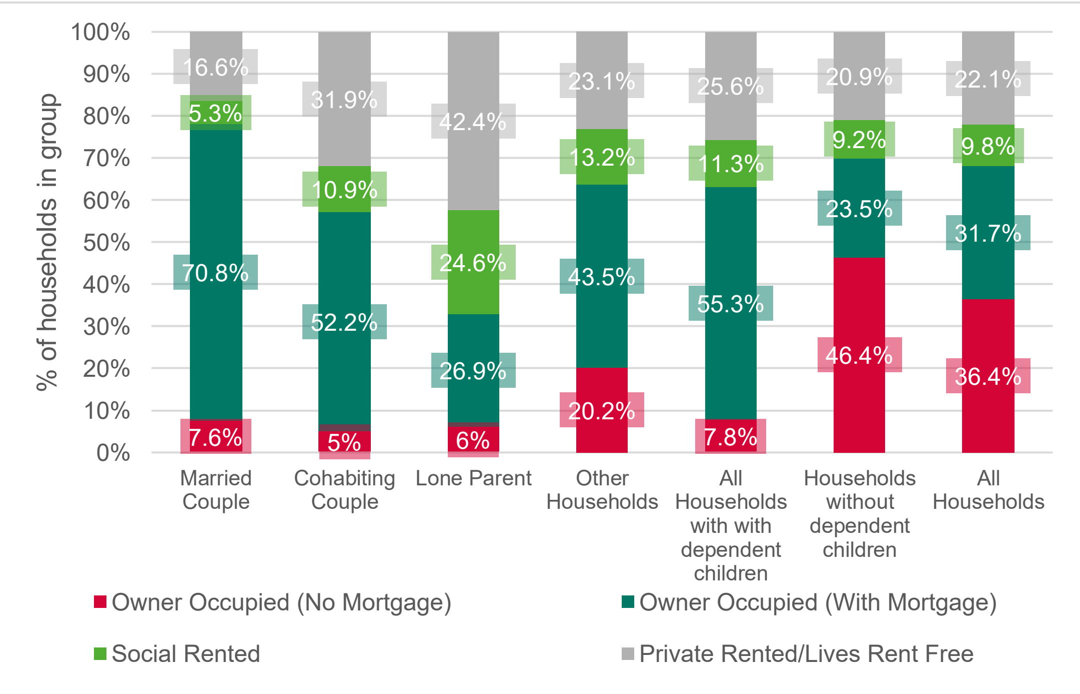
8.4 The figures below shows the current tenure of households with dependent children. There are some considerable differences by household type with lone parents having a very high proportion living in the private rented sector and also in social rented accommodation. Across Adur, only 35% of lone-parent households are owner-occupiers compared with 78% of married couples with children; for Worthing these figures are 33% and 78% respectively.

Figure 8.1 Tenure of households with dependent children (2021) – Adur



Source: Census (2021)

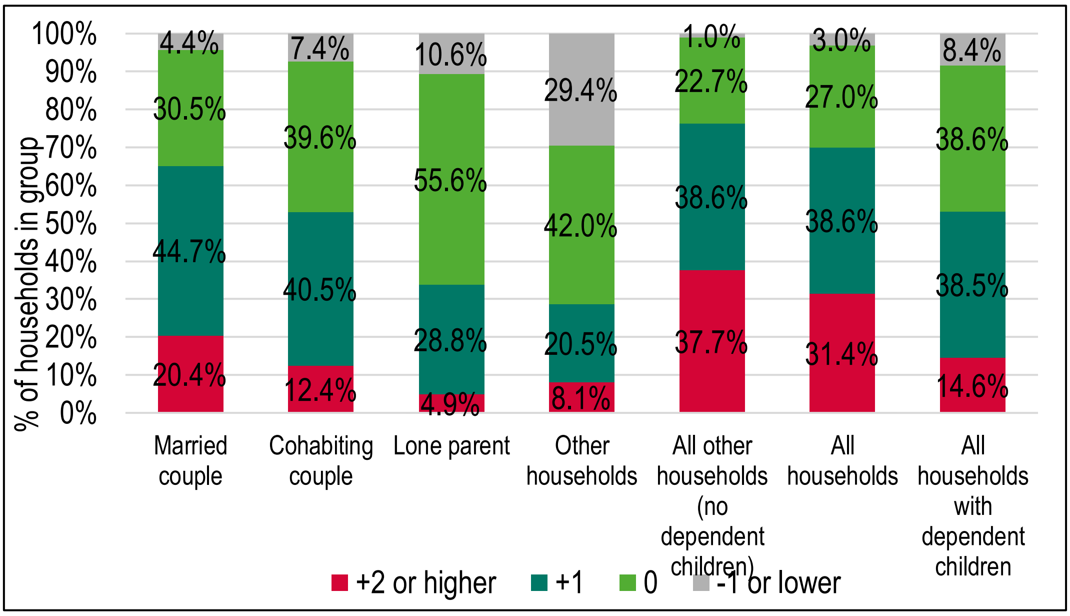
Figure 8.2 Tenure of households with dependent children (2021) – Worthing



Source: Census (2021)

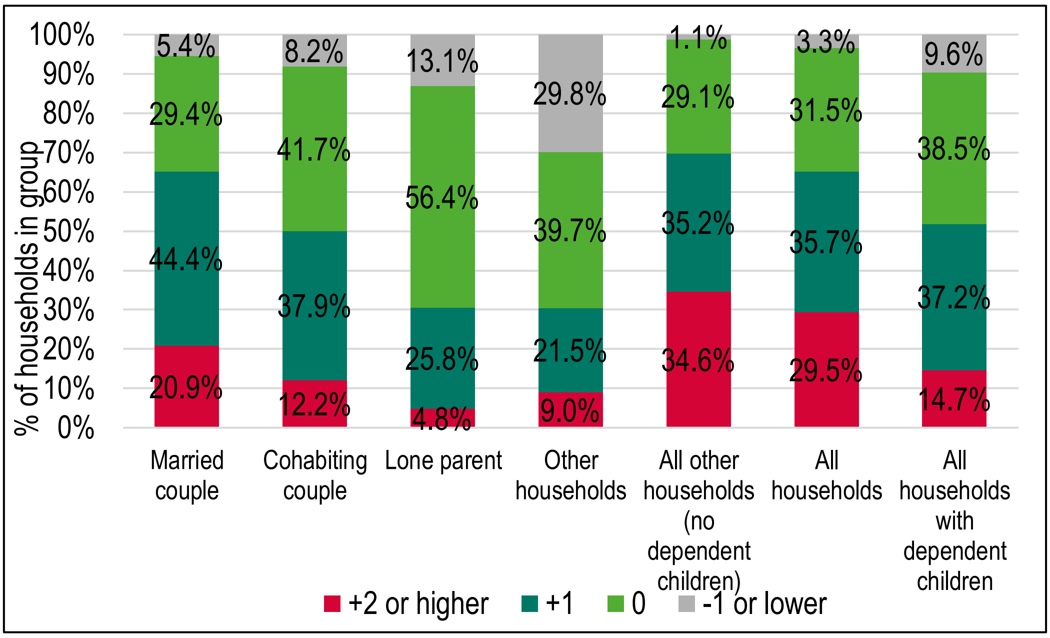
8.5 The figures below show levels of overcrowding and under-occupancy of households with dependent children based on the Census bedroom standard (as explain in chapter 3 paragraphs 18-20). This shows higher levels of overcrowding (minus figure) for all household types with dependent children with 11% (Adur) to 13% (Worthing) of all lone parents and 29% (Adur) to 30% (Worthing) of 'other' households being overcrowded. Overall, some 8% (Adur) to 10% (Worthing) of households with dependent children are overcrowded, compared with around 1% of other households. Levels of under-occupancy (positive figures) are also notably lower in households with dependent children.

Figure 8.3 Occupancy rating of households with dependent children (2021) – Adur



Source: Census (2021)

Figure 8.4 Occupancy rating of households with dependent children (2021) – Worthing



Source: Census (2021)

The Mix of Housing Needed

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

8.7 On the assumption that occupancy patterns for each age group (within each tenure) remain the same, it is therefore possible to assess the profile of housing needed is over the assessment period (taken to be 2024-42 to be consistent with other analysis in this report).

8.8 An important starting point is to understand the current balance of housing in the area – the table below profiles the sizes of homes in different tenure groups across areas. The data shows a market stock (owner-occupied) that is dominated by 3+-bedroom homes (making up

65% (Adur) and 63% (Worthing) of the total in this tenure group); these proportions are however somewhat lower than seen regionally and nationally (both at 75%). In Adur the average size of homes in both the social and private rented sectors is broadly similar to that seen regionally and nationally, although Worthing again sees notably smaller dwelling sizes. Observations about the current mix feed into conclusions about future mix later in this section.

Table 8.3 Number of Bedrooms by Tenure, 2021

		Adur	Worthing	South East	England
Owner-occupied	1-bedroom	6%	8%	4%	4%
	2-bedrooms	29%	29%	21%	21%
	3-bedrooms	46%	41%	42%	46%
	4+-bedrooms	19%	22%	33%	29%
	Total	100%	100%	100%	100%
	Ave. no. beds	2.79	2.77	3.04	3.01
Social rented	1-bedroom	29%	38%	31%	29%
	2-bedrooms	34%	30%	35%	36%
	3-bedrooms	34%	28%	31%	31%
	4+-bedrooms	3%	4%	4%	4%
	Total	100%	100%	100%	100%
	Ave. no. beds	2.11	1.97	2.08	2.10
Private rented	1-bedroom	24%	38%	24%	21%
	2-bedrooms	40%	37%	38%	39%
	3-bedrooms	29%	19%	27%	29%
	4+-bedrooms	7%	6%	12%	11%
	Total	100%	100%	100%	100%
	Ave. no. beds	2.20	1.94	2.27	2.30

Source: Census (2021)

Overview of Methodology

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

Understanding How Households Occupy Homes

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

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

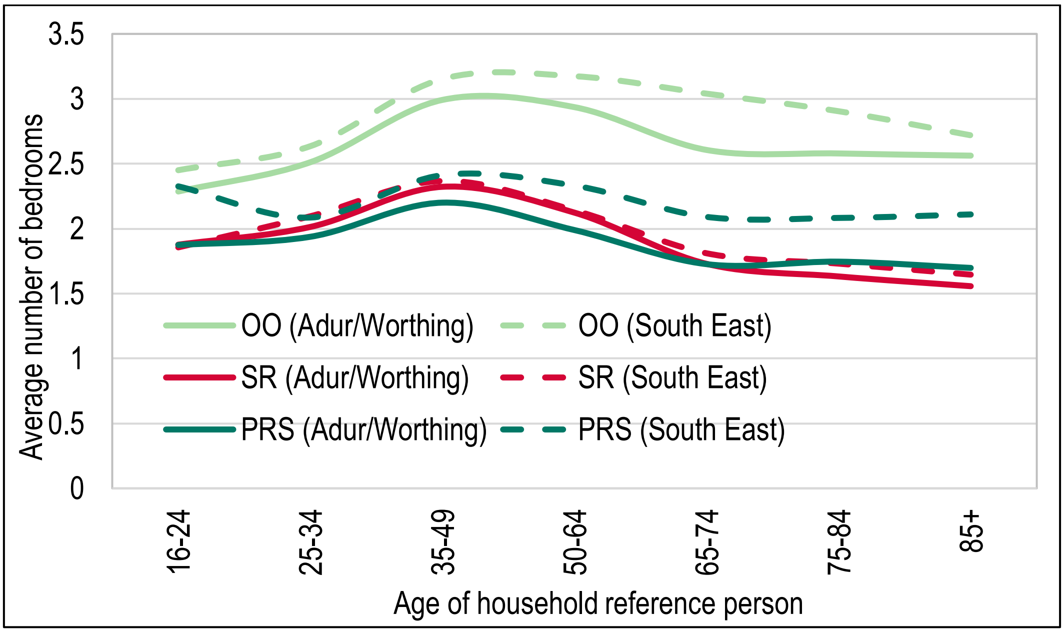
8.12 That said, issues of supply can also impact occupancy patterns, for example, it may be that a supply of additional smaller-level access homes would encourage older people to downsize but in the absence of such accommodation, these households remain living in their larger accommodation.

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

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

8.15 The figure below shows an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group for Adur and Worthing and the South East region. In all sectors, the average size of accommodation rises over time to typically reach a peak around the age of 50. After peaking, the average dwelling size decreases – as typically some households downsize as they get older. The analysis confirms Adur and Worthing as having smaller dwelling sizes in the owner-occupied and private rented sectors in particular. Although the figure below combines data for the two authorities, the analysis undertaken looks specifically at information for each authority separately.

Figure 8.5 Average Bedrooms by Age and Tenure in Adur and Worthing and the region



Source: Census (2021)

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

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

Changes to Households by Age

8.17 The tables below present the projected change in households by age of household reference person under the capacity-led projections. In both cases the data shows strong projected increases in older age groups and an overall decline in the number of households headed by someone aged under 65.

Table 8.4 Projected Change in Household by Age of HRP in Adur

	2024	2042	Change in Households	% Change
Under 25	269	297	28	10.4%
25-34	2,423	2,588	165	6.8%
35-49	6,666	6,417	-250	-3.7%
50-64	8,223	7,880	-343	-4.2%
65-74	4,256	5,274	1,019	23.9%
75-84	4,322	5,498	1,176	27.2%
85+	1,777	2,603	826	46.5%
TOTAL	27,936	30,557	2,621	9.4%

Source: Iceni Analysis

Table 8.5 Projected Change in Household by Age of HRP in Worthing

	2024	2042	Change in Households	% Change
Under 25	900	818	-82	-9.1%
25-34	5,611	4,586	-1,025	-18.3%
35-49	12,602	12,085	-517	-4.1%
50-64	14,920	15,500	580	3.9%
65-74	7,000	8,842	1,842	26.3%
75-84	6,859	8,868	2,009	29.3%
85+	3,019	4,232	1,213	40.2%
TOTAL	50,912	54,931	4,020	7.9%

Source: Iceni Analysis

Modelled Outputs

8.18 By following the methodology set out above and drawing on the sources shown, a series of outputs have been derived to consider the likely size requirement of housing within each of the three broad tenures at a local authority level. The analysis is based on considering both local and regional occupancy patterns. The data linking to local occupancy will to some extent reflect the role and function of the local area, whilst the regional data will help to establish any particular gaps (or relative surpluses) of different sizes/tenures of homes when considered in a wider context.

8.19 The analysis for rented affordable housing can also draw on data from the local authorities Housing Registers with regards to the profile of need. The data shows a pattern of need which is focussed on 1-bedroom homes but with around a quarter of households requiring 3+-bedroom accommodation – figures are broadly similar in both areas.

Table 8.6 Size of Social/Affordable Rented Housing Needed – Housing Register Information (2024)

	Adur		Worthing	
	Number of households	% of households	Number of households	% of households
1-bedroom	460	46.9%	976	50.7%
2-bedrooms	295	30.1%	507	26.3%
3-bedrooms	190	19.4%	384	19.9%
4+-bedrooms	35	3.6%	58	3.0%
TOTAL	980	100.0%	1,925	100.0%

Source: LAHS

8.20 The tables below shows the modelled outputs of need by dwelling size in the three broad tenures. In both cases, market housing focusses on 3+-bedroom homes, affordable home ownership on 2-bedroom accommodation and rented affordable housing showing a profile of more 1- and 3+-bedroom homes (when compared with AHO).

Table 8.7 Initial Modelled Mix of Housing by Size and Tenure – Adur

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	9%	39%	40%	12%
Affordable home ownership	26%	39%	26%	8%
Affordable housing (rented)	34%	33%	30%	3%

Source: Housing Market Model

Table 8.8 Initial Modelled Mix of Housing by Size and Tenure – Worthing

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	7%	37%	40%	17%
Affordable home ownership	33%	37%	22%	8%
Affordable housing (rented)	39%	31%	27%	3%

Source: Housing Market Model

Rightsizing

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

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

8.23 The table below shows a cross-tabulation of a household's occupancy rating and the number of bedrooms in their home (for owner-occupiers). This shows a high number of households with at least 2 spare bedrooms who are living in homes with 3 or more bedrooms. There are also a small number of overcrowded households. Across the two authorities, in the owner-occupied sector in 2021, there were 43,500 households with some degree of under-occupation and around 740 overcrowded households – some 81% of all owner-occupiers have some degree of under-occupancy.

Table 8.9 Cross-tabulation of occupancy rating and number of bedrooms (owner-occupied sector) – Adur

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	-	-	5,021	2,939	7,960
+1 spare bedrooms	-	4,714	2,983	785	8,482
0 “Right sized”	1,110	1,047	1,095	148	3,400
-1 too few bedrooms	51	95	95	35	276
TOTAL	**1,161**	**5,856**	**9,194**	**3,907**	**20,118**

Source: Census (2021)

Table 8.10 Cross-tabulation of occupancy rating and number of bedrooms (owner-occupied sector) – Worthing

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	12,598	7,470	2,206	13,288
+1 spare bedrooms	0	0	12,671	8,577	13,792
0 "Right sized"	3,661	2,847	2,695	415	6,218
-1 too few bedrooms	158	247	255	82	466
TOTAL	3,819	15,692	23,091	11,280	33,764

Source: Census (2021)

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

Table 8.11 Cross-tabulation of occupancy rating and number of bedrooms (social rented sector) – Adur

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	264	37	301
+1 spare bedrooms	0	452	327	29	808
0 "Right sized"	947	557	460	40	2,004
-1 too few bedrooms	43	169	101	10	323
TOTAL	990	1,178	1,152	116	3,436

Source: Census (2021)

Table 8.12 Cross-tabulation of occupancy rating and number of bedrooms (social rented sector) – Worthing

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	-	-	325	92	417
+1 spare bedrooms	-	553	356	32	941
0 “Right sized”	1,762	709	515	40	3,026
-1 too few bedrooms	96	209	141	14	460
TOTAL	1,858	1,471	1,337	178	4,844

Source: Census (2021)

Table 8.13 Cross-tabulation of occupancy rating and number of bedrooms (private rented sector) – Adur

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	-	-	269	172	441
+1 spare bedrooms	-	778	530	78	1,386
0 “Right sized”	908	756	355	42	2,061
-1 too few bedrooms	84	95	42	13	234
TOTAL	992	1,629	1,196	305	4,122

Source: Census (2021)

Table 8.14 Cross-tabulation of occupancy rating and number of bedrooms (private rented sector) – Worthing

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	-	-	452	439	891
+1 spare bedrooms	-	1,887	888	181	2,956
0 “Right sized”	3,783	1,850	661	69	6,363
-1 too few bedrooms	329	297	84	9	719
TOTAL	4,112	4,034	2,085	698	10,929

Source: Census (2021)

8.25 In using this data in the modelling an adjustment is made to move some of those who would have been picked up in the modelling as under-occupying into smaller accommodation. Where there is under-occupation by 2 or more bedrooms, the adjustment takes 25% of this group and assigns to a ‘+1’ occupancy. This does need to be recognised as an assumption, but can be seen to be reasonable as they do retain some (considerable) degree of under-occupation (which is likely) but does also seek to model a better match between household needs and the size of their home. For overcrowded households a move in the other direction is made, in this case households are moved up as many bedrooms as is needed to resolve the problems (this is applied for all overcrowded households). Data used is specific to each authority in the analysis but presented together in the tables above.

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

Table 8.15 Modelled Mix of Housing by Size and Tenure – Adur

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	8%	44%	37%	10%
Affordable home ownership	24%	41%	27%	8%
Affordable housing (rented)	33%	31%	30%	6%

Source: Housing Market Model

Table 8.16 Modelled Mix of Housing by Size and Tenure – Worthing

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	6%	41%	39%	14%
Affordable home ownership	30%	38%	24%	8%
Affordable housing (rented)	37%	30%	28%	6%

Source: Housing Market Model

8.27 Across both areas, the analysis points to around a third of the social/affordable housing need being for 1-bedroom homes and it is of interest to see how much of this is due to older person households. In the future household sizes are projected to drop whilst the population of older people will increase. Older person households (as shown earlier) are more likely to occupy smaller dwellings. The impacts of older people have on demand for smaller stock is outlined in the table below.

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

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

Table 8.17 Modelled Mix of Housing by Size and Age – affordable housing (rented) – Adur

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	21%	36%	36%	7%
65 and over	51%	49%		
All affordable housing (rented)	33%	31%	30%	6%

Source: Housing Market Model

Table 8.18 Modelled Mix of Housing by Size and Age – affordable housing (rented) – Worthing

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	26%	32%	34%	8%
65 and over	54%	46%		
All affordable housing (rented)	37%	30%	28%	6%

Source: Housing Market Model

8.30 A further analysis of the need for rented affordable housing is to compare the need with the supply (turnover) of different sizes of accommodation. This links back to estimates of need in the previous section (an annual need for 582 dwellings per annum from households unable to buy OR rent (245 in Adur and 338 in Worthing)) with additional data from CoRe about the sizes of homes let over the past three years.

8.31 This analysis is quite clear in showing **the very low supply of larger homes for rent relative to the need for 4+-bedroom accommodation** in particular, where it is estimated the supply is only around 3% of the need arising each year in Adur and 4% in Worthing, whereas for 1-

bedroom homes approaching half of the need in Worthing can be met (around a third in Adur).

Table 8.19 Need for rented affordable housing by number of bedrooms – Adur

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	75	24	51	20.8%	31.9%
2-bedrooms	104	16	88	35.9%	15.6%
3-bedrooms	94	6	88	36.0%	6.4%
4+-bedrooms	18	1	17	7.3%	2.8%
Total	291	47	244	100.0%	16.0%

Source: Iceni analysis

Table 8.20 Need for rented affordable housing by number of bedrooms – Worthing

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	168	79	89	26.4%	46.8%
2-bedrooms	173	63	110	32.4%	36.7%
3-bedrooms	138	25	113	33.7%	17.8%
4+-bedrooms	26	1	25	7.5%	4.1%
Total	505	168	338	100.0%	33.2%

Source: Iceni analysis

Indicative Targets for Different Sizes of Property by Tenure

8.32 The analysis below provides some indicative targets for different sizes of home (by tenure). The conclusions take account of a range of factors, including the modelled outputs and an understanding of the stock profile and levels of under-occupancy and overcrowding. The analysis (for rented affordable housing) also draws on the Housing Register data as well as taking a broader view of issues such as the flexibility of homes to accommodate changes to households (e.g. the lack of flexibility offered by a 1-bedroom home for a couple looking to start a family).

Social/Affordable Rented

8.33 Bringing together the above, a number of factors are recognised. This includes recognising that it is unlikely that all affordable housing needs will be met and that it is likely that households with a need for larger homes will have greater priority (as they are more likely to contain children). That said, there is also a possible need for 1-bedroom social housing arising due to homelessness (typically across the country homeless households are more likely to be younger single people). The following mix of social/affordable rented housing is therefore suggested:

Table 8.21 Recommended Social/ Affordable Rented Housing Mix

<table>
<tr><th></th><th colspan="2">Adur</th><th colspan="2">Worthing</th></tr>
<tr><td></td><td>Under 65</td><td>65 and over</td><td>Under 65</td><td>65 and over</td></tr>
<tr><td>1-bedroom</td><td>20%</td><td>60%</td><td>25%</td><td>60%</td></tr>
<tr><td>2-bedrooms</td><td>35%</td><td rowspan="3">40%</td><td>30%</td><td rowspan="3">40%</td></tr>
<tr><td>3-bedrooms</td><td>35%</td><td>35%</td></tr>
<tr><td>4+ bedrooms</td><td>10%</td><td>10%</td></tr>
</table>

Source: Iceni Analysis

8.34 Regarding older persons housing, the above recommendations aim to promote the opportunity for older person households to downsize, with a 2-bed offering being more likely to encourage this than 1-bed homes.

Also, whilst technically most older person households will only have a 'need' for a 1-bed home, a larger property remains affordable as most older person households are not impacted by the bedroom tax / spare room subsidy. While we have identified a need for 40% of affordable older person homes to be 2+ bedrooms it is likely that delivery will be focused on those with only 2-bedrooms.

8.35 It should be noted that the above recommendations are to a considerable degree based on projecting the need forward to 2042 and will vary over time. It may be at a point in time the case that Housing Register data identifies a shortage of housing of a particular size/type which could lead to the mix of housing being altered from the overall suggested requirement.

Affordable Home Ownership

8.36 In the affordable home ownership sector a profile of housing that more closely matches the outputs of the modelling is suggested. It is considered that the provision of affordable home ownership should be more explicitly focused on delivering smaller family housing for younger households and childless couples. The conclusions also take account of the earlier observation that it may be difficult to make larger homes genuinely affordable for AHO. Based on this analysis, it is suggested that the following mix of affordable home ownership would be appropriate:

Table 8.22 Recommended Affordable Home Ownership Housing Mix

	Adur	Worthing
1-bedroom	25%	30%
2-bedrooms	45%	40%
3-bedrooms	25%	25%
4+ bedrooms	5%	5%

Source: Iceni Analysis

Market Housing

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

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

Table 8.23 Recommended Market Housing Mix

	Adur	Worthing
1-bedroom	10%	5%
2-bedrooms	45%	40%
3-bedrooms	35%	40%
4+ bedrooms	10%	15%

Source: Iceni Analysis

8.39 The suggested figures can be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area. The recommendations can also be used as a set of guidelines to consider the appropriate mix on larger development sites, and the Councils could expect justification for a housing mix on such sites which significantly differs from that modelled herein. Site location and area character are also relevant considerations as to what the appropriate mix of market housing on individual development sites.

Summary

8.40 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population. The proportion of households with dependent children in Adur and Worthing is low with around 26% of all households containing dependent children in 2021 (compared with around 29% regionally and nationally). There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas as lone parents are particularly likely to live in social or private rented accommodation.

8.41 There are a range of factors which will influence demand for different sizes of homes, including demographic changes; future growth in real earnings and households' ability to save; economic performance and housing affordability. The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of both household changes and the ageing of the population as well as seeking to make more efficient use of new stock by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

8.42 In all sectors the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes. For rented affordable housing for Under 65s there is a clear need for a range of different sizes of homes, including 45% to have at least 3-bedrooms of which 10% should have at least 4-bedrooms. Our recommended mix is set out below:

Table 8.24 Suggested size mix of housing by tenure – Adur

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	10%	25%	20%	60%
2-bedrooms	45%	45%	35%	40%
3-bedrooms	35%	25%	35%	
4+-bedrooms	10%	5%	10%	

Source: Iceni Analysis

Table 8.25 Suggested size mix of housing by tenure – Worthing

	Market	Affordable home ownership	Affordable housing (rented)	
			Under 65	65 and over
1-bedroom	5%	30%	25%	60%
2-bedrooms	40%	40%	30%	40%
3-bedrooms	40%	25%	35%	
4+-bedrooms	15%	5%	10%	

Source: Iceni Analysis

8.43 The strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues. The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.

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

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

9. Older Persons and those with a Disability

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

Older People

9.2 The table below provides baseline population data about older persons in Adur and Worthing and compares this with other areas. The table shows the study area has an older age structure to that seen regionally and nationally with 23% of the population being aged 65 and over. The proportion of people aged 75 and over and 85 and over is also above equivalent figures for the South East and England.

Table 9.1 Older Persons Population, 2023

	Adur	Worthing	Adur & Worthing	West Sussex	South East	England
Under 65	76.0%	77.2%	76.8%	76.8%	80.2%	81.3%
65-74	11.2%	10.5%	10.8%	11.1%	9.7%	9.5%
75-84	9.3%	8.5%	8.8%	8.7%	7.2%	6.7%
85+	3.5%	3.7%	3.6%	3.5%	2.8%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total 65+	24.0%	22.8%	23.2%	23.2%	19.8%	18.7%
Total 75+	12.7%	12.3%	12.4%	12.1%	10.1%	9.2%

Source: ONS

Projected Future Change in the Population of Older People

9.3 Population projections can next be used to provide an indication of how the number of older persons might change in the future with the tables below showing that both area are projected to see a notable increase in the older person population – the projection is based on estimated capacity.

9.4 For the 2024-42 a projected increase in the population aged 65+ of around 28% is shown in Adur and 29% in Worthing – the population aged under 65 is in contrast projected to see a modest decrease (of 4% in Adur and 2% in Worthing). Population growth of people aged 65 and over therefore accounts for over 100% of the total projected population change in both areas.

Table 9.2 Projected Change in Population of Older Persons, 2024 to 2042 – Adur

	2024	2042	Change in population	% change
Under 65	49,121	47,222	-1,900	-3.9%
65-74	7,187	8,895	1,708	23.8%
75-84	6,138	7,769	1,630	26.6%
85+	2,291	3,348	1,057	46.1%
Total	64,738	67,233	2,495	3.9%
Total 65+	15,617	20,012	4,395	28.1%
Total 75+	8,429	11,117	2,687	31.9%

Source: Iceni Analysis

Table 9.3 Projected Change in Population of Older Persons, 2024 to 2042 – Worthing

	2024	2042	Change in population	% change
Under 65	86,655	85,099	-1,556	-1.8%
65-74	11,868	14,809	2,941	24.8%
75-84	9,901	12,758	2,857	28.9%
85+	4,207	6,043	1,836	43.6%
Total	112,631	118,709	6,078	5.4%
Total 65+	25,976	33,610	7,634	29.4%
Total 75+	14,108	18,801	4,693	33.3%

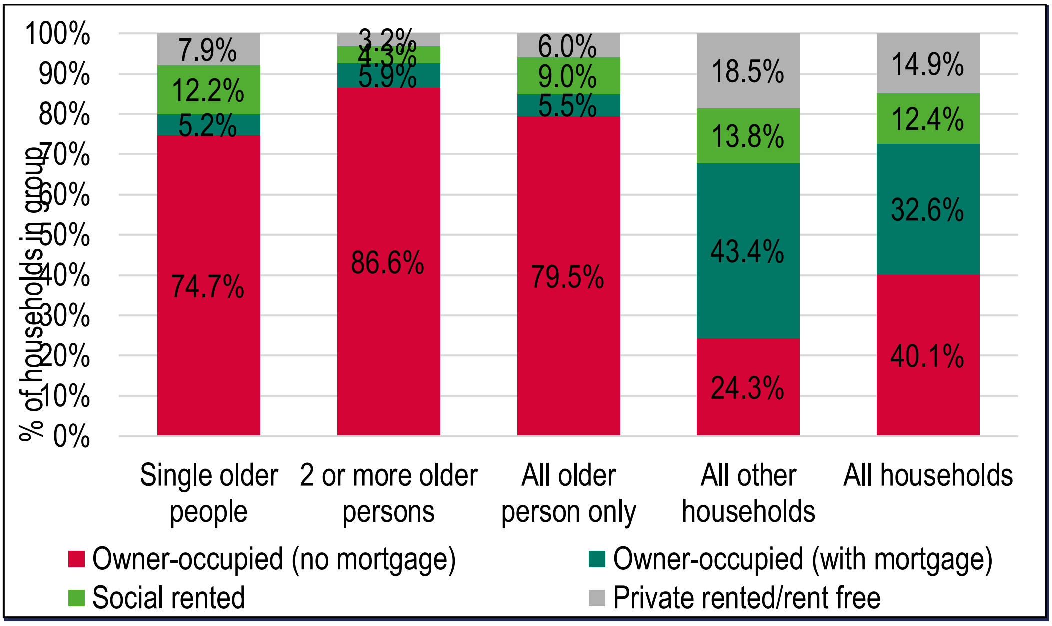
Source: Iceni Analysis

Characteristics of Older Person Households

9.5 The figures below show the tenure of older person households. The data has been split between single older person households and those with two or more older people (which will largely be couples). The data shows that the majority of older persons households are owner occupiers (85% of older person households in Adur and 83% in Worthing), and indeed most are owner occupiers with no mortgage and thus may have significant equity which can be put towards the purchase of a new home. Some 9% (Adur) and 8% (Worthing) of older persons households live in the social rented sector and the proportion of older person households living in the private rented sector is relatively low (about 6% (Adur) and 8% (Worthing)).

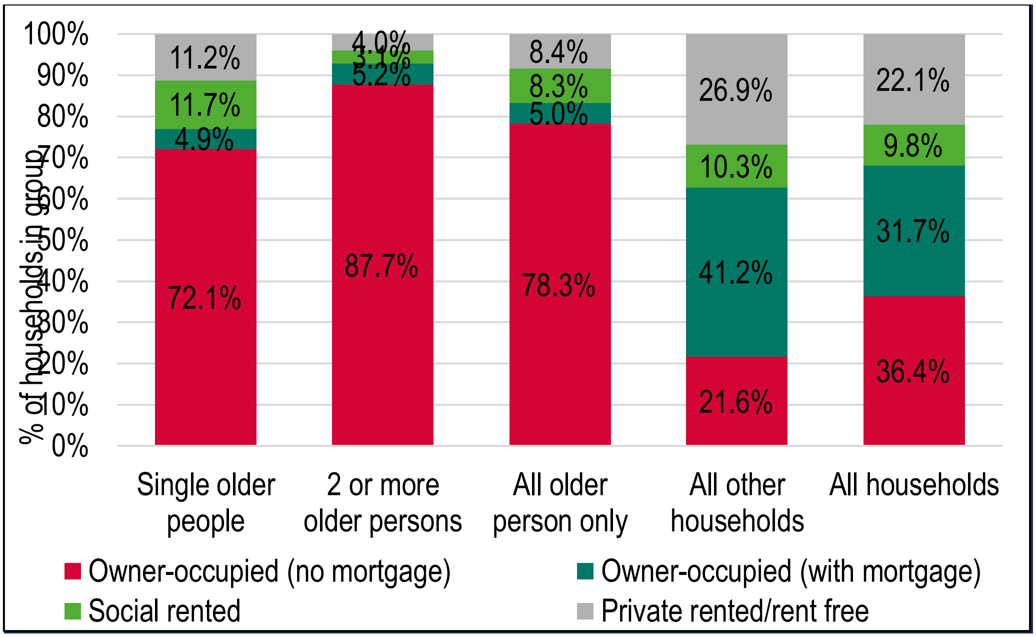
9.6 There are also notable differences for different types of older person households with single older people having a lower level of owner-occupation than larger older person households – this group also has a higher proportion living in the social rented sector.

Figure 9.1 Tenure of Older Persons Households in Adur, 2021



Source: 2021 Census

Figure 9.2 Tenure of Older Persons Households in Worthing, 2021



Source: 2021 Census

Disabilities

9.7 The table below shows the proportion of people who are considered as disabled under the definition within the 2010 Equality Act[12], drawn from 2021 Census data, and the proportion of households where at least one person has a disability. The data suggests that some 33% of households in the study area contain someone with a disability. This figure is higher than that seen across other areas. The figures for the population with a disability also show a broadly similar proportion than other locations – some 19% of the population having a disability. Overall, the data shows slightly higher levels of disability in Adur compared with Worthing.

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

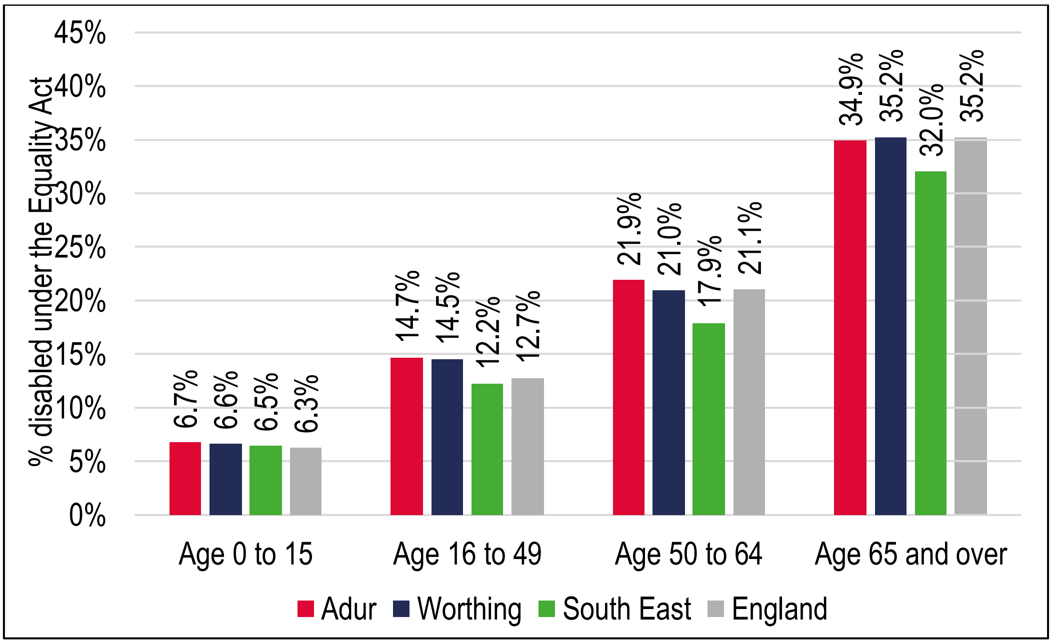
Table 9.4 Households and People with a Disability, 2021

	No.	%	No.	%
Adur	9,709	35.1%	12,577	19.5%
Worthing	16,107	32.5%	21,303	19.1%
Adur & Worthing	25,816	33.4%	33,880	19.3%
West Sussex	115,043	30.7%	148,900	16.9%
South East	1,144,084	30.0%	1,496,340	16.1%
England	7,507,886	32.0%	9,774,510	17.3%

Source: 2021 Census

9.8 As noted, it is likely that the age profile will impact upon the numbers of people with a disability, as older people tend to be more likely to have a disability. The figure below shows the age bands of people with a disability. It is clear from this analysis that those people in the oldest age bands are more likely to have a disability. The analysis also shows similar levels of disability in most age bands when compared with the national position but levels typically higher than seen across the South East.

Figure 9.3 Population with Disability by Age



Source: 2021 Census

Health Related Population Projections

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

9.10 Of particular note are the large increases in the number of older people with dementia (increasing by 37% from 2024 to 2042 in Adur (41% in Worthing) and mobility problems (up 33% and 36% respectively over the same period). Changes for younger age groups are smaller (negative), reflecting the fact that projections are expecting older age groups to see the greatest proportional increases in population (and reductions in the number of people aged under 65). When related back to the total projected change to the population, the increase of people aged 65+ with a mobility problem represents around 39% of total projected population growth in Adur and 31% in Worthing.

Table 9.5 Projected Changes to Population with a Range of Disabilities – Adur

Disability	Age Range	2024	2042	Change	% change
Dementia	65+	1,151	1,580	428	37.2%
Mobility problems	65+	2,982	3,966	984	33.0%
Autistic Spectrum Disorders	18-64	393	391	-2	-0.5%
	65+	140	181	40	28.8%
Learning Disabilities	15-64	1,036	1,017	-19	-1.8%
	65+	320	410	90	28.0%
Impaired mobility	16-64	2,454	2,360	-94	-3.8%

Source: POPPI/PANSI and Demographic Projections

Table 9.6 Projected Changes to Population with a Range of Disabilities – Worthing

Disability	Age Range	2024	2042	Change	% change
Dementia	65+	2,022	2,843	821	40.6%
Mobility problems	65+	5,127	6,981	1,854	36.2%
Autistic Spectrum Disorders	18-64	701	633	-68	-9.7%
	65+	234	297	63	26.8%
Learning Disabilities	15-64	1,836	1,766	-70	-3.8%
	65+	537	694	157	29.3%
Impaired mobility	16-64	4,265	4,225	-40	-0.9%

Source: POPPI/PANSI and Demographic Projections

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

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

Need for Specialist Accommodation for Older People

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

Definitions of Different Types of Older Persons' Accommodation

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

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

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

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

Source: Planning Practice Guidance [63-010]

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

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

9.16 Whilst there are no definitive rates, the PPG [63-004] notes that ‘the future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector, for example SHOP@ for Older People Analysis Tool)’. The PPG does not specifically mention any other tools and therefore seems to be indicating that SHOP@ would be a good starting point for analysis. Since the PPG was published the Housing Learning and Information Network (Housing LIN) has removed the Shop@ online toolkit although the base rates used for analysis are known.

9.17 The SHOP@ tool was originally based on data in a 2008 report (More Choice Greater Voice) and in 2011 a further suggested set of rates was published (rates which were repeated in a 2012 publications). In 2016, Housing LIN published a review document which noted that the 2008 rates are ‘outdated’ but also noting that the rates from 2011/12 were ‘not substantiated’. The 2016 review document therefore set out a series of proposals for new rates to be taken forward onto the Housing LIN website.

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

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

Table 9.7 Range of suggested baseline prevalence rates (units per 1,000 people aged over 75) from a number of tools and publications

Type/Rate	SHOP@ (2008)[13]	Housing in Later Life (2012)[14]	2016 Housing LIN Review[15]
Age-restricted general market housing	-	-	25
Retirement living or sheltered housing (housing with support)	125	180	100
Extra care housing or housing-with-care (housing with care)	45	65	30-40 ('proactive range')
Residential care homes Nursing homes (care bedspaces), including dementia	65 45	(no figure apart from 6 for dementia)	40 45

---

13 Based on the More Choice Greater Voice publication of 2008 (https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf). It should be noted that although these rates are from 2008, they are the same rates as were being used in the online toolkit when it was taken offline in 2019.

14 https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Toolkit/Housing_in_Later_Life_Toolkit.pdf

15 https://edocs.elmbridge.gov.uk/IAM/IAMCache/3793607/3793607.pdf

Source: Housing LIN

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

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

9.21 These issues are considered to provide appropriate modelling assumptions for assessing future needs. Nationally, there has been a clear focus on strengthening a community-led approach and reducing reliance on residential and nursing care – in particular focussing where possible on providing households with care in their own home such as through Technology Enabled Care. This could however be provision of care within general needs housing; but also care which is provided in a housing with care development such as in extra care housing.

9.22 We consider that the prevalence rates shown in the 2016 Housing LIN Review is an appropriate starting point; but that the corollary of lower care home provision should be a greater focus on delivery of housing with care. Having regard to market growth in this sector in recent years, and since the above studies were prepared, we consider that the starting point for housing with care should be the higher rate shown in the SHOP@ report (this is the figure that would align with the PPG).

9.23 Rather than simply taking the base prevalence rates, an initial adjustment has been made to reflect the relative health of the local older person population. This has been based on Census data about the proportion of the population aged 75 and over who have a long-term health problem or disability (LTHPD) compared with the England average. In both Adur and Worthing, the data shows similar health in the 75+ population and so very modest adjustments have been made to the prevalence rates.

9.24 A second local adjustment has been to estimate a tenure split for the housing with support and housing with care categories. This again draws on suggestions in the 2016 Review which suggests that less deprived local authorities could expect a higher proportion of their specialist housing to be in the market sector. Using 2019 Index of Multiple Deprivation (IMD) data shows Adur to be the 164th most deprived local authority in England (out of 317) and Worthing the 174th. Both of these figures are roughly in the middle of the range and suggests broadly the base position (from Housing LIN) in terms of proportions of market and affordable housing (for housing with support and housing with care).

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

- Housing with support (market-units) – 52 (Adur), 55 (Worthing);
- Housing with support (affordable-units) – 71 (Adur), 70 (Worthing);
- Housing with care (market-units) – 26 (Adur), 28 (Worthing);
- Housing with care (affordable-units) – 18 in both areas;
- Residential care (bedspaces) – 40 in both areas; and

- Nursing care (bedspaces) – 44 (Adur), 45 (Worthing)

9.26 It is also important to understand the supply of different types of specialist accommodation with the tables below showing various categories by local authority. The first table is for housing with support and housing with care which are more likely to be self-contained dwellings with the second table looking at residential and nursing care bedspaces. The total figures have also been standardised on the basis of the number of units per 1,000 people aged 75 and over.

9.27 The analysis shows a total of just under 2,900 units of housing with support or care, which represents around 131 per 1,000 people aged 75 and over. There is some variation by local authority with Worthing seeing a much higher number of units and proportion per population aged 75+.

9.28 For nursing and residential care, a slightly lower level of supply is shown, with just over 2,100 bedspaces, the highest number and proportion per 1,000 people aged 75+ again being in Worthing.

Table 9.8 Current supply of housing with support and housing with care by local authority

	Housing with support		Housing with care		Total	Popn aged 75+ (2023)	Supply per 1,000 aged 75+
	Market	Afford-able	Market	Afford-able			
Adur	303	476	0	0	779	8,243	95
Worthing	1,057	786	225	54	2,122	13,754	154
Adur & Worthing	1,349	1,248	225	54	2,876	21,997	131

Source: EAC (2025)

Table 9.9 Current supply of residential and nursing care bedspaces by local authority

	Resident-ial care	Nursing care	Total	Popn aged 75+ (2023)	Supply per 1,000 aged 75+
Adur	169	298	467	8,243	56
Worthing	873	786	1659	13,754	121
Adur & Worthing	1,042	1084	2,126	21,997	97

Source: EAC (2025)

9.29 Taking the supply forward and using the prevalence rates suggested the tables below shows estimated needs for different types of housing linked to the population projections. The analysis is separated into the various different types and tenures although it should be recognised that there could be some overlap between categories (i.e. some households might be suited to more than one type of accommodation).

9.30 In Adur, the analysis suggests both current and future needs for all types and tenures of accommodation. In Worthing, where the current supply is higher the analysis shows no current need for market housing with support (retirement housing) or need up to 2042. The data also shows a sufficient supply of residential care bedspaces both currently and to 2042, although there is potentially a need for nursing care, which is being offset by the supply of residential care.

Table 9.10 Specialist Housing Need using adjusted SHOP@Review Assumptions, 2024-42 – Adur

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2042	Shortfall /surplus by 2042
Housing with support	Market	52	303	441	138	141	279
	Affordable	71	476	599	123	191	314
Total (housing with support)		123	779	1,040	261	332	593
Housing with care	Market	26	0	222	222	71	293
	Affordable	18	0	152	152	48	200
Total (housing with care)		44	0	375	375	119	494
Residential care bedspaces		40	169	333	164	106	270
Nursing care bedspaces		44	298	375	77	119	196
Total bedspaces		84	467	708	241	226	467

Source: Iceni analysis/EAC

Table 9.11 Specialist Housing Need using adjusted SHOP@Review Assumptions, 2024-42 – Worthing

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Additional demand to 2042	Shortfall /surplus by 2042
Housing with support	Market	55	1,057	781	-276	260	-16
	Affordable	70	786	994	208	331	539
Total (housing with support)		126	1,843	1,775	-68	591	523
Housing with care	Market	28	390	165	130	295	295
	Affordable	18	249	195	83	278	278
Total (housing with care)		45	279	639	360	213	573
Residential care bedspaces		40	873	568	-305	189	-116
Nursing care bedspaces		45	786	639	-147	213	66
Total bedspaces		86	1,659	1,207	-452	402	-50

Source: Iceni analysis/EAC

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

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

Wheelchair User Housing

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

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

Table 9.12 Proportion of wheelchair user households by age of household reference person – England

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

Source: English Housing Survey (2020/21)

9.35 The prevalence rate data can be brought together with information about the household age structure and how this is likely to change moving forward – adjustments have also been made to take account of the relative health (by age) of the population. In Adur, the data estimates a total of 892 wheelchair user households in 2024, and that this will rise to 1,034 by 2042. For Worthing a current figure of 1,528 has been estimated, rising to 1,780 by 2042.

Table 9.13 Estimated number of wheelchair user households (2024-42) – Adur

	Prevalence rate (% of households)	Households 2024	Households 2042	Wheelchair user households (2024)	Wheelchair user households (2042)
24 and under	0.9%	269	297	2	3
25-34	0.6%	2,423	2,588	15	16
35-49	1.8%	6,666	6,417	122	118
50-64	2.7%	8,223	7,880	221	212
65 and over	5.1%	10,354	13,375	531	686
All households	-	27,936	30,557	892	1,034

Source: Iceni analysis

Table 9.14 Estimated number of wheelchair user households (2024-42) – Worthing

	Prevalence rate (% of households)	Households 2024	Households 2042	Wheelchair user households (2024)	Wheelchair user households (2042)
24 and under	0.7%	900	818	6	5
25-34	0.7%	5,611	4,586	39	32
35-49	2.0%	12,602	12,085	255	245
50-64	2.5%	14,920	15,500	375	389
65 and over	5.1%	16,878	21,942	853	1,108
All households	-	50,912	54,931	1,528	1,780

Source: Iceni analysis

9.36 The finding of an estimated current number of wheelchair user households does not indicate how many homes might be needed for this group – some households will be living in a home that is suitable for wheelchair use, whilst others may need improvements to accommodation, or a move to an alternative home. Data from the EHS shows that of the 814,000 wheelchair user households, some 200,000 live in a home that would either be problematic or not feasible to make fully ‘visitable’ – this is around 25% of wheelchair user households.

9.37 Applying this to the current number of wheelchair user households across the whole study area gives a current need for around 600 additional wheelchair user homes. If the projected need is also discounted to 25% of the total (on the basis that many additional wheelchair user households will already be in accommodation) then a further need for around 100 homes in the 2024-42 period can be identified. Added together this leads to a need estimate of 704 wheelchair user homes – equating to 39 dwellings per annum.

Table 9.15 Estimated need for wheelchair user homes, 2024-42

	Current need	Projected need (2024-42)	Total current and future need
Adur	223	36	259
Worthing	382	63	445
Adur and Worthing	605	99	704

Source: Iceni Analysis

9.38 Furthermore, information in the EHS (for 2020/21) also provides national data about wheelchair users by tenure. This showed that, at that time, around 6.7% of social tenants were wheelchair user (including 1.8% using a wheelchair indoors/all the time), compared with 2.6% of owner-occupiers (0.8% indoors/all the time). These proportions can be expected to increase with an ageing population but do highlight the likely need for a greater proportion of social (affordable) homes to be for wheelchair users.

Table 9.16 Proportion of wheelchair user households by tenure of household reference person – England

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

Source: English Housing Survey (2018/19)

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

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

9.41 It is worth noting that the Government has now reported on a consultation (Raising Accessibility Standards for New Homes[16]) on changes to the way the needs of people with disabilities and wheelchair users are planned for as a result of concerns that in the drive to achieve housing numbers, the delivery of housing that suits the needs of the households (in particular those with disabilities) is being compromised on viability grounds.

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

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

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

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

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

compliance from the wider (market) housing stock as well as homes frow ich they have nomination rights.

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

Summary – Older and Disabled People

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

9.48 The data shows that Adur and Worthing has an older age structure than seen regionally or nationally and higher levels of disability compared with the regional average. The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (80% of all older person households are outright owners in Adur and 78% in Worthing).

9.49 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase substantially. Key findings for the 2024-42 period include:

- a 28% increase in the population aged 65+ in Adur and a 29% increase in Worthing – accounting for in excess of 100% of all population growth;
- a 37%-41% increase in the number of people aged 65+ with dementia and a 33%-36% increase in those aged 65+ with mobility problems;
- a need for around 590 additional housing units with support (sheltered/retirement housing) in Adur and 520 in Worthing – mainly in the affordable sector;
- a need for around 500 additional housing units with care (e.g. extra-care) in Adur and 570 in Worthing – the majority in the market sector;
- a need for additional nursing and residential care bedspaces in Adur only (around 470 in the period studied); and
- a need for around 700 dwellings to be for wheelchair users (meeting technical standard M4(3)) – 260 in Adur and 440 in Worthing.

9.50 This would suggest that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings as well as providing specific provision of older persons housing. Given the evidence, the Councils could consider (as a start point) requiring all dwellings (in all tenures) to meet the M4(2) standards and around 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of around 10% in the affordable sector).

9.51 Where the authority has nomination rights the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation) and in the market sector they should be wheelchair-user adaptable dwellings (constructed to be adjustable for occupation by a wheelchair user). It should however be noted that there will be cases where this may not be possible (e.g. due to viability or site-specific circumstances) and so any planning policy should be applied flexibly.

10. Other Specific Groups

Children in Care

10.1 This section sets out details regarding the current and projected needs for residential care placements for children and young people (CYP).

10.2 The details from our engagement with West Sussex County Council has been included, ensuring that most up-to-date data is reflected and any local issues specific to the area are noted.

10.3 Key legislation relating to the accommodation and maintenance of a looked-after child is set out in Section 22G of the Children Act 1989. The act places a duty on local authorities to plan strategically for the children in their care, ensuring that where aligned with the child's welfare, accommodation should be provided within the authority's own area. This means councils must take steps to ensure sufficient local provision is available. Looked-after children can remain close to their home community, family and support networks whenever possible.

10.4 Key legislation relating to the accommodation and maintenance of a looked-after child is defined and outlined in Sections 22A to 22D of the Children Act 1989. The legislation provides a framework within which decisions about the most appropriate way to accommodate and maintain children must be considered:

- Section 22A of the Children Act 1989 imposes a duty on the responsible authority when a child is in their care to provide the child with accommodation.
- Section 22B of the Children Act 1989 sets out the duty of the responsible authority to maintain a looked-after child in other respects apart from providing accommodation.
- Section 22C of the Children Act 1989 sets out the ways in which a looked-after child is to be accommodated.

- Section 22D of the Children Act 1989 imposes a duty on the responsible authority to formally review the child's case prior to making alternative arrangements for accommodation.

- Section 22G of the Children Act 1989 requires local authorities to take strategic action with respect of those children they look after and for whom it would be consistent with their welfare for them to be provided with accommodation within their own local authority area.

10.5 Adur and Worthing host a mix of private and local authority children's homes[17]. Publicly available data is available at the parliamentary constituency level, covering East Worthing & Shoreham and Worthing West. While these boundaries do not perfectly align with the district, they provide closest available proxy for understanding local provision.

10.6 As of September 2024, the area includes:

- East Worthing & Shoreham constituency:6 private children's homes (totalling 26 bedspaces); and 1 local authority (6 bedspaces)

- Worthing West constituency: 4 private children's homes (totalling 17 bedspaces); and 2 local authority homes (Bright Star, 10 beds; Blue Cove, 3 beds).

10.7 Additionally, a new 2-bed home has recently opened in Worthing, just near the Fire Station, but this is not yet reflected in the official data.

10.8 The current total bedspace supply is therefore 64 bedspaces at the time of writing across the two constituencies.

10.9 The majority of the homes are privately operated, with only a minority run by the County Council. Council-run homes include specialist provision such as Breakwater, Bright Star, and Blue Cove, each offering tailored support for children with complex needs.

1.1 [17] The Care Standards Act 2000 defines a Children's Home stating 'an establishment is a children's home… if it provides care and accommodation wholly or mainly for children'. 'Wholly or mainly' means that most of the people who stay at a home must be children.

10.10 Private providers, such as My Choice Children's Homes, typically offer small, nurturing environments for children with emotional and behavioural difficulties. These homes are generally 2-6 beds, located in residential areas and designed to provide a family-like atmosphere. Homes are distributed across both constituencies, but not all are within the Adur and Worthing planning authority boundaries. Location selection for new homes often prioritises detached properties with privacy, sometimes in more rural settings to minimise disruption and risk, but also proximity to transport links and local amenities.

10.11 West Sussex is experiencing rising demand for residential care placements, with general trends showing an increase in the number of children requiring such provision. There are significant challenges in finding suitable, local placements. This has resulted in some children being placed further from home than is ideal, reflecting both local and national sufficiency challenges.

10.12 There is an ongoing concern about the sufficiency of local and appropriate accommodation, particularly for children with complex or high-risk needs. The need for new residential accommodation is recognised but precise requirements are under review.

10.13 Historical data indicates an upward trend in the number of children needing care, suggesting future demand will remain high or increase.

10.14 Going forwards most new children's residential homes are likely to be located in existing residential homes. Where such dwellings are in existing C3 residential use, the operator of the home may need to apply for planning permission for change of use or potentially alterations to the existing home. In such circumstances, the Council's should be broadly supportive of development, subject to other planning considerations, where it meets the increasing need for residential care bedspaces in Adur and Worthing.

Self and Custom Build

10.15 As of 1st April 2016, and in line with the Act and the Right to Build, relevant authorities in England are required to have established and publicised a self-build and custom housebuilding register which records those seeking to acquire serviced plots of land in the authority's area to build their own self-build and custom houses.

10.16 Furthermore, in line with the continued Government drive to support the self and custom-build sector, the latest National Planning Policy Framework (paragraphs 71 and 73(b), December 2024) duly recognises that it is important that a sufficient amount and variety of land can come forward where it is needed and that the needs of groups with specific housing requirements are addressed

10.17 As part of this, the Framework (paragraph 63) states that:

> *"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies including…<u>people wishing to commission or build their own homes</u>" (our emphasis)*

10.18 The Self-Build and Custom Housebuilding Planning Practice Guidance is a material consideration and draws on legislation set out under the 2015 Act and the 2016 Act but provides wider guidance on assessing demand and supporting self-build development.

10.19 In line with the legal duty placed on local authorities by the 2016 Act, the PPG reminds us that relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority's register during a 'base period'.

10.20 The first base period begins on the day on which the register is established and ends on 30th October 2016. Each subsequent base period is a period of 12 months beginning immediately after the end of the previous base period. Subsequent base periods will therefore run from 31st October to 30th October each year.

10.21 At the end of each base period, relevant authorities have 3 years in which to meet their legal duty and grant permission for an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period.

10.22 The PPG states that local planning authorities should use the demand data from the registers in their area, but this should also be supported as necessary by additional data from secondary sources, to understand and consider future need for this type of housing in their area when preparing housing needs assessments.

10.23 Concerning what a 'duty to grant planning permission etc' means, the PPG states that:

> *"Relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority's register during a base period."*

10.24 In respect of what having a 'duty as regards registers' means, the PPG states that:

> *"Section 2(1) of the Self-build and Custom Housebuilding Act 2015 places a duty on relevant bodies to have regard to each self-build and custom housebuilding register, <u>including Part 2 of the register (where a register is in two parts)</u>, that relates to their area when carrying out their planning, housing, land disposal and regeneration functions."* (our emphasis)

10.25 The PPG[18] is clear that self-build or custom build helps to diversify the housing market and increase consumer choice. Self-build and custom housebuilders choose the design and layout of their homes and can be innovative in both their design and construction.

Levelling Up and Regeneration Act (2023)

10.26 The Levelling Up and Regeneration Act (2023) made some amendments to the 2015 Self and Custom Housebuilding Act which advised how the supply and demand of self and custom build housing plots can be assessed.

10.27 When assessing demand, the LURA inserted in section 6 of the 2015 Act the following:

"(a) the demand for self-build and custom housebuilding in an authority's area in respect of a base period is the aggregate of—

(i) the demand for self-build and custom housebuilding arising in the authority's area in the base period; and

(ii) any demand for self-build and custom housebuilding that arose in the authority's area in an earlier base period and in relation to which—

(A) the time allowed for complying with the duty in subsection (2) expired during the base period in question, and

(B) the duty in subsection (2) has not been met;

(aa) the demand for self-build and custom housebuilding arising in an authority's area in a base period is evidenced by the number of entries added during that period to the register under section 1 kept by the authority;"

10.28 As a result, although each authority still has 3 years to meet the need that arises from the register this **need must now be counted cumulatively.** For example, the need as of the 30th of October 2024 will be the cumulative demand shown in all base periods prior to the 30th of October 2021.

[18] Paragraph: 16a Reference ID: 57-016a-20210208

10.29 When considering the supply of plots LURA removes section 6(c) of the 2015 Act which read:

“development permission is “suitable” if it is permission in respect of development that could include self-build and custom housebuilding”

10.30 This change means that the Councils will therefore need to demonstrate that serviced plots have resulted in self and custom-build development rather than what could be self and custom-build plots for example on the assumption of a CIL exemption.

10.31 Essentially, this means that in order for planning permissions to be counted towards the supply of self and custom build homes there needs to be evidence to show that this is what the development is for. The exact detail of what can be considered appropriate evidence of a dwelling or planning application being specifically for self and custom build is still to be confirmed, but appeal case law gives some indication of what this may be. Evidence that would confirm that a development is specifically for self and custom build may include:

- Planning Condition attached to approval requiring the development be carried out for self-build; or
- Confirmation through S106 agreement for self-build; or
- Requirement for the self-build nature of the scheme to be included within the description of the development.

10.32 On historic permissions further evidence will likely be required to demonstrate that the development is self and custom build, often this will be in the Design and Access Statement.

10.33 Going forwards the Council may wish to require a Self Build Delivery Statement be submitted at validation stage or during the decision making process that confirms a development will be being brought forwards as a self and custom build development. Examples of this include in neighbouring Mid-Sussex[19] as well as further afield in East Suffolk[20].

10.34 Although the regulations of the evidence for what does and doesn't constitute an appropriate permission for self-build are not yet known, it can be expected that regulations will reflect the 2015 Act and existing PPG and demonstrate that the applicant/occupant has had "primary input" into the design of the scheme.

10.35 It is also likely that applications to replace existing dwellings with new self-build properties will constitute a fair proportion of the self-build supply even though they do not result in a net gain of housing.

10.36 Going forward, the two authorities will need to continue to monitor applications for self-build dwellings. Ensuring that all supply permissions are evidenced within the application to be self-build will also be important to ensure that an assessment on whether the duty is properly met can be made.

10.37 It may also be prudent for the Councils to retrospectively assess supply permissions to ascertain which ones are specifically for the carrying out of self and custom-build development.

10.38 Adur and Worthing hold a joint register which since October 2019 has enforced a local connection test for those wishing to enter. Those who meet this are placed on Part 1 of the register, all others on Part 2. It is only entries Part 1 of the register that the Council are required to provide enough plots to satisfy the need. Part 2 of the register must be taken into account when carrying out planning, housing, land disposal and regeneration functions.

[19] Self-build and Custom Build Statement

[20] Custom-and-Self-build-Delivery-Statement-Template.pdf

10.39 Upon introduction of the local connection test as the councils invited all existing registrants to retain their entries on Part 1 of the register by providing evidence of a local connection to Adur or Worthing. The table below shows the number of registrants on Part 1 of the joint register and which area is their preference, the total number of registrants from base periods 1-4 is also shown for information.

Table 10.1 Self and Custom Build Register, Part 1

Base Period	Register Entries		Permissions	
	Adur	Worthing	Adur	Worthing
Base Periods 1 to 4 (1st April 2016 to 30th October 2019)	222	171	0	0
Base Period 5 (31st October 2019 to 30th October 2020)	5	10	0	0
Base Period 6 (31st October 2020 to 30th October 2021)	9	9	0	0
Base Period 7 (31st October 2021 to 30th October 2022)	2	7	0	1
Base Period 8 (31st October 2022 to 30th October 2023)	2	4	0	2
Total (Base Periods 5-8)	**18**	**30**	**0**	**3**
Average (Base Periods 5-8)	**4.5**	**7.5**	**0**	**0**

Source: Council Monitoring Data

10.40 Council monitoring data also indicates that a further 50 entrants lie on Part 2 of the register with 35 showing preference for Worthing and 15 preference for Adur. It is unclear whether this data also takes into account those who were on the register prior to the introduction of the local connection test (Base Periods 1-4) who were not able to provide evidence to demonstrate a local connection.

10.41 As previously mentioned, the LURA made changes to the 2015 Self and Custom Build Housing Act which requires demand to be assessed cumulatively across all base periods. Therefore, Base Periods 1-4 should also be taken into consideration when assessing need. Although it is understood that the Council undertook a review of the register post the introduction of the local connection test is somewhat unclear from the data how many of the 393 registrants across both areas were split across Parts 1 and 2 of the reviewed register.

10.42 The Councils have 3 years from a person's entry onto Part 1 of the register to permit enough suitable planning applications to satisfy the need shown. If the only the reviewed register is considered the need as of the 30th of October 2024 is 13 in Adur and 19 in Worthing. This will rise to 15 in Adur and 26 in Worthing on the 30th of October 2025 and so on.

10.43 Monitoring data suggests that only 3 plots have been given planning permission for a self and custom build development in Worthing with none in Adur. The Councils therefore are not currently meeting the need for self and custom build housing in either area. This is likely to reflect and be influenced by wider residential land supply constraints.

10.44 Going forwards the Councils should seek to monitor the permissions of Self and Custom Build housing thoroughly. This could be through monitoring the receipts of CIL Self-Build Exemptions (both Part 1 and Part 2 of Form 7), as well as counting permissions given through the development management process. All permissions counted should be able to demonstrate evidence within the planning application that they have or will result in a self and custom build dwelling.

10.45 To supplement the data from the Council's register(s), we have looked to secondary sources as recommended by the PPG, which for this report is data from NaCSBA - the national association for the custom and self-build housing sector.

10.46 First, it is worth highlighting that the October 2020 survey undertaken by YouGov on behalf of NaCSBA found that 1 in 3 people (32%) are interested in building their own home at some point in the future, including 12% who said they were very interested.

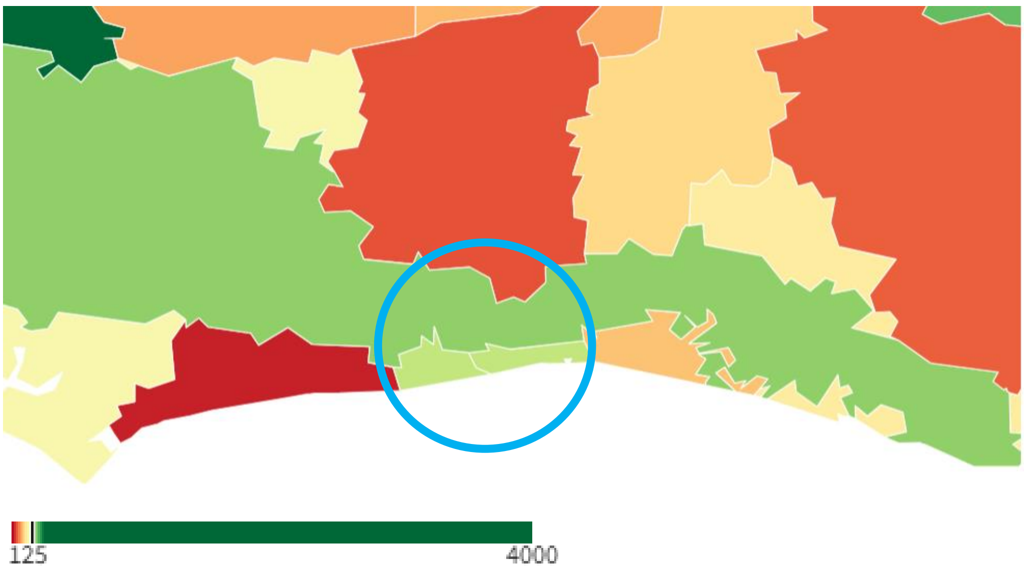
10.47 Notably, almost half (48%) of those aged between 18 and 24 were interested in building their own home, compared to just 18% of those aged 55 and over.

10.48 This is notable as, traditionally, self-build has been seen as the reserve of older members of society aged 55 and over, with equity in their property.

10.49 Secondly, we can draw on NaCSBA data to better understand the level of demand for serviced plots in Adur and Worthing in relative terms. The association published an analysis with supporting maps and commentary titled “Mapping the Right to Build” in 2020.

10.50 This document includes an output on the demand for serviced plots as a proportion of the total population relative to all other local authorities across England (see Figure below). In both areas demand is considered to be 160 per 100,000.

Figure 10.1 Total registrations per 100,000 population in Adur and Worthing



Source: NaCSBA

10.51 Based on the populations of Adur and Worthing in 2021, this would equate to a need for around 178 units in Worthing and 103 units in Adur.

10.52 Despite the figure from NaCSBA being higher than the level of demand shown on the registers, the authorities are only required to permit enough plots for self and custom build as indicated by the register.

Policy Response

10.53 The Self-Build and Custom Housebuilding PPG sets out how authorities can increase the number of planning permissions which are suitable for self-build and custom housebuilding and support the sector.

10.54 The PPG is clear that authorities should consider how local planning policies may address identified requirements for self and custom housebuilding to ensure enough serviced plots with suitable permission come forward and can focus on playing a key role in facilitating relationships to bring land forward.

10.55 There are several measures which can be used to do this, including but not limited to:

- supporting Neighbourhood Planning groups where they choose to include self-build and custom-build housing policies in their plans;
- working with Homes England to unlock land and sites in wider public ownership to deliver self-build and custom-build housing;
- when engaging with developers and landowners who own sites that are suitable for housing, encouraging them to consider self-build and custom housebuilding, and facilitating access to those on the register where the landowner is interested; and
- working with local partners, such as Housing Associations and third sector groups, to custom build affordable housing for groups in acute housing need such as disabled people[21]

---

[21] Care should be taken to ensure that developments such as this would meet the legal definition of self/custom build housing, i.e. designed with involvement of an occupier.

10.56 An increasing number of local planning authorities have adopted specific self-build and custom housebuilding policies in their respective Local Plans to encourage delivery, promote and boost housing supply.

10.57 There are also several appeal decisions in the context of decision-making which have found that paragraph 11(d) of the Framework is engaged in the absence of specific policy on self-build housing when this is the focus of a planning application.

10.58 A specific policy would typically express support for self-build and custom housebuilding and require that a minimum proportion of plots within development schemes (often over a certain size) are offered to self-builders or as custom-build plots and/or allocation of sites solely for the use. This is often known as the "Teignbridge Rule" after the first District Council to adopt the first self-build policy. In that instance, 5% of all developable housing land is allocated for custom and self-build on larger sites.

10.59 Iceni consider that to respond to demand in the sector, and in response to the PPG's requirements, the Councils should support, through planning policy, the submission and delivery of self-build and custom housebuilding sites, where land opportunities arise and where such schemes are consistent with other planning policies.

10.60 In the context in which land supply is constrained in both Adur and Worthing, we do not consider that a policy requiring provision of self- and custom-build development would be appropriate on larger sites. Given particularly the built form of the area, the likelihood is that most Self Build schemes will come forwards as either smaller, infill development opportunities or replacement dwellings.

10.61 A further consideration for the Councils is when demonstrating supply to meet this demand the Levelling Up and Regeneration Bill makes it harder for Councils to simply count CIL exemption sites. They now must demonstrate that these homes are specifically for self or custom-built occupiers. The Council should therefore adapt its monitoring accordingly.

Students

10.62 There are no Universities within Adur or Worthing although Worthing College and Northbrook College, both based in Worthing do offer university level higher education courses. Worthing College provides 4 higher education courses, although only one is full time (Foundation Degree in Sport Exercise and Heath Science), part time courses are offered in Engineering and Accountancy.

10.63 Northbrook College offers a wider range of courses 17 of which are full-time. Subjects are generally focused on creative subjects such as Art, Design, Music and Theatre as well as Motorsport Technology and Engineering.

10.64 Data from the 2021 Census indicates that there are around 3,500 students over the age of 18 most of which live in Worthing (2,300). Students across the two authorities mainly live with their parents, 68% in Adur and 62% in Worthing. Only 269 students lived in all student households at the time of the Census[22].

10.65 Given the generally small number of students within Adur and Worthing who are living within all student households it is not considered that there is significant need to consider policy that specifically deals with student accommodation.

[22] It should be noted that due to the timing of the 2021 Census day during Covid this may not be completely representative of the current picture.

Service Personnel and Key Workers

10.66 There are no military establishments within Adur or Worthing, neither authority are listed within Ministry of Defence (MOD) statistics on the location of military personnel and therefore it is assumed that none are stationed here. In West Sussex as a whole MOD statistics suggest that there are almost 2,000 MOD personnel based in the County with 98% of these based in Chichester.

10.67 Overall, there is a lack of presence of regular forces in Adur and Worthing as a result it is unlikely that this has any implications on local affordability.

10.68 More widely, Annex 2 of the NPPF identifies frontline public sector employees such as NHS staff, teachers, police and Military Personnel as Essential Local Workers. As such, accommodation for them specifically comes under the definition of affordable housing.

10.69 Depending on their incomes this group will already be accounted for within the assessment of affordable housing need made in this report that include analysis of population growth, incomes and concealed households and as a result will largely not be additional to it.

10.70 The Planning Practice Guidance for First Homes also allows local authorities to set out their own criteria for accessing such housing. One such criterion could be a key worker requirement which would include NHS and service personnel should the council seek to deliver first homes.

10.71 When looking at service personnel specifically the PPG also stipulates that "local connection criteria should be disapplied for all active members of the Armed Forces, divorced/separated spouses or civil partners of current members of the Armed Forces, spouses or civil partners of a deceased member of the armed forces (if their death was wholly or partly caused by their service) and veterans within 5 years of leaving the armed forces".

10.72 In addition, the Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations ensure that service personnel (including bereaved spouses or civil partners) are allowed to establish a 'local connection' with the area in which they are serving or have served.

10.73 This means that ex-service personnel would not suffer a disadvantage from any 'residence' criteria chosen by the Local Authority in their allocations policy.

10.74 The most acute and pressing issue is likely to be finding accommodation for those transitioning out of the forces as well as existing personnel that are seeking to buy in the District.

10.75 Low-Cost Home Ownership could play a part in meeting demand for key local workers as it would provide a discounted route to home ownership. Although as noted previously this could be at the expense of others in more acute need.

Homelessness and Victims of Domestic Abuse

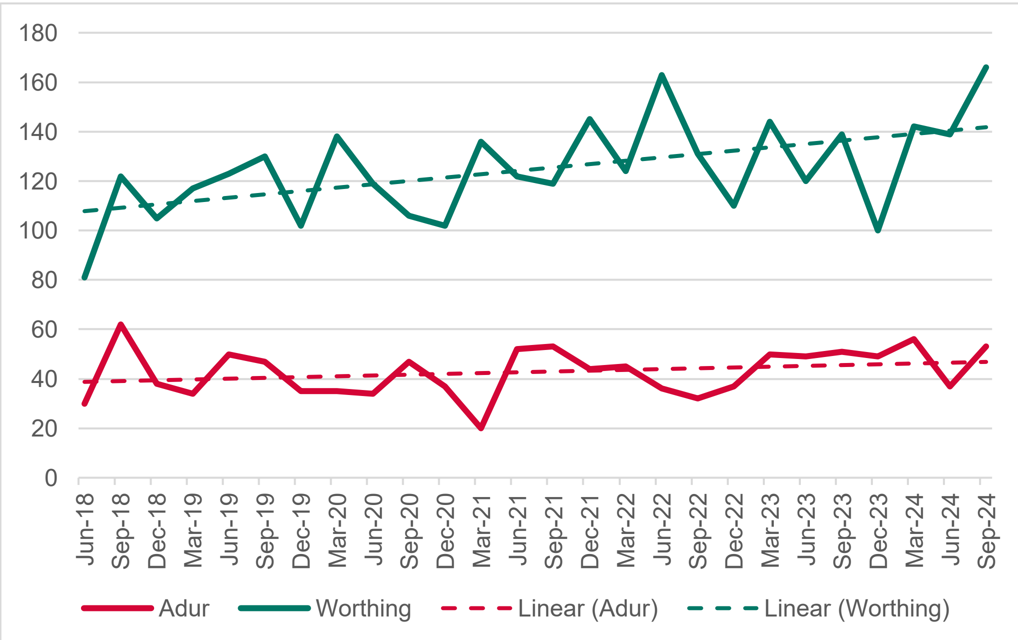
10.76 Another key group to consider in housing needs is homeless people and victims of domestic abuse. Section 7 of this report on affordable housing need includes the needs of homeless households in Adur and Worthing in its calculation and looks at Census data which indicates that there are over 1,000 households across the study area who currently have no accommodation.

10.77 The Councils have a duty to house those who present themselves as homeless in some form of accommodation, the figure below shows the trends in people presenting as homeless to the Councils each quarter who are either in need of a homelessness relief or prevention duty[23].

10.78 Worthing has consistently seen higher levels of presentations than Adur, likely a factor of it's larger overall population size. In September 2024 Worthing Council had assessed 166 households as being owed a homelessness duty in the previous quarter, Adur saw 53 in the same period.

10.79 From June 2018 to September 2024 both councils had seen an increase in the number of households being owed a duty overall, although the increase is much more significant in Worthing than Adur at 105% compared to 78%.

Figure 10.2 Households assessed as being owed a homelessness duty (June 18 – Sept 24)



Source: MHCLG, Live Tables on homelessness

[23] Relief duties are owed to households who are already experiencing homelessness. Prevention duties are owned to those who are at risk of becoming homeless.

10.80 To understand the reasons behind this increase it is important to consider the reasonings behind why households become homeless. The table below shows that of all those who were owed a homelessness duty between September 2023 and September 2024, that Family and Friends being no longer willing to accommodate and end of a private rented tenancy are key reasons in both areas for households becoming homeless or at risk of homelessness.

10.81 In Adur, Family and Friends being no longer willing to accommodate is the most common reason behind homelessness presentations at 30%, while in Worthing ending of private sector tenancy is most common at 31%. Council officers report a number of reasons behind this, including the shrinking of the private rental sector due to landlords selling property due to tax changes, interest rate increases and the impact of the Renters Reform Bill.

10.82 Relationship breakdowns are also a common cause of homelessness with approximately 10% of presenters reporting domestic abuse in both areas. The needs of victims of domestic abuse are slightly different to other homeless households, this is further considered later in this section. In Adur, a further 11% report non-violent relationship breakdowns while this proportion is slightly lower in Worthing at 6%.

10.83 Eviction from supported housing is also a noteworthy reason behind households becoming homeless although this is more significant in Worthing at 11% compared to Adur where the figure is slightly lower at 7%.

Table 10.2 Reasons behind homelessness presentations (Sept 23 – Sept 24)

	Adur		Worthing	
	Number	%	Number	%
Family or friends no longer willing or able to accommodate	59	30%	137	25%
End of private rented tenancy - assured shorthold	53	27%	169	31%
Domestic abuse	20	10%	53	10%
Non-violent relationship breakdown with partner	21	11%	33	6%
End of social rented tenancy	2	1%	14	3%
Eviction from supported housing	14	7%	58	11%
End of private rented tenancy - not assured shorthold	3	2%	18	3%
Other violence or harassment	5	3%	11	2%
Left institution with no accommodation available	7	4%	18	3%
Required to leave accommodation provided by Home Office as asylum support	0	0%	5	1%
Other reasons / not known	7	4%	23	4%
Home no longer suitable	4	2%	7	1%
	195		546	

Source: MHCLG

10.84 The tables below shows how the reasons behind presentations has changed over time in Adur and Worthing. As can be seen in both areas the proportion of households who are made homeless through eviction from supported housing has increased most in both Adur and Worthing in that time by 7 percentage points in each area. Consultation with the County Council and housing team at Adur and Worthing supports this information with officers noticing this increase, with County officers noting that drug and alcohol misuse feeds into this specific issue. There is also only one commissioned provider for supported accommodation in Adur and Worthing (Turning Tides) it can therefore be difficult to place those with support needs into new accommodation with enough support if they have already been evicted from this provision. The largest decline is seen in the “other reasons” section, although it is likely that that this is through improved data gathering methods.

10.85 Changes in other reasons behind homelessness vary between the Local Authorities, Worthing has seen increased proportions of people becoming homeless as a result of Family or friends no longer willing/able to accommodate (+4%), domestic abuse (+3%) and leaving an institution with no accommodation (+3%). While Adur has also seen an increase in those leaving institution with no accommodation (+4%) it has also seen growth in non-violent relationship breakdowns and other violence or harassment (+2%).

10.86 Interestingly, ending of private rented tenancies, the largest reason behind households becoming homeless, saw a decline in both areas, although it was more significant in Adur than Worthing. There is however a chance that this may change going forward, as the Renters Rights bill which is currently moving through Parliament comes into law, this would restrict landlords from serving Section 21 “No Fault” eviction notices on tenants. It is expected that this will see a flurry of S21 notices served by landlords before they are unable to do so which could result in many people becoming homeless.

Table 10.3 Change in reasons behind homelessness presentations (June 2018 – June 2019 to Sept 23 – Sept 24)

	Adur	Worthing
Family or friends no longer willing or able to accommodate	-3%	4%
End of private rented tenancy - assured shorthold	-5%	-1%
Domestic abuse	1%	3%
Non-violent relationship breakdown with partner	3%	-2%
End of social rented tenancy	-1%	-1%
Eviction from supported housing	7%	7%
End of private rented tenancy - not assured shorthold	1%	1%
Other violence or harassment	2%	1%
Left institution with no accommodation available	4%	3%
Required to leave accommodation provided by Home Office as asylum support	0%	1%
Other reasons / not known	10%	16%
Home no longer suitable	2%	1%

Source: MHCLG

10.87 Looking at the types of households presenting as homeless, the table below shows minimal differences between the two areas in the quarter leading up to September 2024. In both Adur and Worthing the most common group in need of assistance is female single parents with children, followed by “other” single adults. Consultation with the housing team indicated that single people were a key area of concern here, particularly in the ability to find long term affordable housing for single people who have presented as homeless and have been moved into Temporary Accommodation (TA). This has resulted in many single people staying in TA for long periods of time as well as a very long waiting list for 1-bed affordable housing.

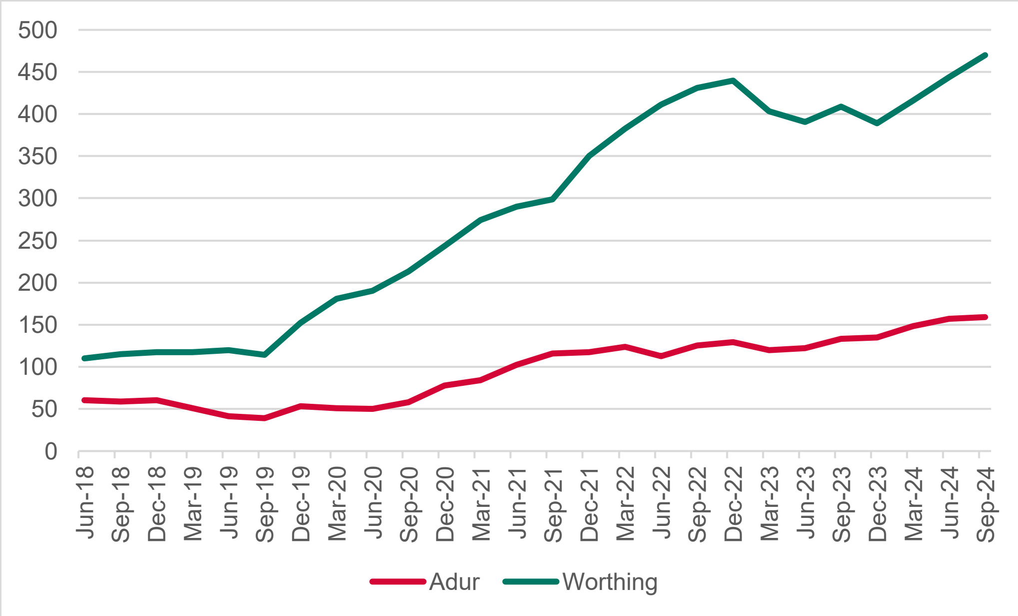
Table 10.4 Household Types (Sept 2024)

	Adur		Worthing	
	Number	%	Number	%
Male Single parent with dependent children	14	13%	43	13%
Female Single parent with dependent children	39	37%	123	37%
Unknown Single Parent with dependent children	1	1%	5	2%
Single adult - Male	10	10%	29	9%
Single adult - Female	0	0%	0	0%
Single adult - Other/Unknown	25	24%	82	25%
Couple with dependent children	11	10%	30	9%
Couple / two adults without dep children	0	0%	0	0%
Three+ adults with dep children	3	3%	9	3%
Three+ adults without dep children	2	2%	10	3%
Not known	0	0%	0	0%

Source: MHCLG

10.88 Looking then at the use of Temporary Accommodation (TA) in Adur and Worthing, this is shown in the figure below. As of September 2024 there were 159 households in TA in Adur and 470 in Worthing. Over time use has increased significantly with growth of 165% in Adur and 327% in Worthing from June 2018 to September 2024. As mentioned previously single people in TA is a big cause of concern for the authorities, lack of availability of smaller affordable rented properties means than many single people remain in TA for longer periods of time.

Figure 10.3 Temporary Accommodation



Source: MHCLG

10.89 Looking at the type of accommodation households are placed in, in Adur most households are placed in private sector accommodation leased by the authority (40%), followed by nightly paid privately managed accommodation (30%) and Bed and Breakfasts (B&B's) (29%). This differs slightly to Worthing where most are in B&B's (43%) with the privately rented and managed accommodation types sitting at 24 and 25%.

10.90 The Council's Opening Doors project seeks to work with private rented sector landlords to provide private rented accommodation for those in TA, this works with the intention that those in the programme will at some point be able to move into the private sector and no longer need council support.

Table 10.5 Types of Temporary Accommodation Used

	Adur		Worthing	
	Number	%	Number	%
Private sector accommodation leased by authority or by a registered provider	64	40%	118	25%
Nightly paid, privately managed accommodation, self-contained	47	30%	115	24%
Local authority or Housing association (LA/HA) stock	2	1%	31	7%
Bed and breakfast hotels (including shared annexes)	46	29%	201	43%
Hostels (including reception centres, emergency units and refuges)	0	0%	1	0.2%
Any other type of temporary accommodation (including private landlord and not known)	0	0%	4	0.9%
Total in Area	159		470	

Source: MHCLG

10.91 Despite the Councils working to provide TA within each authority area there are also a number of households who are placed into TA outside of Adur or Worthing. In September 2024 there were 219 households from Worthing placed in TA outside of the area and 145 from Adur placed outside of the area, granted some of these will refer to Worthing households placed in Adur and vice versa but the number is still high.

10.92 Generally if the council is required to place a household outside of the area, they do try to ensure that this remains in the County, Arun, Eastbourne, Brighton and Crawley are key locations for this.

Victims of Domestic Abuse

10.93 As previously mentioned, 10% of households presenting as homeless in Adur and Worthing are victims of domestic abuse. This is key across Sussex and has resulted in the development of the "Pan-Sussex Strategy for Domestic Abuse Accommodation and Support" (2021-2024) which is a comprehensive framework developed by Brighton & Hove City Council, East Sussex County Council, and West Sussex County Council. The strategy was informed by a Sussex-wide needs assessment which includes the following key findings:

- An estimated 67,600 adult victims (45,800 females, 21,800 males) and 60,000 children (0-15 year olds) in Sussex experienced domestic abuse in the last year.
- There are 90 refuge spaces in Sussex, but the Council of Europe (CoE) recommends 171 spaces for women and their children, indicating a significant shortfall. The strategy does not break down need to a district or borough level
- Traditional refuge settings are often unsuitable due to shared facilities (problematic for those with certain mental health conditions, cultural differences, transgender women, or those with teenage sons), strict house rules, and affordability issues for working victims not eligible for Housing Benefit.
- There is limited provisions for larger families, with only eight rooms having four beds and none with five or more.
- Victims/survivors often face a lack of choice, leading to placements in unsuitable mixed-gender temporary or emergency accommodations like Bed and Breakfasts, which lack specialist support

10.94 Consultation with the Adur and Worthing Council highlights that while the County Council commissions much of the provision for victims of domestic violence and abuse, that there generally is not enough provision in the area. In many cases victims are placed in regular TA alongside a risk assessment to ensure that the placement is appropriate.

10.95 The strategy recommends that going forwards the provision of domestic abuse accommodation spaces for victims and children is increased. The types of safe accommodation options should be broadened in order to meet a wider range of needs; dispersed, self-contained units, specialist safe accommodation, short-term/respite, Sanctuary Schemes, improved move-on and second-stage accommodation, and better

Private Rented Sector (PRS) options linked with support should all be considered.

10.96 Ultimately the Council would like to see a shift in how the process works towards a more victim centred approach which allows the victim and family to stay in the family home (should they choose to) with the perpetrator re-housed. This approach is also recommended by the Pan-Sussex strategy.

Summary

Children in Care

10.97 There are currently 14 children's residential homes within the parliamentary constituencies that cover Adur and Worthing, 10 of which are privately operated.

10.98 West Sussex is experiencing rising demand for residential care placements, with general trends showing an increase in the number of children requiring such provision. There are greater challenges in finding suitable, local placements. This has resulted in some children being placed further from home than is ideal, reflecting both local and national sufficiency challenges.

10.99 Going forwards the Councils should be broadly supportive of the development of new Children's homes, providing other planning considerations are acceptable.

Self and Custom Build

10.100 The Levelling Up and Regeneration Act made amendments to the way demand/need and supply of self and custom-built dwellings is calculated. Need must be calculated cumulatively with supply permissions needing to be able to demonstrate that they will result in a self or custom build dwelling.

10.101 The Council reviewed their Self and Custom build register following the introduction of the Local Connection Test in 2019, with all existing registrants requested to provide information on Local Connection in order to enter onto Part 1. Currently there are 18 registrants on Part 1 of Adur's register and 30 on Worthing's. With only Worthing granting any permissions for self and custom build dwellings (3 permissions) in this time period both areas currently have an unmet need.

10.102 The Council must also have regard to Part 2 of the register when undertaking planning, housing, land disposal and regeneration functions. Data indicates that a further 50 entrants lie on Part 2 of the register across the two areas. It is unclear whether this data also takes into account those who were on the register prior to the introduction of the local connection test who were not able to provide evidence to demonstrate a local connection.

10.103 As a general rule the Council should be supportive of opportunities for Self and Custom build development within Local Plans.

Students

10.104 There are only 2 higher education providers in Adur and Worthing, they primarily draw from the local area and as such a majority of their students remain living at home with family rather than moving into student accommodation. There is therefore no justification for a specific policy relating to student housing in either area.

Service Personnel and Key Workers

10.105 There are no military establishments within Adur or Worthing, neither authority are listed within Ministry of Defence (MOD) statistics on the location of military personnel and therefore it is assumed that none are stationed here. There is therefore no justification for a specific policy relating to Service Personnel in either area.

10.106 Annex 2 of the NPPF identifies frontline public sector employees such as NHS staff, teachers, police and Military Personnel as Essential Local Workers. As such, accommodation for them specifically comes under the definition of affordable housing.

10.107 This group will largely be accounted for within the assessments of affordable housing need made in this report. Which include analysis of population growth, incomes and concealed households and as a result will not be additional to it.

Homelessness and Victims of Domestic Abuse

10.108 In both Adur and Worthing the number of people presenting as homeless to the council has increased in recent years. One of the key reasons behind this is supply issues in the wider private rental market pushing up costs and making renting unaffordable for many people. Increased presentations is a growing issue for the Councils, particularly when it comes to Temporary Accommodation and the cost for providing this.

10.109 The waiting list for affordable housing is growing also with growth in needs for single people being a key concern. The provision of new small affordable housing units suitable for single people will aid to relive some of this pressure and allow reliance to TA for smaller households to decrease.

10.110 In terms of Victims of domestic abuse approximately 10% of households presenting as homeless across Adur and Worthing report this as a key reason for becoming homeless. The Pan-Sussex strategy highlights a need for new units for Victims but does not break this down to district or borough level. The Council are aware that new units are needed for victims as many Victims are placed in regular TA which may not offer the best support.

10.111 Overall the strategy encourages the development of a number of different forms of accommodation suitable for Victims such as;

dispersed, self-contained units, specialist safe accommodation, short-term/respite, Sanctuary Schemes, improved move-on and second-stage accommodation, and better Private Rented Sector (PRS) options linked with support.