



Department for  
Communities and  
Local Government

# Consultation on proposed changes to national planning policy

Equalities Statement



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# Equalities Statement – Changes to national planning policy

<b>1. Name of Directorate</b>
Planning Directorate
<b>2. Please list all the policy streams in your business area.</b>
<p>The Government's consultation document proposes changes to national planning policy:</p> <ul style="list-style-type: none"><li>a) Broadening the national planning policy definition of affordable housing to include a wider range of low cost home ownership options;</li><li>b) Promoting higher density around commuter hubs where we are seeking to promote more efficient land use around commuter hubs;</li><li>c) Promoting new settlements where we want local planning authorities taking a proactive approach to planning for new settlements in high growth areas;</li><li>d) Supporting housing development on brownfield land and small sites;</li><li>e) Ensuring housing is delivered on land allocated in plans to help address the identified shortfall between the number of homes that are required and the number that are being built; and</li><li>f) Supporting the delivery of starter homes through the release of more land specifically for starter homes.</li></ul> <p>This statement considers how these proposed changes to national planning policy will impact on our duty to eliminate discrimination, advance equality of opportunity and foster good relations.</p> <p>This statement does not consider the impact for equalities of our wider proposals in the Housing and Planning Bill requiring local planning authorities to promote starter homes in exercise of their planning functions and a proportion of starter homes on all suitable housing developments above a certain size. The latter proposal will be introduced through regulations, and a separate consultation (with accompanying Equalities Statement) will be published shortly.</p> <p>This Equalities Statement will be reviewed and developed further in response to the consultation responses and the development of the final national policy changes.</p>

### 3. Identify any policy streams aimed at or impacting upon a Protected Group.

Of the consultation's proposals, the Government recognises that the two proposals which could have the most impact on a Protected Group are:

- the broadening of the affordable housing definition; and
- the proposals to support the delivery of starter homes.

#### **Broadening the affordable housing definition**

Broadening the affordable housing definition in national planning policy to cover more low cost home ownership products, including starter homes, could result in fewer numbers of existing affordable housing products being built by developers as part of their section 106 planning obligations on major developments.

This switch could have a negative impact on a number of Protected Groups who are less likely to be able to access low cost home ownership but it may also benefit other Protected Groups, such as those under the age of 40 (under the definition set out in the Housing and Planning Bill), if this definition change leads to more starter homes being built through section 106 planning obligations. New affordable housing built through section 106 planning obligations only adds a small contribution to the overall affordable housing stock in England. Access of Protected Groups to existing types of affordable housing will therefore not be significantly affected by broadening the definition of affordable housing for planning purposes.

#### **Starter home delivery proposals**

The overall aim of the starter homes proposals is to release more land for starter home developments. As starter homes will be for first time buyers aged under 40, these proposals will directly impact on a key Protected Group (age), specifically those under the age of 40 and those aged 40 and over. However, as these developments would lead to additional homes which otherwise would have not been built, we do not envisage that there would be a direct impact on other types of housing and therefore that other Protected Groups will be affected significantly.

#### **Other proposals**

The other proposed policy changes (measures b) to e) above) are not aimed at any one particular Protected Group as they are focussed on supporting a general increase in housing delivery. Since this is not aimed at any particular group, increased development should benefit all groups of people - for example, an increase in house building may reduce demand for rental properties helping to reduce the upward pressure on rents - and we do not envisage a significant differential impact of these other proposals on Protected Groups.

**4. Who has responsibility for developing these policies?**

Planning Directorate, Department for Communities and Local Government

**5. Are there any EU or other statutory regulations that need to be adhered to regarding equalities?**

All proposals will need to adhere to the Human Rights Act 1998 and the Equality Act 2010.

**6. The following summary will be analysed and used as evidence which you considered in demonstrating due regard to the Public Sector Equality Duty. Have you used information from any of the following sources when developing policies?**

NHBC statistics on new builds

Council of Mortgage Lenders research and data

ONS statistics

National Planning Policy Framework

Local authority Monitoring Reports

English Housing Survey

DCLG statistics on housing starts, Help to Buy and affordable housing (CORE data)

Halifax statistics on first time buyers

Natcen research for Shelter on support for first time buyers

**7. Have you discovered any of the following and as a consequence taken actions on identified equality issues?**

We have considered carefully the equalities impact of each of the consultation's proposals. As set out in section 3, the most significant potential impacts on Protected Groups are from:

- broadening the affordable housing definition; and
- the proposals to deliver more starter home delivery.

### **Broadening the affordable housing definition**

Broadening the affordable housing definition in national planning policy to cover more low cost home ownership products, including starter homes, could result in fewer numbers of existing affordable housing products being built by developers as part of their section 106 planning obligations on major development, if the new products are built instead. We estimate that this will have a negative impact on a number of Protected Groups who are less likely to be able to access low cost home ownership products (such as starter homes) but it will also benefit other Protected Groups.

Our analysis has a number of data limitations, especially in terms of the characteristics of people who aspire to home ownership but cannot currently afford market housing at current prices - the target demographic for low cost home ownership (see section 8 for further details.) But based on the available evidence, this analysis suggests that a switch to more low cost home ownership (through more starter homes) would have the following impacts on at least four Protected Groups:

- **Age:** Households under 40 would benefit if more starter homes are built through section 106 (due to age eligibility criteria) but households aged 40 or over would lose out as this group currently secures 35% of all new affordable housing. Based on the available evidence, households with dependent children are unlikely to be affected overall as the proportion of households aspiring to home ownership (but unable to buy) with dependent children is similar to the proportion of households currently entering affordable housing with dependent children;
- **Ethnicity:** Households led by someone from a black or minority ethnic group may be slightly more likely to gain from a switch to starter homes than lose out (as evidence indicates they are on average more likely to aspire to buy their home) while households led by someone of white ethnicity may be slightly less likely to gain (although these conclusions in particular are inconclusive given the data constraints);
- **Gender:** Women may be less likely than men to benefit from a switch to starter homes as they are more likely to move into existing types of affordable housing than men (57% compared to 43% for men), while men and women each make 50% of adults who aspire to buy but cannot currently afford to;
- **Disability:** households with at least one disabled or long term sick member may be less likely to gain from a switch to starter homes as 45% of households moving into a local authority or housing association tenancy within the last 3 years reported at least one member having a long term illness or disability (compared with 19% of aspiring homeowners).

Further details of this equalities impact analysis are set out in Annex A. It should be noted, however, that broadening the affordable housing definition in itself may not necessarily lead to a significant switch to starter homes: other low cost home

ownership (such as new forms of shared ownership) could be secured through section 106 as a result of this definition change which may have different equalities impacts.

In addition, new affordable housing built through section 106 planning obligations is relatively small compared to our 2015 spending review announcement of funding for 135,000 Help to Buy shared ownership homes and 100,000 affordable homes for rent – in 2014/15, 17,000 affordable homes were fully or partly funded through section 106 contributions. Households which are eligible for affordable housing also benefit from natural turnover in the existing affordable housing stock. On 31 March 2014, there were 4.0 million social and affordable rented dwellings (Private Registered Providers plus local authority tenures) in England. So other things being equal, the impact on Protected Groups through the broadening of the definition of affordable housing for planning purposes should not be significant in terms of access to existing types of affordable housing.

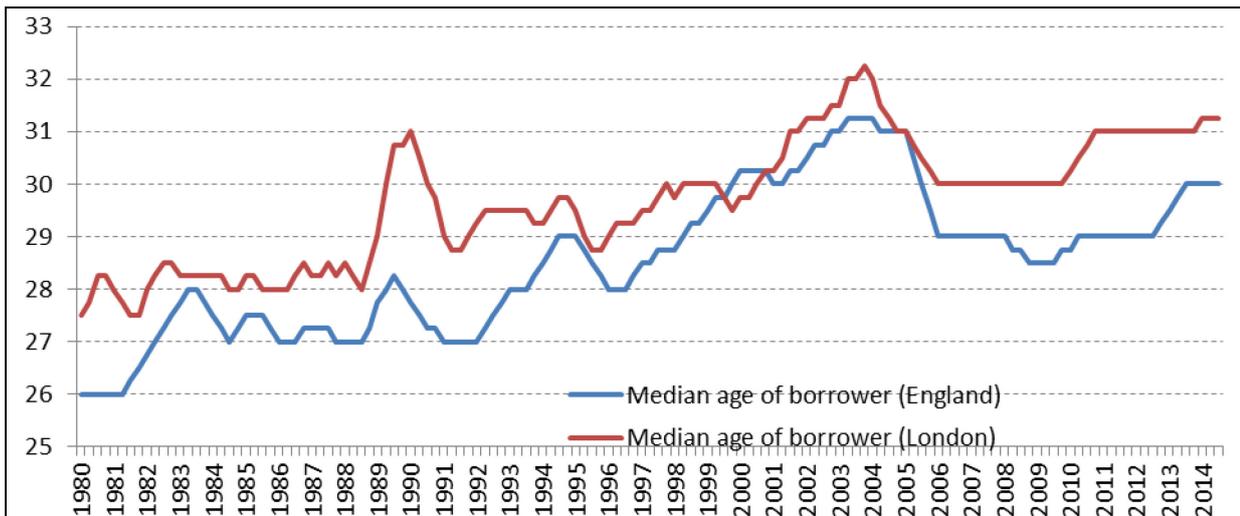
### **Starter home delivery proposals**

The proposals to release more land for starter homes will principally benefit households under 40 due to the starter homes eligibility criteria - in particular, those aged 40 or over seeking to buy a new market home would not be eligible to buy a starter home.

We consider this differentiated impact to be justified given the pressure facing young first time buyers. Evidence shows that access to ownership has decreased such that those who are under 40 years old today find it much more difficult to access home ownership than those aged under 40 in previous years, at the very time in their lives in which they are more likely to be forming relationships, seeking to settle down and, in many cases, start a family. The difficulty for this age group in buying a home on the open market has been reflected in the decreasing proportion of under 40s who have become home owners in the last 20 years.

Figure 1 below shows that the median age of first time buyers has been increasing since the early 1980s. Although the peak age was in 2003 in England, currently first time buyers have a median age of 30. The last time the median age of first time Buyers were this high was in 2005. The median age of first time buyers in London is slightly older, at age 31.

*Figure 1 – Median age of first time buyers over time*



Source: Council of Mortgage Lenders .Note: the data is a moving annual average over 4 quarters.

The Council of Mortgage Lenders (CML) estimated<sup>1</sup> rates of home ownership for various age cohorts. This analysis clearly shows the extent to which home ownership has fallen for those under the age of 40. For example, it shows that 71% of today's 45 year olds were home owners by the age of 40. It projects that 51% of today's 35 year olds and just 47% of today's 25 year olds will be homeowners by the age of 40.

DCLG analysis using data provided by CML<sup>2</sup> suggests that if they were to buy in the lower quartile of the first-time buyer market for new dwellings, outside London, up to 64% of households currently renting privately would be able to secure a mortgage on a starter home, compared with just 50% who could buy a similar property now at full market value. Within London, up to 55% of households currently renting privately would be able to secure a mortgage on a starter home in the lower quartile of the first-time buyer market for new dwellings, compared with 43% who could buy a similar property now priced at full market value.

We have not identified any significant adverse impact for other Protected Groups as a result of the consultation's proposals to support delivery of starter homes. As these starter homes developments would lead to additional homes which otherwise would have not been built in the short to medium term, there should not be any adverse impact on wider affordable housing provision so the impact on Protected Groups as a result of a switch to starter homes (as discussed above) is not relevant.

The potential exception to this may be the proposal to allow starter homes on rural exception sites. This could see starter homes substituting other types of affordable housing which could have an impact on other Protected Groups (as discussed above). However, local communities will still have a significant influence over the use of rural exception sites in their area and substitution is not inevitable – for instance, starter homes could replace some market housing on these sites; and further

<sup>1</sup> <https://www.cml.org.uk/news/723/>

<sup>2</sup> DCLG analysis of Council of Mortgage Lenders Regulated Mortgage Survey data (CY2014) and DWP Family Resources Survey data (FY2011/12 - FY2013/14), shared under agreement, published in Commons Hansard, 19 November 2015, column 166

consideration needs to be given to whether starter home developments in rural areas would have a different impact on Protected groups compared with the position nationally.

### **Other proposals**

We have not identified any adverse equality impacts from the other proposals in the consultation - Annex B provides a summary of the assessment.

## **8. When your policies are finally implemented which groups are most likely to benefit?**

Expanding the planning policy options and extending the definition of affordable housing to new low cost home ownership products will particularly benefit those under the age of 40 if more starter homes are enabled through this change. This recognises the impacts upon protected groups as above (7), and is considered appropriate given the persistent and significant disadvantage young first time buyers under 40 face in accessing affordable home ownership. The evidence shows that this sets young people at a disadvantage compared to previous generations and is resulting in higher and increasing use of the private rented sector, contrary to people's aspirations.

All protected groups will benefit from new settlements and in areas of significant under-delivery of new housing, whether for market or affordable housing. For house buyers, the new homes are likely to release a former property and a significant growth in the number of new homes built should increase affordability in all tenures.

It is possible that increased density will be of particular benefit to first-time buyers, who may place greater value on home ownership than space standards, and single or smaller households, who may not need more spacious homes in any event. It is also plausible that higher density developments will benefit some people who wish to downsize into a smaller, more manageable property. Such homes will be constructed in line with existing Building Regulations and any optional technical standards (including on accessibility) where justified by the local planning authority.

The Government is not proposing to change the policy focus on providing sufficient homes to meet market and affordable housing needs, or promoting mixed communities (as set out in the National Planning Policy Framework). Nor is it proposing changes to the Planning Policy for Traveller Sites. Protected groups will benefit from the retention of the policy focussed on delivering mixed communities.

## **9. In considering the above information have any gaps in data or equalities information been identified?**

National home ownership data is not broken down by certain protected groups, especially about characteristics of aspiring home owners who want to buy and cannot

currently afford to do so due to high house prices. More relevant data would strengthen the analysis about the impact of broadening the definition of affordable housing to new low cost homeownership products, including starter homes.

To test the expectation that the proposals will not have any differential impacts on anyone with a protected characteristic, the Department is consulting on proposals which will also ask if there is any other evidence which should be considered in deciding on the proposed policy approach.

## 10. Overall, can you make an assessment of the potential of this policy; programme/service to have a substantial equalities impact on discrimination, fostering good relations or advancing equality of opportunity?

Our assessment shows that the most significant equalities impact from the consultation is from the proposals to:

- Broaden the affordable housing definition; and
- Release more land for starter homes.

However, We do not consider that the consultation proposals will have a negative impact on discrimination, good relations or equality of opportunity.

Overall, broadening the affordable housing definition for planning purposes to cover new types of low cost home ownership products, including starter homes, could have some negative impacts for some Protected Groups, particularly women, disabled people and those over the age of 40, if it led to a switch to building more starter homes through section 106 planning obligations. However, some Protected Groups, especially those under the age of 40, would benefit, and crucially the overall impact in terms of the access of Protected Groups to existing types of affordable housing is unlikely to be adversely impacted by this proposal given the size of the existing affordable housing stock in England.

The proposals to support the delivery of starter homes through national policy changes to release more land for starter homes will principally benefit households under the age of 40 wanting to buy, but we consider this justified given the increasing difficulties young first time buyers are experiencing buying a home. Other Protected Groups are not expected to be affected adversely as these reforms will release additional land.

Finally, the other consultation proposals are seeking to bring forward more suitable land for housing in areas of significant under delivery, and so is not expected to have any disproportionate effect on any of the Protected Groups. The proposals can have a positive effect on all groups provided the number of additional homes is significant and hence impact favourably on affordability across all tenures.

# Annex A: implications for broadening the definition of affordable housing

## Access to ownership by age

Table A1 sets out detailed projections for home ownership for different age cohorts, based on a report from the Council of Mortgage Lenders. This suggests that those currently aged under 40 are less likely to own their own home at the same stage of their lives as those currently aged 40 and over.

Table A1: Plausible home ownership paths, % owning their own home by age, by year of birth

Born in	Current age	Past/future age										
		20	25	30	35	40	45	50	55	60	65	
1960	55	2	27	53	63	71	77	79	80	<i>80</i>	<i>80</i>	
1970	45	2	21	50	65	71	73	75	76	77		
1980	35	1	15	35	44	51	55	57				
1990	25	0	8	26	39	47						

Source: CML estimates, Challenge facing First Time Buyers, <http://www.cml.org.uk/news/news-and-views/723/>

Note: Projections, shown in *italics*, as based on 2014 buyer propensities

## The potential impact of section 106 contributions delivering starter homes in place of some existing types of affordable housing

At 31 March 2014, there were 4.0 million social and affordable rented dwellings (Private Registered Providers plus local authority tenures) in England (of which 1.7 million were local authority owned and 2.3 million were private registered provider owned). The consultation proposal to broaden the definition of affordable housing to include new types of low cost homeownership for planning purposes (including starter homes) will not directly affect the affordable housing units that already exist.

However, in some cases, it is likely to result in starter homes being funded through developer contributions instead of other types of affordable housing. In addition to this we also expect a displacement of private market housing. This is because we expect starter homes in general to require a lower developer contribution per dwelling than other types of affordable housing, and therefore take up a larger proportion of a site where they are built instead of existing types of affordable housing. We estimate that a developer on average could deliver 1.4 to 1.8 starter homes for every affordable home.

We have estimated the overall impact on households with each protected characteristic. Within these groups, some households may gain while others lose out – the individual

households which will be able to buy a starter home are not necessarily those affected by the reduction in other types of affordable housing provided through section 106.

There is no specific data about the characteristics of households that would have benefited from section 106 affordable housing that is not built as a result of delivery of starter homes instead, but we think it is reasonable to assume that they would have similar characteristics to those of households that have recently moved into affordable housing (as these affordable homes would have been newly built homes). These characteristics also vary by the specific type of affordable housing (i.e. social rent, affordable rent or affordable home ownership).

As we don't know the characteristics of households which will move into starter homes (except that they will be first time buyers aged under 40) we have used 'aspire to own their own home'<sup>3</sup> as a proxy for a starter home buyer. However:

- Aspiring home owners may not be distributed in the same way across different parts of the country as the section 106 contributions that could be diverted towards starter homes.
- Aspiring home owners are potentially a much different group to those that would actually be able to afford to buy a starter home and then choose to go ahead and purchase one. They may include households that aspire to own a home but would not be able to afford a starter home, or households that eventually buy a full priced private market home, rather than a starter home.

Our analysis is based on data from the 2013-14 English Housing Survey (EHS) and 2013-14 COntinuous REcording of Lettings and Sales (CORE) data.

## Impacts by characteristic

### Age

Figure A2 shows the age groups (adults under 40s and those aged 40 and over) of households moving into each of the different types of housing.

Figure A2 – age of householders moving into different dwelling types

Age group	Buyers of starter homes	Affordable housing	Recent first time buyers
Adults under 40	100%	65%	81%
40 or over	0%	35%	19%

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2014-15, and 2013-14 EHS survey data on recent first time

<sup>3</sup> Non-owners who answered 'yes' to the following question: 'do you think you will eventually buy a home in the UK or not?'

buyers. As per the eligibility criteria for a starter home, all households will be aged under 40. Data on recent first time buyers for the 35-44 band is weighted using data for all households. Numbers may not add up due to rounding

Below is an illustration of how the different age groups might be affected for every 100 starter homes funded using section 106 contributions. This has been produced by applying the 1.4:1 to 1.8:1 starter homes to affordable housing (as currently defined) substitution ratio to the percentages in figure A2. The results are shown in figure A3 below.

Figure A3 : How substitution of section 106 affordable housing contributions for starter homes might affect different age groups (this is an illustration for every 100 starter homes funded through section 106 contributions)

	Adults under 40	40 or over
Number of households moving into a starter home	100	0
Potential reduction in households moving into new build affordable rented, social rented or low cost home ownership (as currently defined) properties	36 - 46	20 -25
Potential reduction in households moving into a private market property	23 - 36	5 - 9
Potential reduction in number of households moving into new build affordable rented, social rented or local cost home ownership (as currently defined) or private market properties	69 - 72	28 - 31
Net overall addition (reduction) in number of households securing a property	28 - 31	(28 – 31)

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2014-15, and 2013-14 EHS survey data on recent first time buyers. As per the eligibility criteria for a starter home, all households will be aged under 40. Data on recent first time buyers for the 35-44 band is weighted using data for all households. Numbers may not add up due to rounding.

We have also considered the potential impact on households which include dependent children. While the information relating to household composition may not identify all households which include a child, our analysis suggests that 29% of recent first time buyer households and 34% of households entering affordable housing include dependent children, compared to an estimated 34% of households which aspire to buy their own home. This finding is driven by the number of households in the private rented sector

which aspire to buy their own home, and the proportion of households in the same sector which include children. However, aspirations to buy are not necessarily the same for households renting in the private sector with children as those without. Overall, our analysis does not suggest that starter homes being built instead of other types of affordable housing would be likely to have a significant net impact on dependent children.

## Ethnicity

Figure A4 shows the ethnicity of the person responsible for paying the mortgage or rent in households moving into each of the different types of housing.

Figure A4 – ethnicity of households moving into different dwelling types

Ethnicity	Aspiring home owner* (proxy for starter home buyer)	Affordable housing	Recent first time buyers
White	79%	85%	84%
Black	8%	5%	0%
Indian	3%	1%	4%
Pakistani or Bangladeshi	3%	2%	3%
Other	7%	6%	9%

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2014-15, and 2013-14 EHS survey data on recent first time buyers and aspiring home owners. Numbers may not add up due to rounding

\* Household representative person in non-owning households who answered 'yes' to the following question: do you think you will eventually buy a home in the UK or not?

Figure A5: how substitution of s106 affordable housing contributions for starter homes might affect different ethnic groups (this is an illustration for every 100 starter homes built using s106 contributions)

	White	Black	Indian	Pakistani or Bangladeshi	Other
Number of households moving into a starter home	79	8	3	3	7
Potential reduction in households moving into new build affordable rented, social rented or low cost home ownership	47 – 61	3 – 4	1	1 - 2	3 - 4

(as currently defined) properties					
Potential reduction in number of households moving into a private market home	24 – 37	0	1 - 2	1	3 - 4
Potential combined reduction in number of households moving into new build affordable rented, social rented or local cost home ownership (as currently defined) or private market properties	85	3 - 4	2	2	7
Net addition (reduction) in number of households securing a property	(6)	4 - 5	1	1	0

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2014-15, and 2013-14 EHS survey data on recent first time buyers and aspiring home owners. Numbers may not add up due to rounding.

## Gender

Figure A6 shows the gender of adults in households moving into the three types of housing.

Figure A6 – gender of adults moving into different dwelling types

Gender	Aspiring home owner (proxy for starter home buyer)	Affordable housing (as currently defined)	Recent first time buyers
Female	50%	55%	48%
Male	50%	45%	52%

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2013-14. 2013-14 EHS survey data for aspiring home owners and recent first time buyers. Adults are defined as householders aged 18 or over. For aspiring home owners, only the HRP is asked whether they aspire to buy.

Figure A7 - how substitution of s106 affordable housing contributions for starter homes might affect adults of different genders (this is an illustration for every 100 adults moving into starter homes built using s106 contributions)

	Female	Male
Number of households moving into a starter home	50	50
Potential reduction in households moving into new build affordable rented, social rented or low cost home ownership (as currently defined) properties	28-37	22-28
Potential reduction in number of households moving into a private market home	16-24	17-26
Potential combined reduction in number of households moving into new build affordable rented, social rented or local cost home ownership (as currently defined) or private market properties	52-53	45-48
Net addition (reduction) in number of households securing a property	(2-3)	2-5

Source: DCLG analysis using 2013-14 CORE data on affordable housing, weighted according to the proportion of nil grant s106 units completed in 2014-15. 2013-14 EHS survey data for aspiring home owners and recent first time buyers. Adults are defined as householders aged 18 or over. The average number of adults per household is calculated using a weighted average of 2013-14 EHS household composition data.

The estimated number of adults losing out is smaller than the number of adults gaining from a starter home, as households entering ownership are more likely to consist of two adults, rather than one, compared to households in social rented or affordable rented housing. Therefore, while we estimate that males adults will benefit from starter homes being built instead of conventional affordable housing to a greater degree than female adults, we cannot conclude whether or not whether female adults will be less likely to secure a home overall.

## Disability

The data collected in the English Housing Survey (EHS) on disability is in relation to whether anyone in a household suffers from disability or long term illness. This does not match either of the two disability definitions within the CORE dataset. Figure A8 is therefore based entirely on data from the EHS, with affordable housing based on respondents categorised as social sector tenants, which is a less comprehensive definition than that used for other protected groups.

Figure A8– household disability of adults moving into different dwelling types

Disability	Aspiring home owner (proxy for starter home buyer)	Affordable housing (moved into the social sector in the last 3 years)	Recent first time buyers
At least one member of household has long term illness or disability	19%	45%	9%
Nobody in household has long term illness or disability	81%	55%	91%

Source: DCLG analysis using 2013-14 EHS survey data. The 'social sector' includes all tenants of local authorities and housing associations.

Figure A9 – how substitution of s106 affordable housing contributions for starter homes might affect households with or without a disabled or long term sick member (this is an illustration for every 100 adults moving into starter homes built using s106 contributions)

	At least one member of household has long term illness or disability	Nobody in household has long term illness or disability
Number of households moving into a starter home	19	81

Potential reduction in households moving into new build affordable rented, social rented or low cost home ownership (as currently defined) properties	25 - 32	31 - 40
Potential reduction in number of households moving into a private market home	3 - 4	26 - 40
Potential combined reduction in number of households moving into new build affordable rented, social rented or local cost home ownership (as currently defined) or private market properties	29 - 35	65 - 71
Net addition (reduction) in number of households securing a property	(10 – 16)	10 - 16

Source: DCLG analysis using 2013-14 EHS survey data.

Figure A9 suggests that households with at least one disabled or long term sick member may be less likely, compared to other households, to gain from a starter home than to lose out from one of the other types of home not being built. However, EHS data does not capture the disability or long term sickness of households moving into affordable home ownership or affordable rent (except for housing association or Local Authority tenants).

However, even if as few as 3% of households moving into affordable home ownership include at least one member who is disabled or long term sick, the overall effect on households with this characteristic would be negative (weighting affordable tenure types according to nil grant completions in 2014-15). As 3% falls below the proportion of recent first time buyers of market housing and the proportion of households with aspirations to buy which fall into the Protected Group, it is reasonable to conclude that households with at least one member who is disabled or long term sick will be adversely affected.

## Annex B: assessment of the equalities impact of other policies

The majority of the proposed policy changes in the consultation (measures b) to e) in section 2) are not aimed at any one particular Protected Group as they are focussed on supporting a general increase in housing delivery. Since this is not aimed at any particular group, increased development should benefit all groups of people - for example, an increase in house building may reduce demand for rental properties, helping to reduce the upward pressure on rents - and we do not envisage a significant differential impact of these other proposals on Protected Groups reflecting the following analysis.

It is widely acknowledged that, for a long time, we have not been building enough homes to meet our country's needs, and that the supply of new housing should be increased. For example, housing starts fell by nearly two thirds between 2007 and 2009 (Permanent Dwellings Started, DCLG, May 2015). The Number of first time buyers fell by 50% between 2006 and 2008 (Halifax First Time Buyers Review, January 2015). But now planning permissions and housing starts are at 7 year highs (Permanent Dwellings Started, DCLG, May 2015). Number of first time buyers last year rose by more than 20% (Halifax First Time Buyers Review, January 2015). More than 100,000 households have been helped onto the housing ladder by Help to Buy (DCLG, June 2015). Nationally there is an estimated shortfall in delivery of 70,000 homes against annual need, with a third of the shortfall in London.

But more can be done to drive up housing supply and home ownership. "Under supply of housing, especially in high growth areas, has pushed up house prices. The UK has been incapable of building enough homes to keep up with growing demand" (Investing for Prosperity: LSE Growth Commission, September 2013).

Local authorities are required to ensure that all groups have access to housing. For example, the National Planning Policy Framework asks local councils to plan to meet their full, objectively assessed needs for market and affordable homes. As part of this, the Framework states that local planning authorities should plan for a mix of housing, based on the needs of different groups in the community, and identify the size, type, tenure and range of housing needed in particular locations.

Some local planning authorities are already taking advantage of existing powers to build new settlements as a way of meeting their housing needs. For example, the Government is supporting Basingstoke and Deane Borough Council, in partnership with Hampshire County Council and the Enterprise M3 LEP in their development of a new locally-led garden town in Basingstoke. They have identified up to 10,000 new homes over two local plan periods (2011-2029 and post 2029).

The Government is also supporting the North Northamptonshire authorities of Kettering, Corby and Wellingborough and East Northamptonshire who aim to provide 16,700 homes through a number of new Garden Communities. North Northamptonshire is a key growth area, with plans to deliver 35,000 homes by 2031, identified through their Joint Core Strategy. The Garden Communities will provide a mechanism to realise the potential of

these developments as part of a coherent growth strategy for North Northamptonshire in meeting their housing needs.

The particular benefit will depend on the nature of proposed housing and its location, having regard to the Local Plan, the National Planning Policy Framework and viability considerations. For example, the majority of new housing around commuter hubs will be flats or apartments which tend to be more suitable for either people buying their first home or people looking to downsize, perhaps once a family has left home.

The Government does not hold specific data on the profile of people who buy new homes. However, data from the NHBC (new home statistics Q2 2015) is that around a third of new homes are bought by people aged between 25 and 34 years old. Around 23% of new homes are bought by people aged 35 to 44 and another 23% are bought by people aged 55 years or older). The majority of the remainder are bought by people 45 to 54 and only around 5% of new homes are bought by people under 25 years old.

The ONS report - Trends in the United Kingdom Housing Market, 2014 - notes that over the past ten years, houses in England have become slightly less affordable, and this effect is more pronounced in London. This decrease in affordability may make it harder for some groups to access home ownership.

Increasing the number of homes built each year should help increase the affordability of homes. Significant progress has already been made to increase house building, and planning permissions and housing starts are at 7 year highs (Permanent Dwellings Started, DCLG, May 2015). The number of first time buyers last year rose by more than 20% (Halifax First Time Buyers Review, January 2015). More than 100,000 households have been helped onto the housing ladder by Help to Buy (DCLG, June 2015).

Taken together, the Government does not envisage a significant differential impact of these other proposals on persons based on their age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sexual orientation or marital/civil partnership status.