Addendum to Housing Needs Analysis
Havant Borough Council

June 2026

Turley

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Our reference
HAVP3000

June 2026

Executive Summary

1. This 2026 addendum to the Housing Needs Analysis (HNA) produced for Havant Borough Council ('the Council') in October 2023 provides updated evidence on the size, type and tenure of housing needed throughout Havant, taking account of newly available evidence and changes to the National Planning Policy Framework (NPPF).

2. It shows there to have been a continued evolution of the local housing market, that has seen:

   - Housing delivery slightly increase, lifting the annual average back to 2011 to 357 dwellings per annum;
   - A growing proportion of new homes be houses, most often and increasingly containing three bedrooms;
   - The population grow by an estimated 2% since 2021, mainly due to net in-migration from other parts of the UK which has increasingly offset the opposing excess of deaths over births;
   - The older population grow most to account for a greater share of the overall population, albeit with the growth of those aged 25 to 44 also having recently accelerated;
   - House prices rise since 2021 at what appears to be a slower rate than previously; and
   - Average rents grow for properties of all sizes, albeit with signs of this having eased over the last year.

3. It proceeds to outline how a new standard method of assessing housing need has been introduced since the HNA was produced, in December 2024. This currently suggests that **at least 887 dwellings per annum** are needed in Havant. The report has introduced demographic modelling which suggests that such a level of housing provision, over the period to 2043, could lead to the population growing at more than double the rate seen over an equivalent historic period, albeit it would equally only sustain the growth of the last two reported years. It would be expected to bring growth in all types of households, coincidentally requiring an identical mix of unit sizes and types to what was previously reported – albeit only indicatively – by the HNA.

4. While local authorities are able to set a housing requirement higher than suggested by a standard method that generates only a minimum need, to support economic growth for example, this is unlikely to be necessary in Havant given that simply meeting the minimum need – in combination with changing behaviours – would be expected to grow the labour force and enable the creation of around twice the number of jobs envisaged in the forecast used in the Council's Employment Land Review (ELR) of September 2024. It would therefore leave ample headroom to support further job growth beyond what is forecast.

5. The Council has indicated that it may be unable to fully meet the need suggested by the standard method, with constraints and limited land availability – beyond the scope of this report – potentially leaving it able to provide only around 361 dwellings per annum between 2023 and 2043. While such constraints cannot be factored into any assessment of need, modelling can still be developed to show that such a level of provision could slow recent population growth and leave the borough with around 14% fewer residents in 2043 than if the full need was to be met. It would be expected to mainly grow the older population, aged 65 and above, with those of at least 45 years of age seeing much more limited growth and all other age groups shrinking. This would be expected to support only around half the number of jobs forecast in the ELR of 2024. The profile of additional households would also be expected to differ in such a scenario, with fewer people living alone and slightly more needing larger homes as a result.

6. Returning to focus on unconstrained needs, the report proceeds to recalculate the need for affordable housing in Havant, following the longstanding approach that was previously used in the HNA. It has accounted for the reduced number of households in priority bands on the Council's housing register, before allowing for the additional need that can be expected to arise as newly forming households struggle to afford market options and existing households' circumstances change. It is estimated that these factors, combined, could generate a gross need for 843 affordable homes per annum, surpassing the projected annual supply of 242 affordable homes to suggest that there is a residual net need for **601 affordable homes per annum**. This is substantially higher than the previously reported need for 373 such homes per annum, with this attributable to the rising cost of market housing. The calculation is also broken down by unit size, confirming an ongoing need for properties of all sizes but with the greatest shortfall implied for homes with one bedroom, followed by those with two.

7. Consideration is subsequently given to how this quantified need for affordable housing could be met through the delivery of different products. Shared ownership and discounted market sale would be expected to play only a limited role in meeting at least the quantified need, as the application of discounts to newly built homes that themselves attract a premium can make them cost more than private rent, with only those newly forming households unable to access the latter counted in the reported annual need. These products could though meet the separate needs of those able to rent but not buy, being affordable to 27% of the households estimated as being unable to afford the latter, who technically add to the reported need. A further third (32%) could have their needs met by affordable rent, set as low as 60% of the market level, but the residual 41% would likely be unable to afford even that and could thus require social rented housing. Such a mix is though reflective only of the calculated need and the Council is advised to seek the views of registered providers and also consider viability before deciding on its approach for the new Local Plan.

8. The report finally reconsiders a range of specific housing needs. The older population is noted as having grown further since the HNA was produced, with the strongest growth being amongst those aged 75 and above, and this is projected to continue regardless of whether the full need for housing is met or only 361 homes are provided annually. A need for 15-21 bedspaces in communal establishments, like care homes, can be expected annually as this group grows – this being *additional to* any reported need for

dwellings – while demand for 50-69 units of specialist accommodation could also be generated, the latter being *included* in any reported need for dwellings.

9. Older people could also be amongst the 16-34% of households requiring adaptations over the plan period. The HNA previously recommended that around 20% of new homes should be accessible, at least as a starting point, and although this lies within the updated range and thus remains justified, a slightly higher figure of 25% would technically now be recommended as the midpoint.

10. Looked after children are also considered, as is now required by the NPPF. The report explains that there has been a relatively stable rate of demand throughout Hampshire, latterly rising but remaining lower than the national average, with Hampshire County Council believing this to have been helped by its strategy of keeping people in their family home with support wherever it is safely possible.

1. Introduction

1.1 Turley produced a Housing Needs Analysis report[1] ('the HNA') for Havant Borough Council ('the Council') in October 2023. This sought to establish the size, type and tenure of housing needed by different groups in the community, enabling such needs to be reflected in planning policies that the Council was then developing in the context of what was then the latest version of the National Planning Policy Framework[2] (NPPF).

1.2 The NPPF has though since been revised twice – most recently in December 2024[3] – and the Government is also consulting again, at the time of writing, on further changes[4]. The Council has itself also consulted on a draft of its new Local Plan, which indicates that it will be unable to fully meet the overall need for 892 dwellings per annum that was then suggested by the standard method – as revised in December 2024 – and that it may be able to provide only around 361 dwellings per annum instead, over the period from 2023 to 2043[5].

1.3 With this consultation having ended in July 2025, the Council has now commissioned Turley to produce updated evidence on the size, type and tenure of housing needed throughout the borough, initially on an unconstrained basis – as required by Planning Practice Guidance[6] (PPG) – but also considering the consequences of it being unable to meet its overall housing need in full.

1.4 The report is structured as follows:

- **Section 2 – Continued Change in the Local Housing Market** – a brief overview of how the housing market in Havant has continued to evolve since it was last profiled in the HNA, influenced by change in the housing stock and local demographics;

- **Section 3 – Future Need for Housing** – confirmation of the minimum need for housing that is now suggested for Havant by the standard method, with separate consideration given to how the resulting growth of the population could support job creation;

- **Section 4 – Impact of Constrained Housing Delivery** – consideration of how the population and household profile could change if the minimum need is not met, with 361 homes provided annually instead;

[1] Turley (October 2023) Housing Needs Analysis: Havant Borough Council
[2] Department for Levelling Up, Housing and Communities (September 2023) National Planning Policy Framework
[3] Ministry of Housing, Communities and Local Government (December 2024) National Planning Policy Framework
[4] MHCLG (December 2025) National Planning Policy Framework: proposed reforms and other changes to the planning system
[5] Havant Borough Council (May 2025) Draft Building a Better Future Plan, Policy 5
[6] PPG Reference ID 2a-001-20241212

- **Section 5 – Need for Affordable Housing** – an updated calculation of the number and size of affordable homes needed in Havant, following the well-established approach outlined in the PPG;

- **Section 6 – Role of Different Affordable Housing Products** – consideration of how different types of affordable housing could meet the need identified in the previous section;

- **Section 7 – Reconsidering Specific Needs** – reconsideration of the specific housing needs of older people, and those needing accessible and/or adapted housing, as well as looked after children; and

- **Section 8 – Summary and Conclusions** – a concise summary of the analysis presented in this report and its implications for the emerging Local Plan.

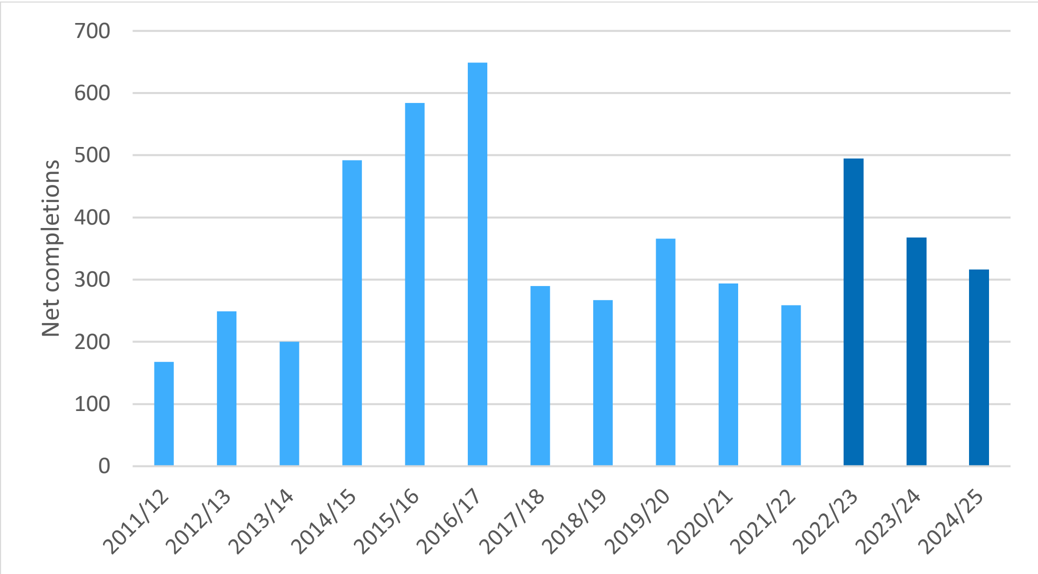
2. Continued Change in the Local Housing Market

2.1 Section 2 of the HNA explained how the housing market of Havant[7] had evolved since the Council had last commissioned joint evidence on its housing needs, in 2014. The dynamic nature of the market means that there will have inevitably been further changes since the HNA was completed in 2023, which this section therefore looks to consider.

Further growth of the housing stock

2.2 The HNA reported that an average of 347 homes per annum had been completed in Havant between 2011 and 2022[8]. Circa 393 – around 13% more – have been provided on average over the three years that the Council has reported since, to 2025, with this having caused the average back to 2011 to rise to circa 357 dwellings per annum. Figure 2.1 shows how this is largely attributable to the relatively large number of completions in 2022/23, almost doubling what was delivered in the prior year and also surpassing what had been provided in the previous four.

Figure 2.1: Net Completions in Havant (2011-25)



Source: Council monitoring

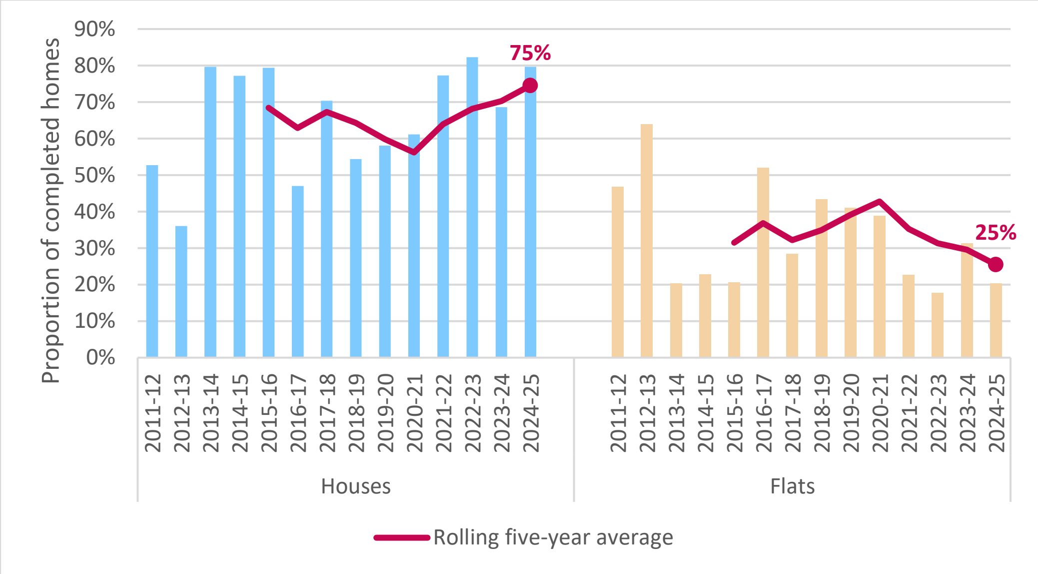
2.3 It remains the case – as previously reported in the HNA[9] – that most of the homes completed in Havant since 2011 have been houses, as opposed to flats. These have accounted for around two thirds of all completions in this time, but this does appear to be steadily rising with the average over the last five reported years standing at circa 75%.

[7] As in the HNA, all references to Havant in this report should be taken to mean the borough as a whole

[8] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 2.3

[9] *Ibid*, Figure 2.2

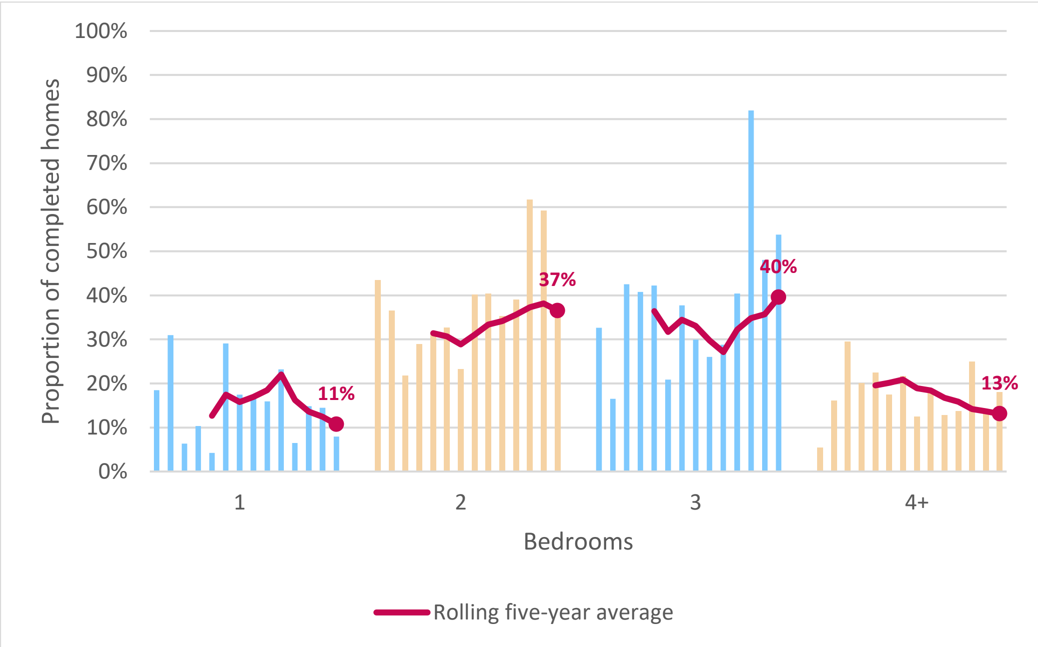
Figure 2.2: Type of Homes Completed in Havant (2011-25)



Source: Council monitoring

2.4 The homes completed in Havant are also increasingly containing three bedrooms, with there having been a notable fall in the proportion containing only one.

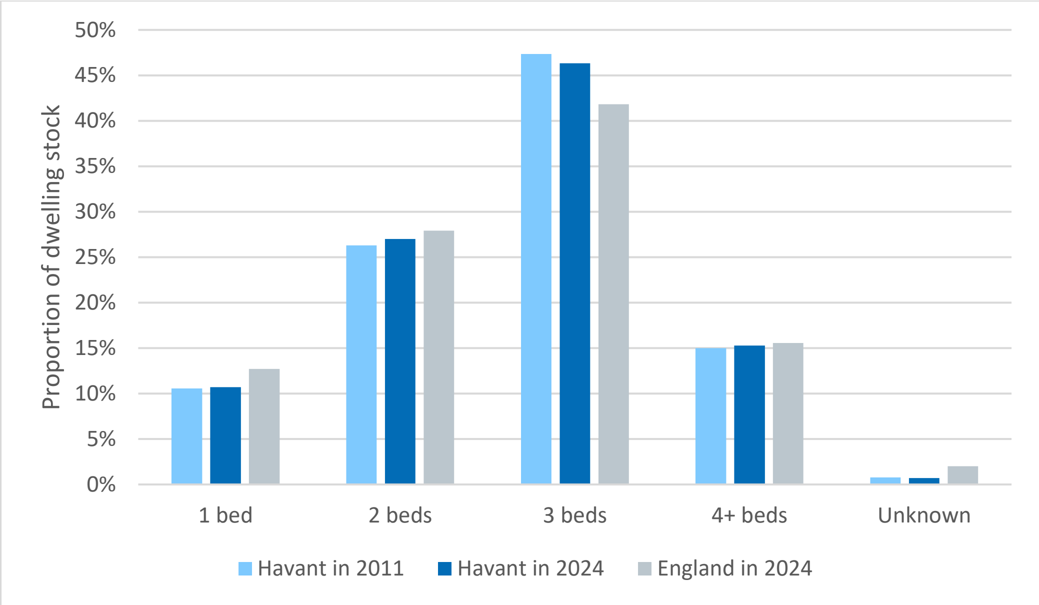
Figure 2.3: Size of Homes Completed in Havant (2011-25)



Source: Council monitoring

2.5 Although it is yet to cover the latest of the years reported above, data from the Valuation Office Agency[10] (VOA) – previously referenced in the HNA[11] – suggests that the recent shift in the size and type of homes being delivered in Havant has not materially changed the profile of the housing stock in the borough, since this remained of a comparable size in 2024 to what was recorded in 2011. Homes in Havant continued to most often have three bedrooms, to a greater extent than seen nationally, with the borough also having relatively few homes that were smaller.

Figure 2.4: Change in the Size of Housing Available in Havant (2011-24)



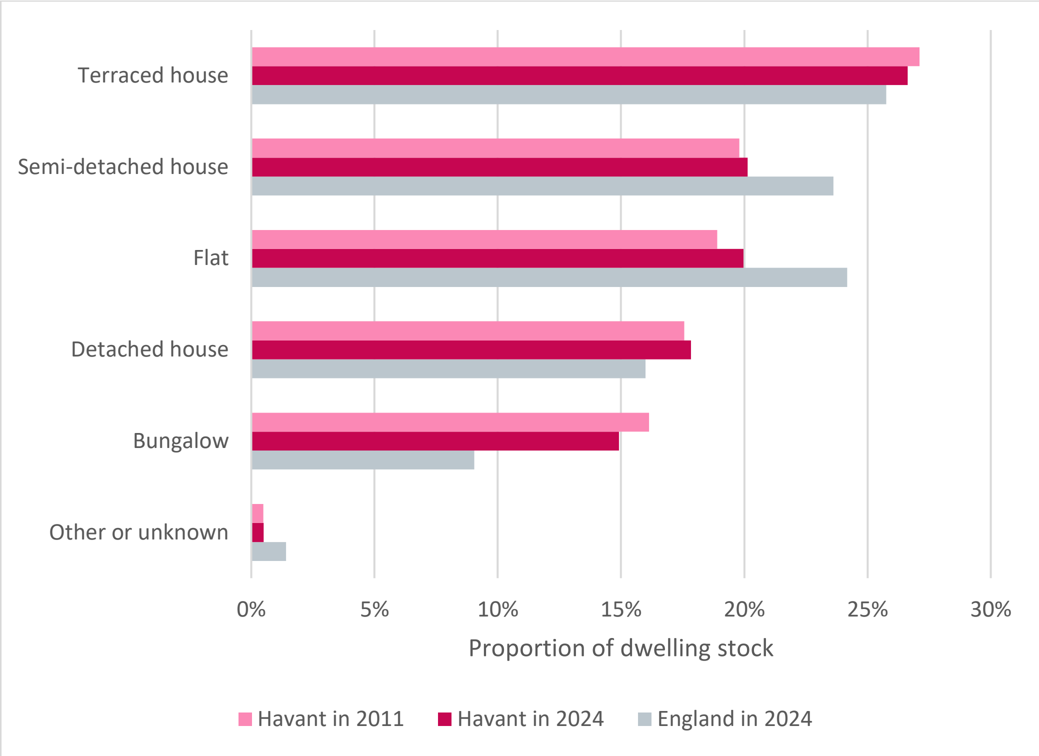
Source: VOA

2.6 Housing also remained of a broadly comparable profile, most often being terraced houses with such homes being more prevalent than seen nationally. The borough also has a relatively large stock of bungalows, and to a lesser extent detached houses, with flats and semi-detached houses contrastingly less common than they are throughout England.

[10] Valuation Office Agency (October 2024) Council Tax: stock of properties, 2024

[11] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 2.11 and Figure 4.3

Figure 2.5: Change in the Type of Housing Available in Havant (2011-24)

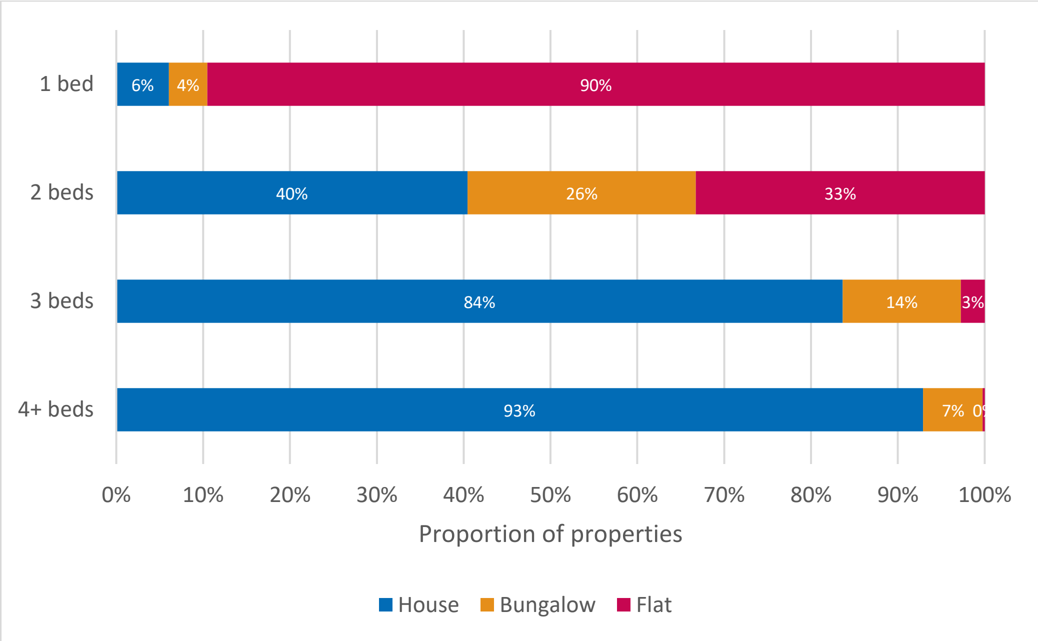


Source: VOA

2.7 Setting aside the small number of unknowns, it remains the case – as previously reported in the HNA[12] – that the borough's stock of one-bed properties are predominantly flats, while homes with at least three bedrooms tend to be houses. Two-bed homes are most often houses but around a third are flats and a quarter are bungalows.

[12] *Ibid*, Figure 4.3

Figure 2.6: Prevalence of Dwelling Types by Property Size (2024)



Source: VOA

Continued population growth

2.8 The HNA reported that the population of Havant had grown by around 3% over the decade to the 2021 Census, effectively continuing the growth recorded over the prior decade though falling short of what the Office for National Statistics (ONS) had been estimating[13]. Its plans to revise these estimates in light of the Census count were noted, and have now led to the release of updated estimates that currently extend to 2024[14].

2.9 While these revised estimates for the years prior to the 2021 Census are lower, as was expected, the ONS does believe that the population has grown by around 2% in the years reported since, notably taking it beyond the level that was previously being estimated as recently as 2020.

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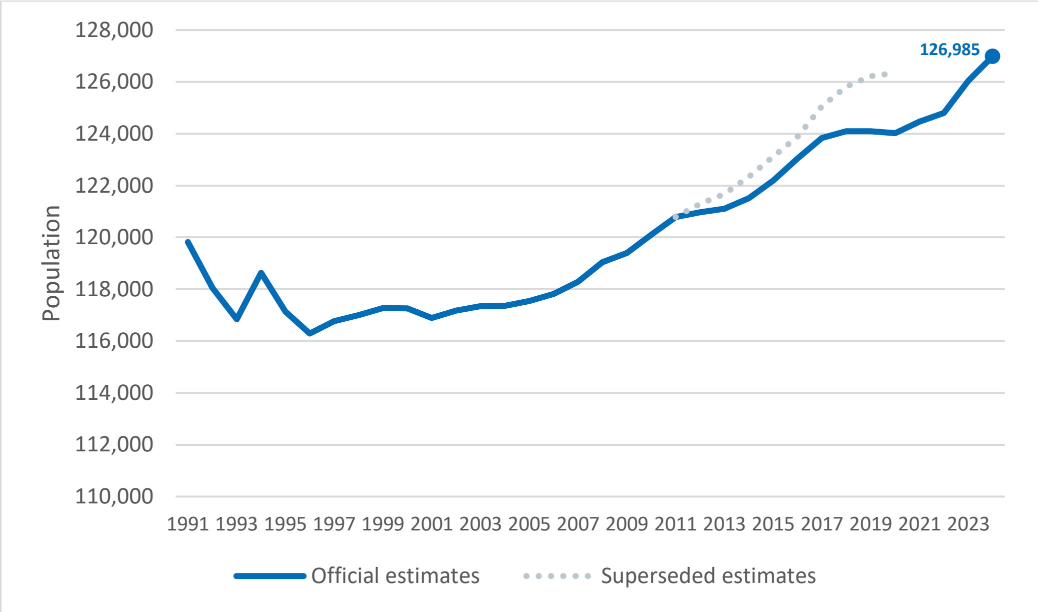
[13] *Ibid*, p8

[14] ONS (July 2025) Estimates of the population for England and Wales, mid-2011 to mid-2024 detailed time series

Figure 2.7: Estimated Population of Havant (1991-2024)



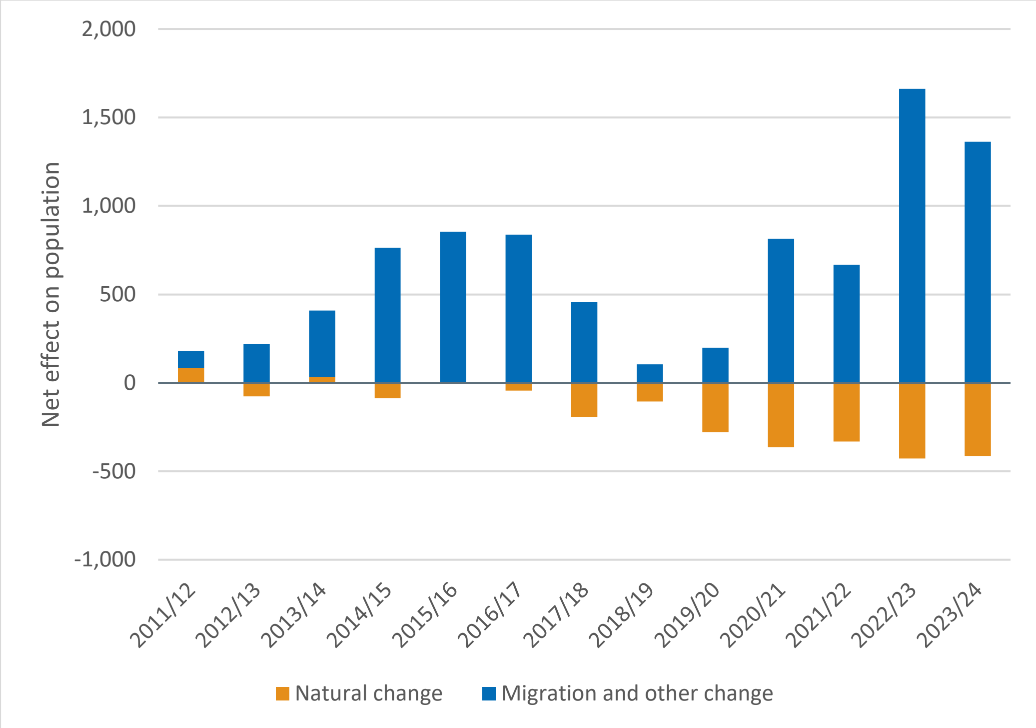
Source: ONS

2.10 This recent growth is believed to have been driven by net in-migration, with the average annual inflow in particularly the last two years being almost three times larger than had been typical in Havant over the prior decade[15]. This net inflow – predominantly from other parts of the UK[16] – has offset a natural decline of the population, with deaths increasingly outnumbering births.

[15] *Ibid*. The ONS estimates that there was an average net inflow of 1,512 people per annum over the last two reported years (2022-24) compared to an average net inflow of only 528 people over the prior decade (2012-22). The latter figure includes "other change" arising from revisions made by the ONS, as although this is not officially attributed it is widely assumed to relate to international migration where this is the most challenging to estimate

[16] The net inflow from other parts of the UK, known as internal migration, averaged 1,211 people over the last two reported years, making it almost four times larger than the net inflow of international migrants (310pa)

Figure 2.8: Components of Recent Population Change (2011-24)

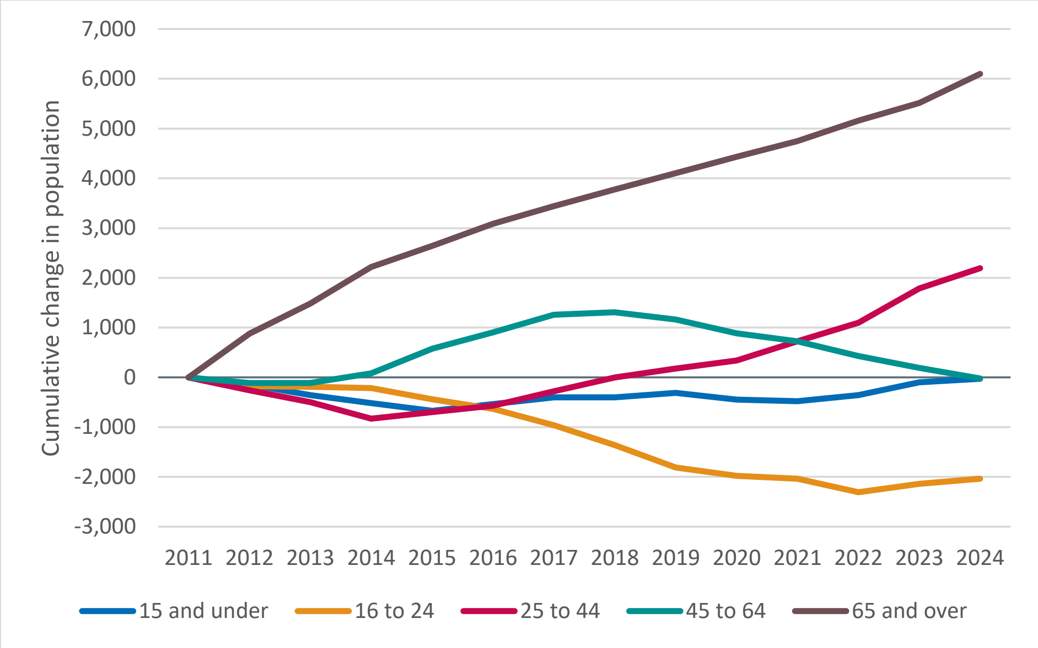


Source: ONS

2.11 These trends appear to have accelerated the growth of the cohort aged 25 to 44, which is believed to have already been occurring since 2014 – albeit at around half as fast a rate[17] – following a period of decline that long predated 2011. With such individuals often forming families, their growth is likely to also explain the recent increase in children, notwithstanding that this effectively represents only a return to the number recorded as recently as 2011. There has clearly been no such recovery in the number of young adults aged 16 to 24, around a sixth (16%) fewer of whom now live in Havant than was the case in 2011. This starkly contrasts with the older population aged 65 and above, which has steadily grown by almost a quarter (24%).

[17] This cohort is reported to have been growing at an average rate of 0.8% per annum between 2014 and 2021, compared to 1.7% per annum between 2021 and 2024

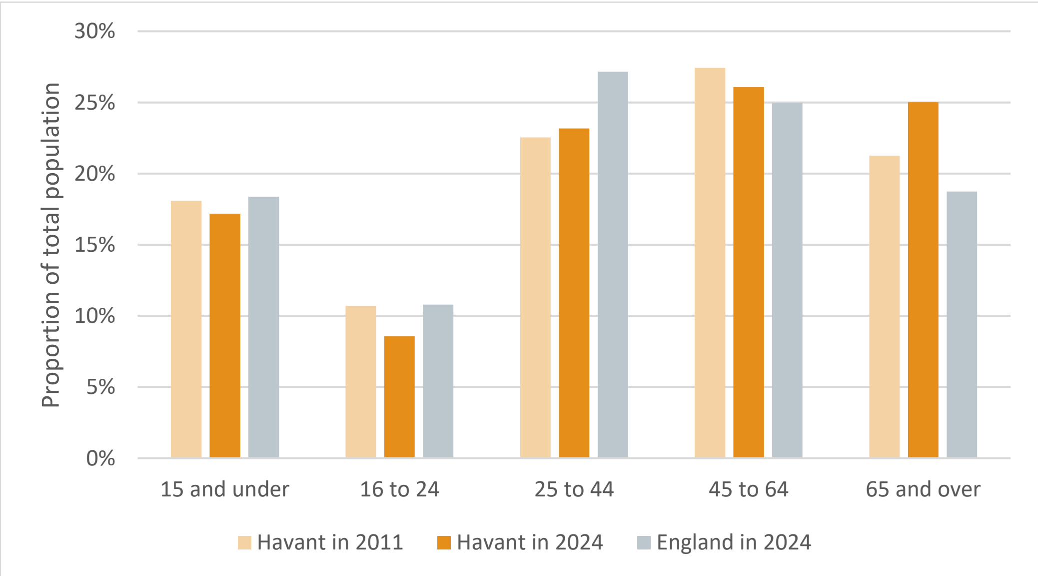
Figure 2.9: Population Change by Age Cohort (2011-24)



Source: ONS

2.12 Such growth in the number of older residents has led them to account for a growing proportion of the overall population in Havant, further surpassing the national average. The cohort aged 45 to 64 is the only other to be represented more than seen nationally, albeit this is to a much lesser extent and indeed is decreasingly the case. While a growing proportion of residents are now aged 25 to 44, this cohort remains relatively small compared to the country as a whole, with the borough also being home to relatively few children and particularly young adults aged 24 and under.

Figure 2.10: Change in Age Profile of Havant (2011-24)



Source: ONS

Rising house prices and rents

2.13 The HNA introduced Land Registry data which indicated that the average price paid to purchase housing in Havant had risen by some 60% over the decade to 2021, and by as much as two thirds (67%) for terraced houses alone[18].

2.14 Equivalent data is now available up to 2024, this being the last year to have been completely reported by the Land Registry at the time of writing[19]. This suggests that price growth has continued but seemingly slowed, with the overall average rising by only 2.6% since 2021. It is detached properties that have seen the greatest growth in this time – with the average increasing by circa 5.3% – but this has been closely followed by terraced and semi-detached houses, with only flats having seen a reduction in the average price paid.

Table 2.1: Change in Mean Price Paid by Dwelling Type in Havant (2011-24)

	2011	2011-21	2021	**2021-24**	2024
Detached	£306,571	+56.4%	£479,613	**+5.3%**	£505,234
Terraced	£159,128	+67.0%	£265,733	**+5.0%**	£279,063
Semi-detached	£205,177	+59.6%	£327,361	**+4.9%**	£343,466
All types	**£210,163**	**+60.3%**	**£336,884**	**+2.6%**	**£345,678**
Flat	£123,128	+42.3%	£175,244	**-6.0%**	£164,796

Source: Land Registry; Turley analysis

2.15 While the HNA also introduced data on monthly rents[20] – originally from the ONS and then the VOA – this has now been discontinued, and effectively replaced with a new dataset from the ONS[21]. This reports only on the mean monthly rent – rather than the previously reported medians and lower quartiles – but does suggest that costs have also here been rising in recent years, even with signs of this having eased over the last reported year to November 2025. The published breakdown indicates that this has been true of all sizes and types of property.

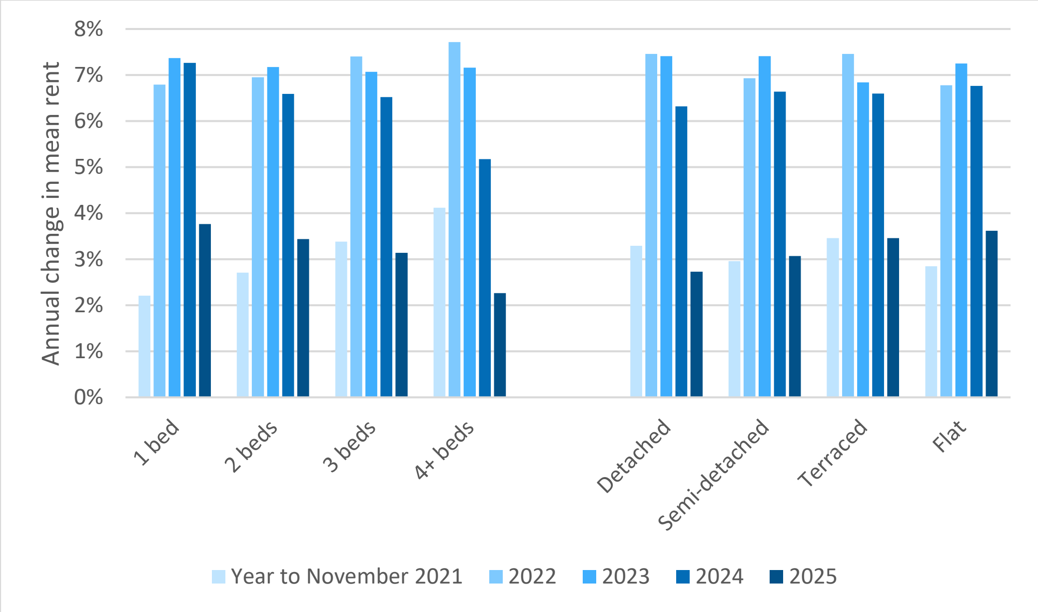
[18] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 2.2

[19] This is due to a lag which means that data for 2025 is still incomplete, as of February 2026

[20] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 2.3

[21] ONS (December 2025) Price Index of Private Rents, UK: monthly price statistics

Figure 2.11: Recent Change in Mean Monthly Rent in Havant by Property Size/Type



Source: ONS

Summary

2.16 The housing market has continued to evolve in Havant since it was last profiled in the HNA.

2.17 The average annual rate of delivery, back to 2011, rises to circa 357 dwellings per annum when factoring in the three additional years now reported by the Council, to 2025. Most of the homes completed in Havant continue to be houses, rather than flats, and this appears to increasingly be the case. New homes are more often containing three bedrooms and homes of this size continue to account for a relatively large proportion of the overall housing stock, compared to England. Terraced houses likewise continue to be relatively prevalent, as are bungalows and detached houses to a lesser extent.

2.18 The population of Havant did not grow to the extent that was believed prior to the 2021 Census, leading the ONS to revise down its historic estimates, but it is now believed to have grown by around 2% over the three years reported since to 2024. This has been driven by net in-migration, mainly from other parts of the UK, with this having offset the effect of deaths increasingly outnumbering births. These trends have accelerated the growth of those aged 25 to 44, and the number of children as a result. It has still though been the older population – aged 65 and above – that has grown most, forming a growing share of the overall population.

2.19 House prices have continued to rise in Havant but the rate of growth appears to have slowed, with the average increasing by less than 3% between 2021 and 2024 after having risen by some 60% over the prior decade. Average rents for properties of all sizes have also increased, even if the rate of growth appears to have eased over the last reported year to November 2025.

3. Future Need for Housing

3.1 The HNA referred to the outcome of what was then the standard method of assessing housing need, confirming that a minimum of 516 dwellings per annum were needed in Havant at that point[22].

3.2 The standard method has though evolved in the intervening period, as noted in the introduction to this report. This section therefore explains the changes and confirms the new outcome for Havant. It then proceeds, like the HNA, to consider how the borough's population could change if this need is met.

Evolution of national policy

3.3 Shortly after its election in July 2024, the Government expressed an intention to '*reform*' the NPPF in order to '*kickstart economic growth*' and deliver the infrastructure that the country needs, including '*one and a half million homes over the next five years*'[23]. It consulted on proposed reforms over eight weeks from 30 July[24].

3.4 A new standard method of assessing housing need featured amongst the proposed changes. This was intended to replace the method that was first introduced in July 2018 and later amended in December 2020, which used 2014-based household projections as a baseline and then adjusted for affordability before capping the outcome and applying a final 35% uplift in the twenty largest cities and urban centres.

3.5 In proposing to replace this method, the Government acknowledged that:

"The use of household projections in the current standard method has attracted criticism from across the sector. Household projections are volatile, and subject to change every few years, making it difficult for local planning authorities to plan for housing over their plan periods (10-15 years). To guard against regular shifts, the previous government opted to lock in 2014-projections. This means the dataset is now ten years old and is no longer fit for purpose in reflecting current housing needs. By projecting forward past trends, household projections have also resulted in artificially low projections in some places, particularly where overcrowding and concealed households have suppressed household formation, which generally happens in the least affordable parts of the country"[25]

3.6 In response to these issues, the Government proposed a new method that was more aligned with its aspirations for the housing market. This was to be based on each area's existing housing stock, rather than household projections, with this change:

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[22] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 3.1

[23] Speech by the Chancellor, The Rt Hon Rachel Reeves MP, on 8 July 2024

[24] MHCLG (August 2024) Proposed reforms to the National Planning Policy Framework and other changes to the planning system

[25] *Ibid*

"…designed to provide a stable baseline that drives a level of delivery proportionate to the existing size of settlements, rebalancing the national distribution to better reflect the growth ambitions across the Midlands and North"[26]

3.7 The baseline of the standard method was proposed to be – and ultimately was – set at 0.8% of the existing housing stock, so as to approach the average seen nationally over the prior decade (0.89%) and thus '*bank the average status quo level of delivery*'[27].

3.8 As in the original method this was still to be adjusted based on affordability, with the Government acknowledging 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"[28]

3.9 The Government proposed to retain use of affordability ratios produced by the ONS, which compare median house prices with the equivalent earnings of those working in an area. It planned to keep applying uplifts in areas where house prices equated to more than four years' earnings, but proposed to more than double the weighting of this adjustment and also base it on an average of the last three published ratios rather than simply the latest one.

3.10 This part of the proposed method was ultimately changed following the eight-week consultation, to make it '*more responsive to affordability pressures*'[29]. The Government opted to raise the threshold beyond which an adjustment is made, from four to five years, arguing that the former is '*now less appropriate*' given changes in the housing market and access to mortgages[30]. It acknowledged that this change would generally reduce the size of adjustments and responded by further increasing their weight, so as to ensure that housing need nationally remains at a level that it deems '*appropriate*'[31]. These changes served to reduce housing need in more affordable areas, compared to the original proposals, while increasing it in '*areas where affordability issues are most acute*'[32].

3.11 A final change extended the period over which affordability ratios would be averaged, from three to five years. This aimed to both reflect slightly longer-term trends and '*smooth out outlying changes to affordability over time*', making the outcome of the method more stable[33].

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[26] *Ibid*
[27] *Ibid*
[28] *Ibid*
[29] MHCLG (December 2024) Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation
[30] *Ibid*
[31] *Ibid*
[32] *Ibid*
[33] *Ibid*

3.12 Having made these changes, the Government formally introduced the new standard method by revising the PPG on 12 December 2024[34]. Amongst other things, this confirmed that '*the standard method should be used to assess housing needs*', producing '*a minimum annual housing need figure*' which ensures that '*plan-making is informed by an unconstrained assessment of the number of homes needed in an area*'[35].

3.13 The revised NPPF, published on the same day, explicitly confirms that '*a local housing need assessment, conducted using the standard method*' should '*determine the minimum number of homes needed*' and so inform strategic policies[36]. Text added by the previous Government a year earlier, describing the outcome of the standard method as '*an advisory starting-point*' and suggesting that '*exceptional circumstances*' could justify '*an alternative approach to assessing housing need*', was removed[37].

3.14 The revised NPPF confirmed that its policies would apply for the purposes of preparing Local Plans from 12 March 2025, excluding only those that had by that point been submitted for examination or had reached the Regulation 19 stage with a housing requirement equivalent to at least 80% of the need suggested by the new standard method[38]. Plans were also exempt if they were building on an existing Local Plan, adopted in the previous five years, or were being prepared for areas already covered by Spatial Development Strategies. It is noted that none of these circumstances apply in the case of Havant, meaning that the revised method should now be used to calculate the minimum number of homes needed in the borough.

Outcome of the new standard method for Havant

3.15 The baseline of the new method, as noted above, should equate to 0.8% of the existing housing stock. The PPG confirms the specific dataset that should be drawn upon in this regard, also stating that '*the most recent data published at the time should be used*'[39].

3.16 The latest available data, at the time of writing in early 2026, suggests that there were 57,120 dwellings in Havant as of 31 March 2024[40]. Calculating 0.8% of this total produces a baseline figure of **circa 457 homes per annum**.

3.17 This baseline is then adjusted based on an average of affordability ratios '*over the five most recent years for which data is available*'[41]. As of early 2026, affordability ratios are available for the period to 2024, with an average of the five most recent years equating to circa 9.952[42].

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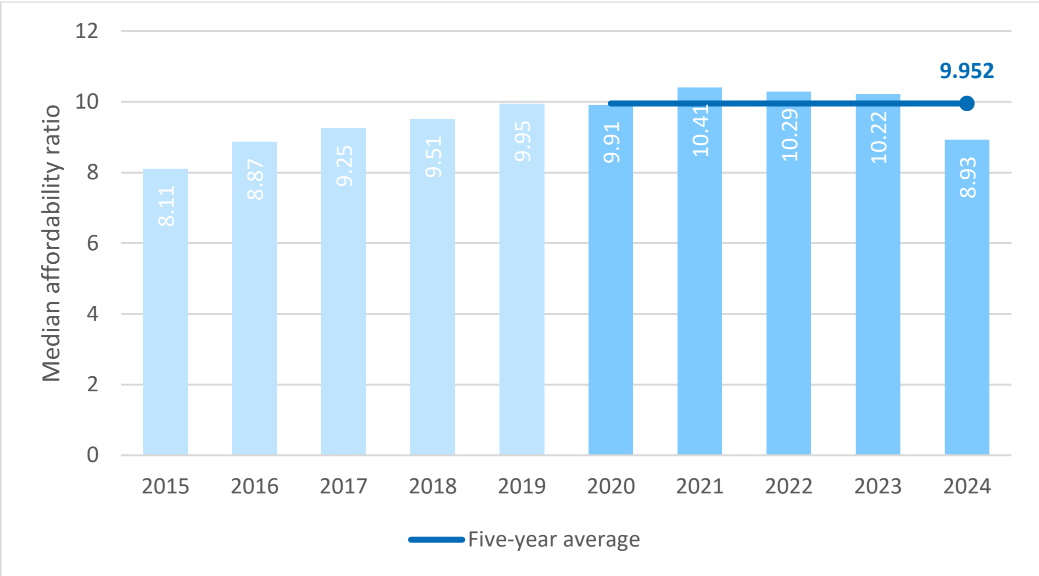
[34] https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments
[35] PPG Reference ID 2a-002-20241212 and 2a-003-20241212
[36] MHCLG (December 2024) National Planning Policy Framework, paragraph 62
[37] DLUHC (December 2023) National Planning Policy Framework, paragraph 61
[38] MHCLG (December 2024) National Planning Policy Framework, Annex 1
[39] PPG Reference ID 2a-004-20241212
[40] MHCLG (May 2025) Table 125: dwelling stock estimates by local authority district
[41] PPG Reference ID 2a-004-20241212
[42] ONS (March 2025) House price to workplace-based earnings ratio

Figure 3.1: Average Affordability Ratio in Havant



Source: ONS

3.18 The PPG outlines a formula which confirms the level of adjustment that should be made, based on the average affordability ratio[43]. This suggests that an adjustment of **94.088%** should currently be applied to the baseline, indicating – as of early 2026 – that a minimum of **887 dwellings per annum** are needed in Havant[44].

Resulting population growth

3.19 There is no official indication of how the population of an area is being assumed to change within a standard method that is now fully disconnected from official demographic projections. The PPG also offers no guidance on how this can be understood.

3.20 Demographic modelling, of the kind previously presented in the HNA, can though be developed by Edge Analytics to overcome this issue. As further explained in **Appendix 1**, such a model can incorporate the most appropriate demographic data and make evidence-based assumptions to robustly estimate how provision in line with the current outcome of the standard method could change the size and profile of the population in Havant, when allowing also for the ageing of existing residents over a plan period that is proposed to run to 2043[45]. This assumes that the minimum need is met in full from 2025 onwards, reflecting the point of calculation and using known completions to bridge the small gap from the latest official population estimate for 2024.

3.21 The modelling suggests that in such a scenario Havant could be home to circa 150,736 people by 2043, the population of the borough having to that point grown by around

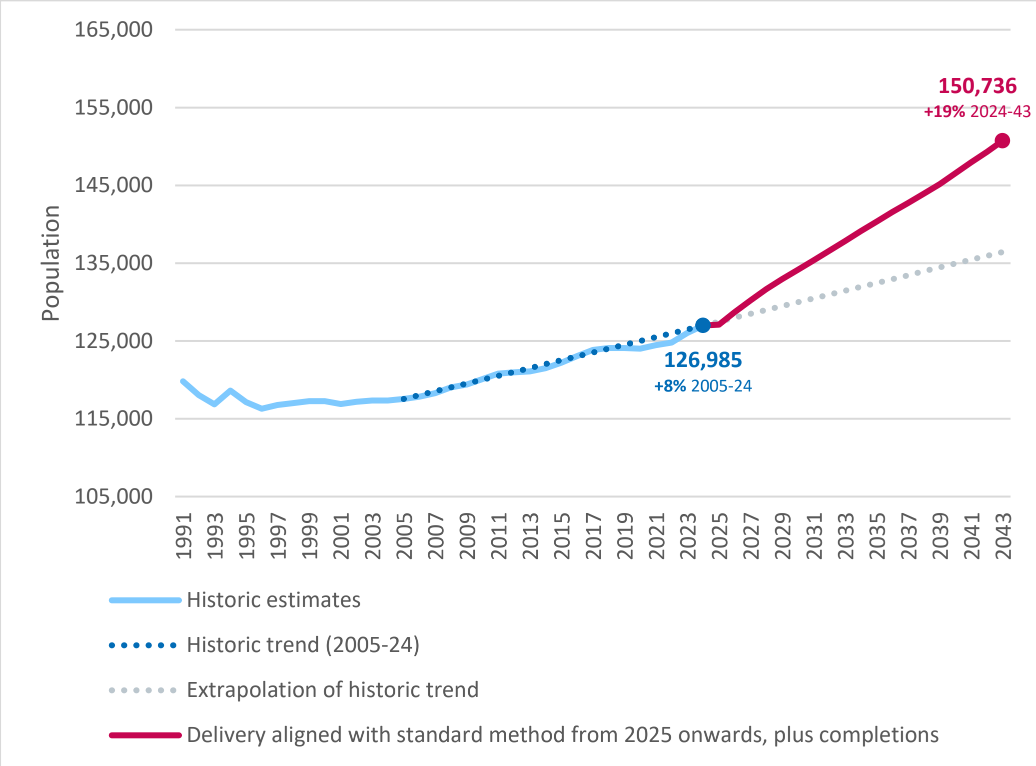
[43] PPG Reference ID 2a-004-20241212

[44] New dwelling stock estimates and affordability ratios were released as this report was being finalised, which collectively mean that the outcome of the method is slightly lower at **883 dwellings per annum** as of late May 2026

[45] Havant Borough Council (May 2025) Draft Building a Better Future Plan, Policy 1

19% when compared to what was estimated in 2024. This would more than double the 8% growth recorded over the equivalent historic period of 19 years (2005-24).

Figure 3.2: Estimated Effect on Population of Havant

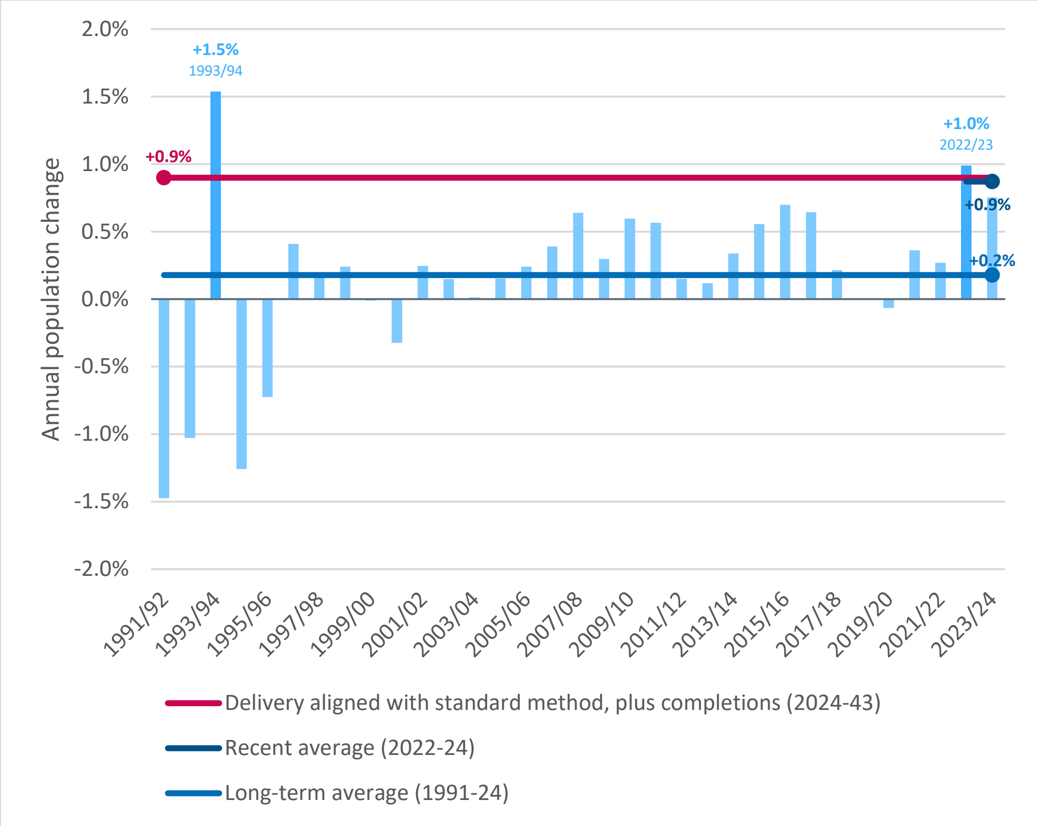


Source: ONS; Edge Analytics

3.22 Such population growth would occur at an average rate of circa 0.9% per annum, precisely aligning with the average over the last two reported years (2022-24) – and also comparing to the average throughout Hampshire, the South East and England over the last five years[46] – but itself having been recorded in Havant only twice in the last 33 years.

[46] ONS (July 2025) Estimates of the population for England and Wales, mid-2011 to mid-2024 detailed time series. This suggests that the population of England has grown by an average of **0.8% per annum** between 2020 and 2025, rising to **0.9% per annum** throughout Hampshire and **1.0% per annum** across the South East

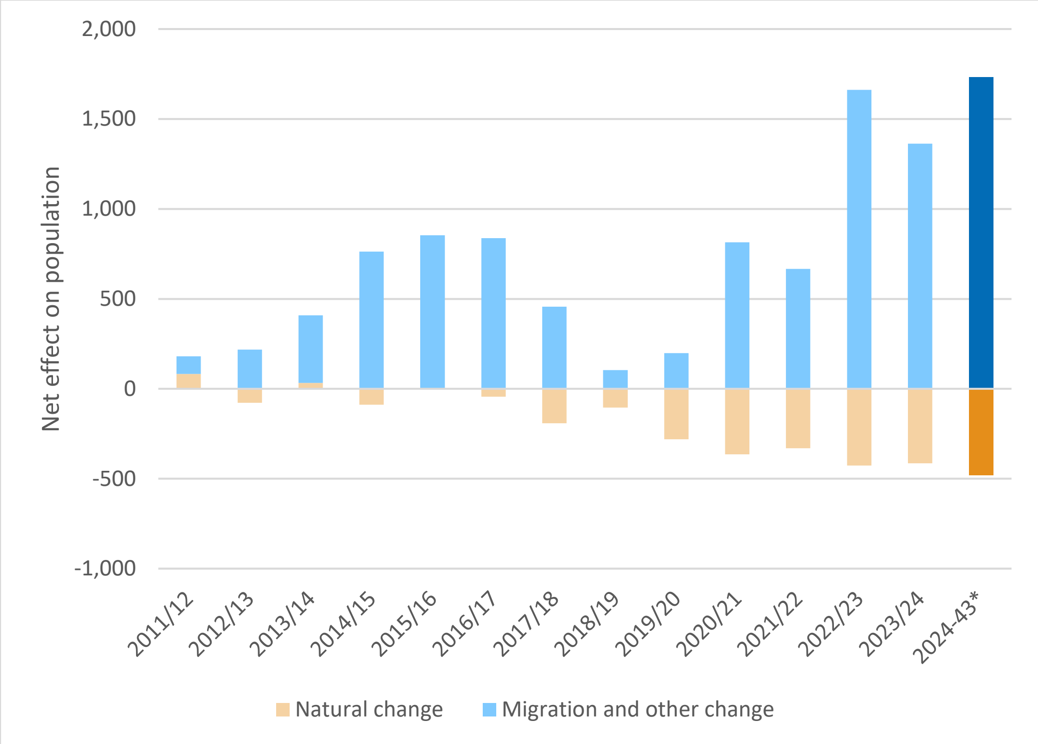
Figure 3.3: Benchmarking Modelled Population Growth



Source: ONS

3.23 The modelling assumes that such growth will be largely driven by net in-migration, predominantly from elsewhere in the UK, of a scale larger than recorded even once in Havant since 2011. This would offset the increasingly negative effect of natural change, with deaths assumed to outnumber births to a greater extent than seen historically.

Figure 3.4: Benchmarking Assumed Components of Change



Source: ONS; Edge Analytics ** Modelled*

3.24 Such growth would be expected to increase the size of each of the age cohorts introduced in the previous section, reversing the recent decline of young adults for instance. It would though continue to be the oldest residents – aged 65 and above – that would grow in number the most, with the modelling suggesting that this cohort could grow by almost a third (31%) to account for a greater proportion of the overall population.

Table 3.1: Estimated Effect on Age Profile (2024-43)

	%	2024	Change		2043	%
15 and under	17%	21,818	+885	+4%	22,703	15%
16 to 24	9%	10,880	+1,156	+11%	12,036	8%
25 to 44	23%	29,416	+6,142	+21%	35,558	24%
45 to 64	26%	33,107	+5,649	+17%	38,756	26%
65 and over	25%	31,764	+9,919	+31%	41,683	28%
All ages	**100%**	**126,985**	**+23,751**	**+19%**	**150,736**	**100%**
16 to 64	58%	73,403	+12,948	+18%	86,351	57%

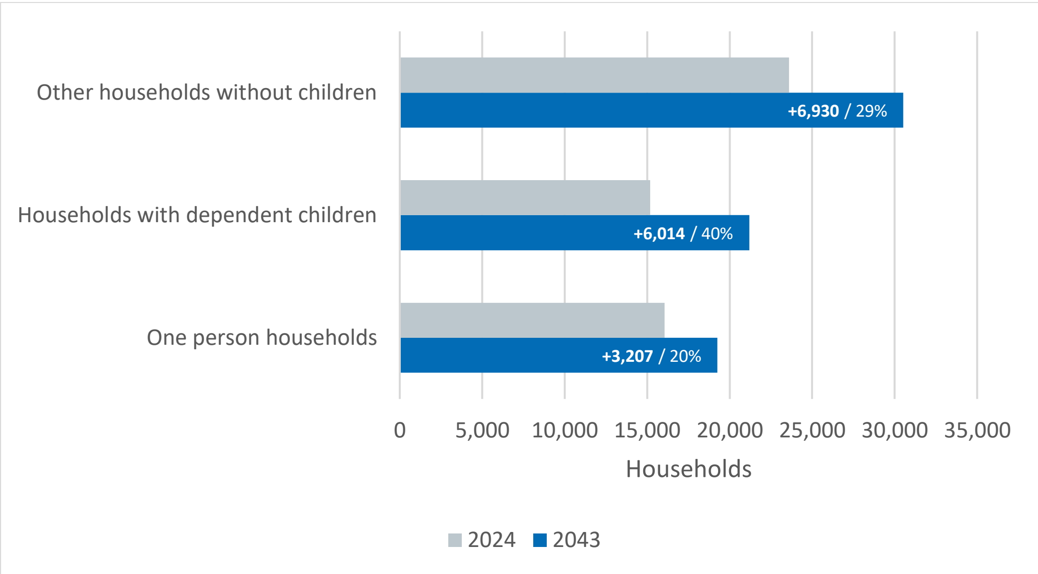
Source: ONS; Edge Analytics

Profile of resulting households

3.25 The modelling also makes assumptions on the types of households that could be formed by new and existing residents. A cautious approach has been taken in drawing these assumptions from official 2014-based household projections – as in the HNA – rather than using 2022-based projections that were released only recently in October 2025, since these are still using a simpler method that has drawn criticism since it was first introduced with the official 2016-based projections in 2018[47]. Adjustments are though made once again to the 2014-based rates, to allow for improved younger household formation[48].

3.26 The modelling suggests that provision in line with the outcome of the standard method would bring growth in all types of households in Havant, relative to those assumed to have already been formed by the population that was estimated in 2024[49]. Households containing more than one person, but no dependent children, are projected to grow in number the most in absolute terms – also remaining the most prevalent in 2043 – albeit it would be those *with* dependent children that would grow most proportionately.

Figure 3.5: Projected Change by Household Type (2024-43)



Source: Edge Analytics; Turley analysis

3.27 Section 4 of the HNA used its equivalent modelling to estimate the size and type of housing that could be needed by these households, if the trends recorded by the 2021

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[47] The ONS itself acknowledged that its new approach could '*result in a downward trend in household formation for the younger age groups, which in turn would downplay the need for housing for younger people*'. The Government expressed concern at the time about the impact of this change, warning how '*reducing the historic period of household formation on which the projections are based from five census points to two…focuses it more acutely on a period of low household formation where the English housing market was not supplying enough homes*'

[48] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 2.23 of Appendix 1

[49] The profile of households is not annually estimated by the ONS like the population, so the modelling has applied household formation rates to the estimated population in 2024

Census – shown at its Figure 4.1 – were assumed to continue. With this continuing to provide the best available insight on housing choices at the local level, it can be similarly combined with the updated modelling, to suggest that almost half of the additional households expected in Havant if the full housing need was to be met would likely require three bedrooms. Around a quarter would be expected to need two and roughly one fifth would need at least four. Such a mix is coincidentally identical to that presented in the HNA[50].

Table 3.2: Estimated Size of Housing Required in Havant (2024-43)

	1 bed	2 beds	3 beds	4+ beds
Households requiring…	8%	25%	46%	21%

Source: Edge Analytics; Census 2021; Turley analysis

3.28 The type of housing needed to deliver this mix can also be estimated, again as in section 4 of the HNA. This is based on the profile of the current stock as recorded by the VOA and shown at the earlier Figure 2.6. It suggests that some 69% of homes will need to be houses, aligning closely with what was previously estimated in the HNA[51] (68%). Circa 16% could need to be flats and around 15% bungalows, albeit as previously noted these could arguably be combined given their similarities and the challenges long acknowledged to be involved in delivering the latter[52].

Table 3.3: Estimated Type of Housing Required in Havant (2024-43)

	Houses	Flats	Bungalows
Households requiring…	69%	16%	15%

Source: Edge Analytics; VOA; Turley analysis

3.29 The above, as previously, continues to represent only **illustrative modelling** based on available evidence. The figures presented can be reasonably used to guide polices, offering a starting point for any proposed market housing – where more refined estimates can be developed for affordable housing – while also enabling the strategic monitoring of development at the borough level. Any such policies should not though be overly prescriptive in expecting alignment from all sites, since the mix of homes provided on a site will need to respond to – and be influenced by – changes in the market, evolving preferences, viability factors and the local market context. It should also take account of a site's location, given that needs and development density will inevitably vary between town centres and suburbs for example.

[50] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 4.1

[51] *Ibid*, Table 4.2

[52] *Ibid*, paragraph 4.12

Potential to support job growth

3.30 The standard method has been shown to currently suggest a need for 887 dwellings per annum in Havant, but the NPPF emphasises that this should be viewed as only '*the minimum number of homes needed*' and proposed revisions would make it even clearer that '*the standard method calculates a **minimum** annual local housing need figure*'[53] (our emphasis).

3.31 Planmakers are to be seemingly encouraged to set '*housing requirement figures…higher than the overall figure identified in the local housing needs assessment where appropriate*', including in '*situations…where it reflects growth ambitions linked to economic development or infrastructure investment*'[54]. This closely mirrors the wording of the existing NPPF[55].

3.32 Although the Government is yet to have proposed corresponding changes to the PPG, this already does expect authorities to '*consider the merits of planning for higher growth if, for example, this would seek to reflect economic aspirations*'[56].

3.33 In order to understand whether a higher level of provision is needed in Havant, it is first necessary to establish the level of job growth that could be supported if housing provision was to simply align with the outcome of the standard method. This can be understood using the modelling introduced above, since this can estimate the job growth that could be supported by the population allowing for:

- **Unemployment**, which has been assumed to remain aligned with an average that has been recorded in Havant over both the last three and five years[57] (4.3%);

- **Changing rates of economic participation**, amongst residents aged 16 to 89, with there assumed to be an evolution from the position recorded by the 2011 Census in line with the most recently published national forecast from the Office for Budget Responsibility[58] (OBR);

- **Commuting**, specifically the net out-commute from Havant that was recorded by the 2021 Census when the borough had 1.15 working residents for every person employed in its workplaces at that point. While this is likely to have been skewed to an extent by the COVID-19 pandemic, it does closely compare to the ratio of 1.19 that was recorded by the 2011 Census, giving assurance that this is a reasonable assumption for the purposes of this exercise; and

[53] MHCLG (December 2024) National Planning Policy Framework, paragraph 62; MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Annex D paragraph 2

[54] MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Policy HO2 paragraph 3

[55] MHCLG (December 2024) National Planning Policy Framework, paragraph 69

[56] PPG Reference ID 2a-040-20241212

[57] ONS (2025) Model-based estimates of unemployment; averages between 2022-24 and 2020-24, with data for the whole of 2025 not yet available at the time of modelling

[58] Office for Budget Responsibility (July 2018) Fiscal Sustainability Report

- **People holding more than one job**, so-called “double jobbing” assumed to continue at the average rate that the Annual Population Survey has recorded in Havant over ten years to 2024[59] (3.9%).

3.34 The modelling suggests that the creation of circa 13,111 jobs could be supported in Havant between 2024 and 2043 – equivalent to 690 per annum – if the labour force behaves in this way and housing delivery aligns with the outcome of the standard method. The average is only slightly lower, at 676 jobs per annum, when calculated over the full period that is proposed to be covered by the emerging Local Plan[60] (2023-43) with a total of 13,529 jobs being supported over this slightly longer timeframe.

3.35 This can be compared to an Experian forecast, from June 2023, that is presented in the latest iteration of the Council’s Employment Land Review that was completed in September 2024[61] (ELR). While it isolates only jobs requiring offices and industrial premises, the same forecast has been obtained directly from Experian and this confirms that around 5,700 jobs are envisaged *in total* over the period from 2023 to 2043, at an average rate of 285 jobs per annum.

3.36 This report’s modelling suggests that provision in line with the standard method could support over twice as much job growth in Havant, leaving headroom – to support some 7,830 further jobs – that could be important if there are any economic opportunities that are not fully captured by an increasingly dated forecast. The Council has highlighted the Dunsbury Park tax site that forms part of the Solent Freeport, for example, with what are believed to be the best available estimates of its impact throughout Havant and Portsmouth suggesting that this could be comfortably absorbed within this headroom[62]. While this may require further consideration through a future update to the ELR, based on current evidence it does not appear necessary for the Council to set a higher housing requirement to support the local economy.

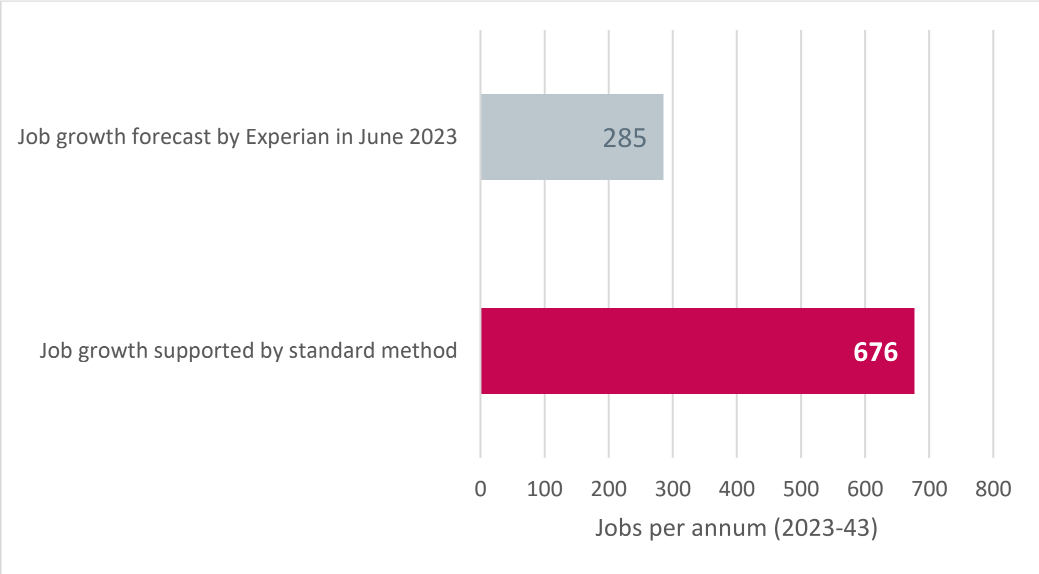
[59] ONS (2025) Annual Population Survey, January – December 2024

[60] Havant Borough Council (May 2025) Draft Building a Better Future Plan, Policy 1

[61] Stantec (September 2024) Havant Borough Employment Land Review, Table 7-1 and Table 9-1

[62] The Environmental Statement submitted with the original planning application for this site (APP/12/00338) suggests that 1,272 additional jobs could be created throughout Havant and Portsmouth following its development, with this being equivalent to only around one sixth (16%) of the headroom that exists beyond the Experian forecast

Figure 3.6: Benchmarking Job Growth Supported by Standard Method (2023-43)



Source: Edge Analytics; Experian

Summary

3.37 The NPPF continues to require use of a standard method to determine the minimum number of homes needed in an area, but the method itself has evolved since it suggested – when the HNA was produced – that at least 516 dwellings would be needed annually in Havant.

3.38 While previously based on increasingly dated household projections, the standard method is now driven by the existing stock of an area, with a continuing – though in most cases larger – adjustment then made to reflect relative affordability. The outcome of the method is no longer capped and the subsequent uplift for the country's largest cities and urban centres has also been removed.

3.39 Since May 2025, the new method has indicated that **a minimum of 887 dwellings per annum** are needed in Havant. Demographic modelling suggests that such a level of provision could see the borough be home to around 19% more people in 2043 than in 2024, effectively more than doubling the 8% growth seen over an equivalent period back to 2005 if equally just sustaining the annual growth recorded over the last two years. Net migration would be expected to remain the driver of growth in such a scenario, with people being more effectively attracted and retained, and all age groups would be expected to grow.

3.40 Such a scenario would likewise be expected to bring growth in all types of households, requiring the same mix of dwelling sizes and types – oriented towards houses and three-bed properties – as was estimated in the HNA when assuming once again that the trends recorded by the 2021 Census continue. This does though remain only indicative, and should not be expected of every site given the need to respond to changing market demands, local context, the characteristics of particular locations and viability factors.

3.41 With the NPPF continuing to make clear that the outcome of the standard method should be viewed as only a minimum, allowing authorities to set higher housing requirements linked to economic development for example, it is of note that such a level of provision could combine with changing behaviours to grow the labour force and support the creation of some 676 jobs per annum in Havant over what is proposed as the new plan period (2023-43). This being over twice the number envisaged in the forecast referenced in the Council's ELR (285pa) suggests that a higher housing requirement is unlikely to be necessary.

4. Impact of Constrained Housing Delivery

4.1 While the previous section explains how the standard method now suggests a need for at least 887 dwellings per annum in Havant, the Council has indicated – within an initial draft of its new Local Plan[63] – that it may be able to provide only around 361 dwellings per annum, over the period from 2023 to 2043. This is due to identified constraints and limited land availability[64].

4.2 The PPG does not allow any such constraints to be factored into any '*assessment of the number of homes needed in an area*', confirming that this should be '*unconstrained*'[65].

4.3 It is still though technically possible to consider how a constrained level of housing provision could affect the size and profile of the population living in Havant, using modelling of the kind introduced in the previous section which is this time based to 2023 rather than 2024. This gives the Council an understanding of the demographic implications of the proposed strategy.

Population growth

4.4 While provision in line with the standard method could see Havant become home to circa 150,736 people by 2043, delivering only 361 dwellings per annum would be expected to reduce this by around 14% with the borough having an estimated 129,127 residents at that point. This would be only 2.5% more than reported at what has been proposed as the start of the plan period, in 2023, such a rate of growth being only a third of that recorded over an equivalent period of twenty years to then[66] (7.5%).

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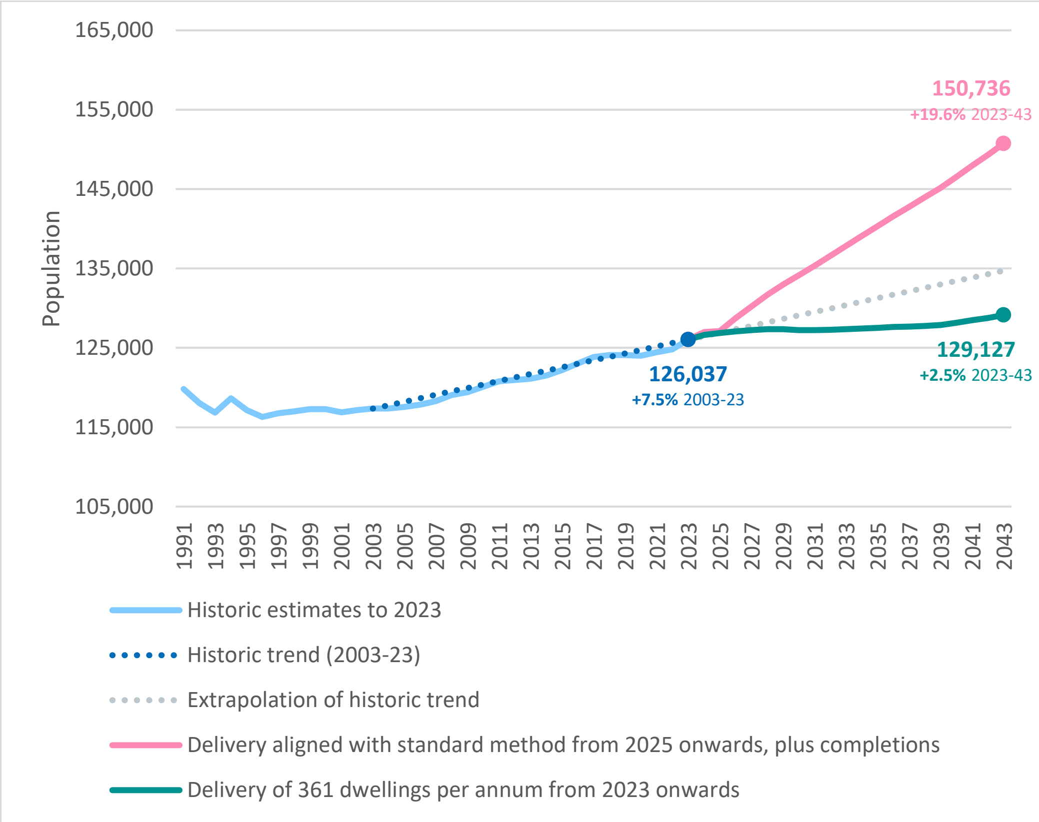
[63] Havant Borough Council (May 2025) Draft Building a Better Future Plan, Policy 5

[64] *Ibid*, paragraph 2.82

[65] PPG Reference ID 2a-002-20241212

[66] ONS (July 2025) Estimates of the population for England and Wales, mid-2011 to mid-2024 detailed time series

Figure 4.1: Estimated Effect of Constrained Housing Delivery on Population of Havant

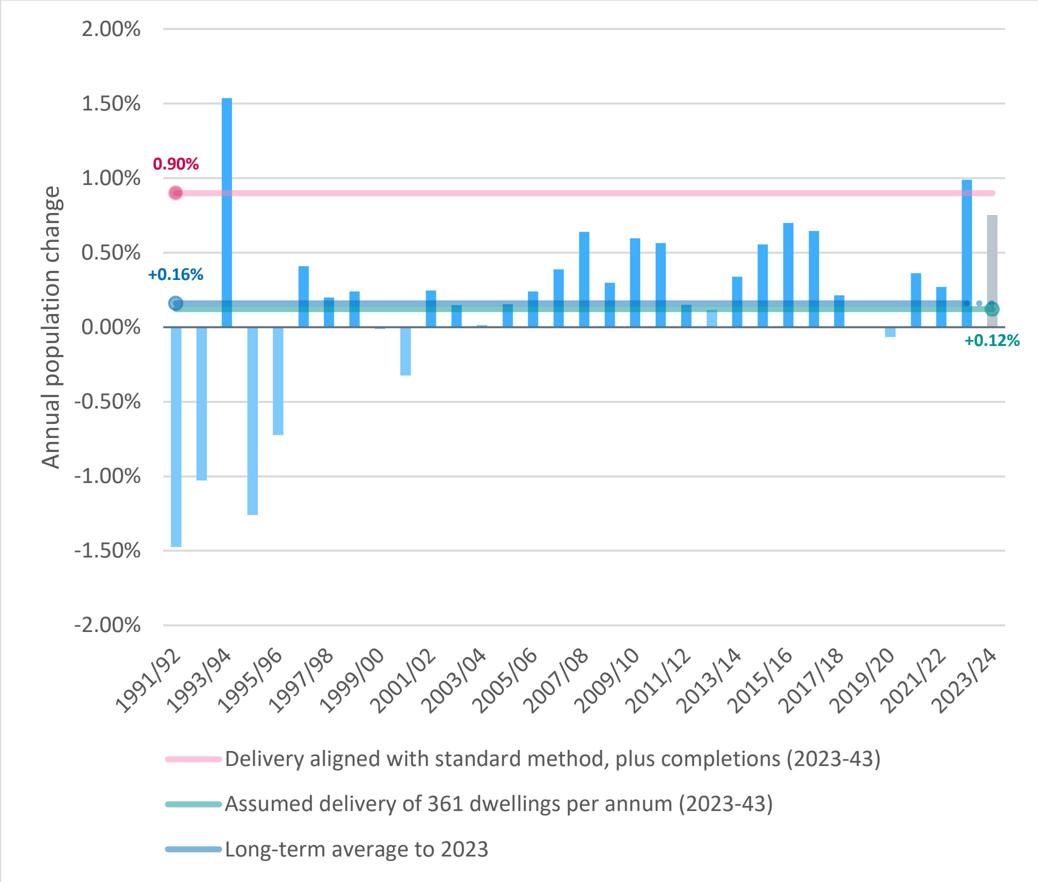


Source: ONS; Edge Analytics

4.5 The modelling suggests that the population of Havant would grow by an average of 0.12% per annum in this scenario. While this approaches the long-term average of 0.16% that has been recorded annually between 1991 and 2023, it can equally be seen to have been surpassed in all but ten of the last 33 reported years, and in all but three of the last twenty[67].

[67] *Ibid*

Figure 4.2: Benchmarking Population Growth with Constrained Housing Delivery



Source: ONS; Edge Analytics

Resulting age profile

4.6 While the earlier Table 3.1 indicated that provision in line with the standard method would grow each of the age cohorts defined in this report, compared to the last available estimate for 2024, the modelling suggests that this is unlikely to be the case if only 361 homes are provided annually from 2023 onwards. It is predominantly the older population – aged 65 and above – that would be expected to grow in this scenario, by over a fifth (21%). The cohort aged 45 to 64 would also be expected to grow but at only a fraction of this rate. All others would be expected to shrink in size, only marginally so in the case of those aged 25 to 44 but by some 13% in the case of children aged 15 and under.

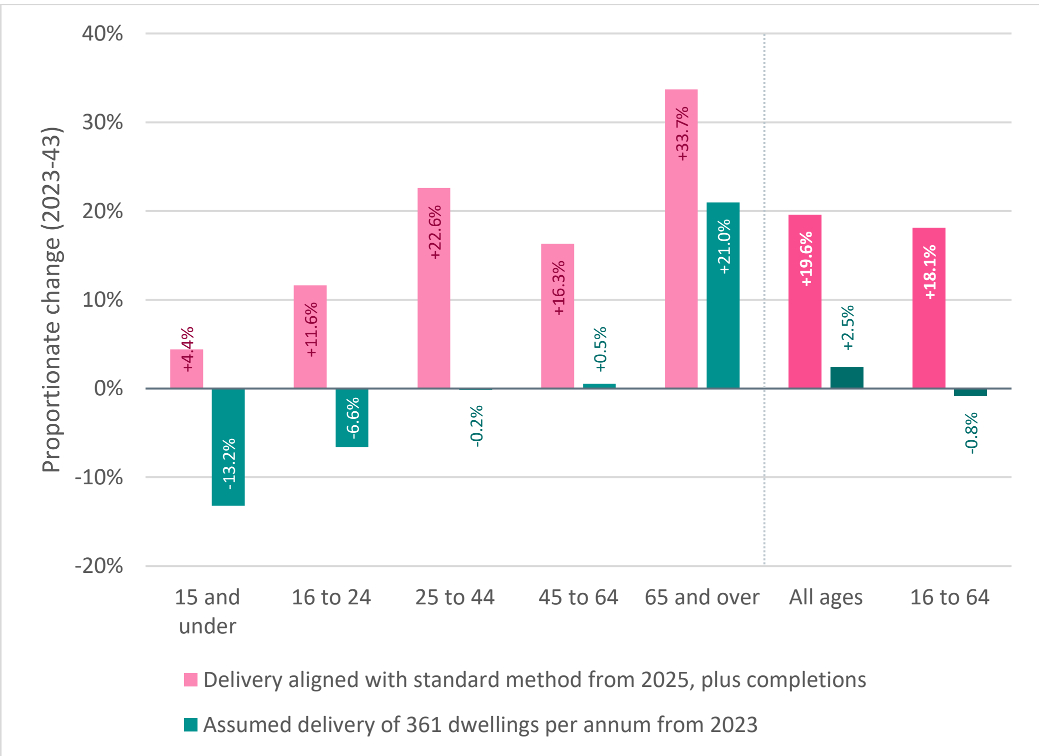
Table 4.1: Estimated Effect on Age Profile (2023-43)

	%	2023	Change		2043	%
15 and under	17%	21,745	-2,873	-13.2%	18,872	15%
16 to 24	9%	10,783	-712	-6.6%	10,071	8%
25 to 44	23%	29,007	-44	-0.2%	28,963	22%
45 to 64	26%	33,323	+182	+0.5%	33,505	26%
65 and over	25%	31,179	+6,537	+21.0%	37,716	29%
All ages	**100%**	**126,037**	**+3,090**	**+2.5%**	**129,127**	**100%**
16 to 64	58%	73,113	-574	-0.8%	72,539	56%

Source: ONS; Edge Analytics

4.7 Figure 4.3 further illustrates how the above would differ from what was previously estimated to result from meeting the minimum need suggested by the standard method, albeit this time measured from 2023 for consistency.

Figure 4.3: Varying Profile of Population Growth in Havant (2023-43)

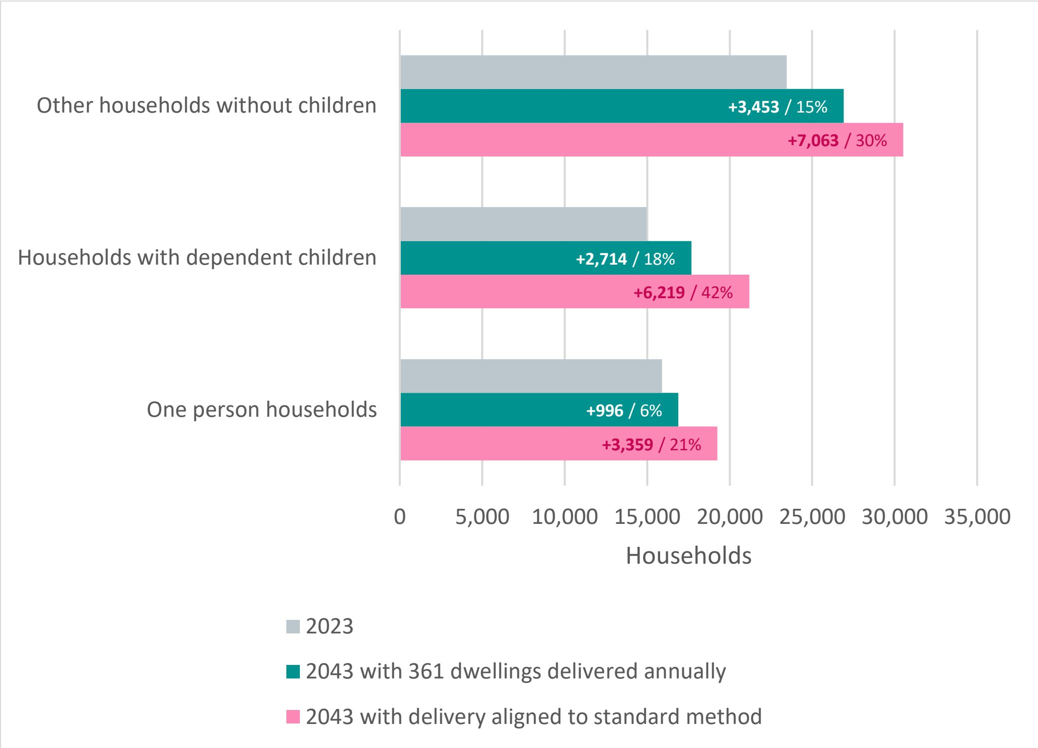


Source: ONS; Edge Analytics

Profile of resulting households

4.8 As when assumed that the full need suggested by the standard method is met, the modelling suggests that there would be growth in all types of households if only 361 homes were provided annually. The extent of this growth is though more modest in each case, with the biggest difference for people living alone who are projected to grow in number by less than a third as much.

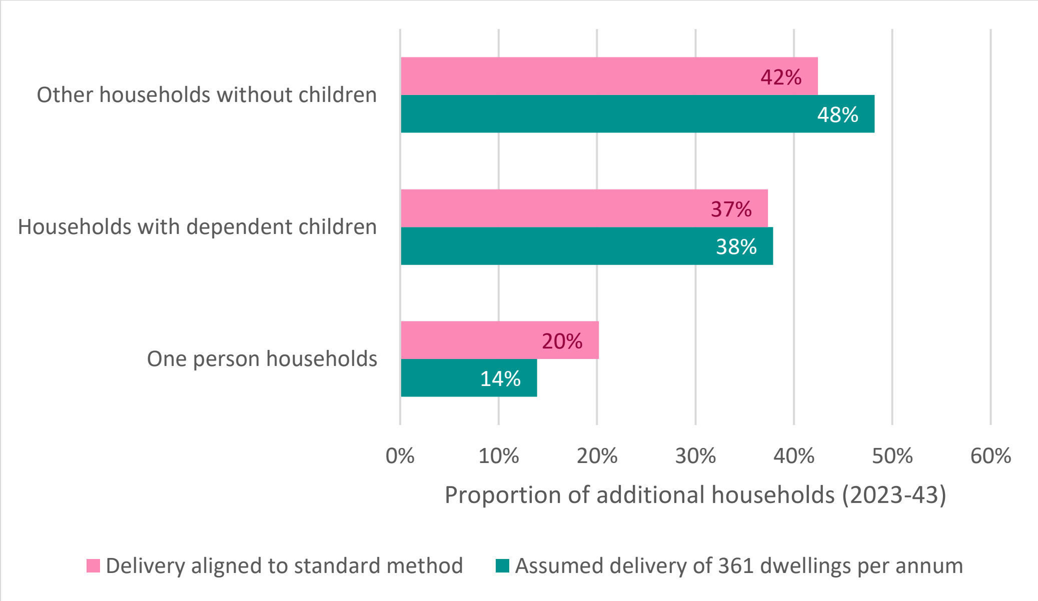
Figure 4.4: Comparing Projected Change by Household Type (2023-43)



Source: Edge Analytics; Turley analysis

4.9 This distinction is also apparent when comparing the profile of additional households in each scenario, on a proportionate basis. While 20% are assumed to contain only one person when the full need is met, this falls to 14% when it is assumed that only 361 homes are provided annually. Other households without children become more prominent in the latter scenario, accounting for almost half (48%) of the additional households that would be expected over the plan period.

Figure 4.5: Comparing Proportionate Split of Additional Households (2023-43)



Source: Edge Analytics; Turley analysis

4.10 It is because of this shift that a slightly different mix of unit sizes is implied to be needed in such a scenario, when repeating the approach used in both the HNA and the previous section. A smaller proportion of additional households would be expected to need one or two bedrooms, with slightly more needing larger homes.

Table 4.2: Estimated Size of Housing Required in Havant (2023-43)

	1 bed	2 beds	3 beds	4+ beds
Delivery aligned to standard method[68]	8%	25%	46%	21%
Delivery of 361 dwellings per annum	6%	24%	47%	23%

Source: Edge Analytics; Census 2021; Turley analysis

4.11 Delivering such a mix would require a slightly greater proportion of homes to be houses, with slightly fewer being flats. These do though remain only illustrative estimates, subject to the caveats outlined in the previous section.

[68] Recalculated to have a comparable base date of 2023, having been based to 2024 at Table 3.2, albeit this has no impact when rounding

Table 4.3: Estimated Type of Housing Required in Havant (2023-43)

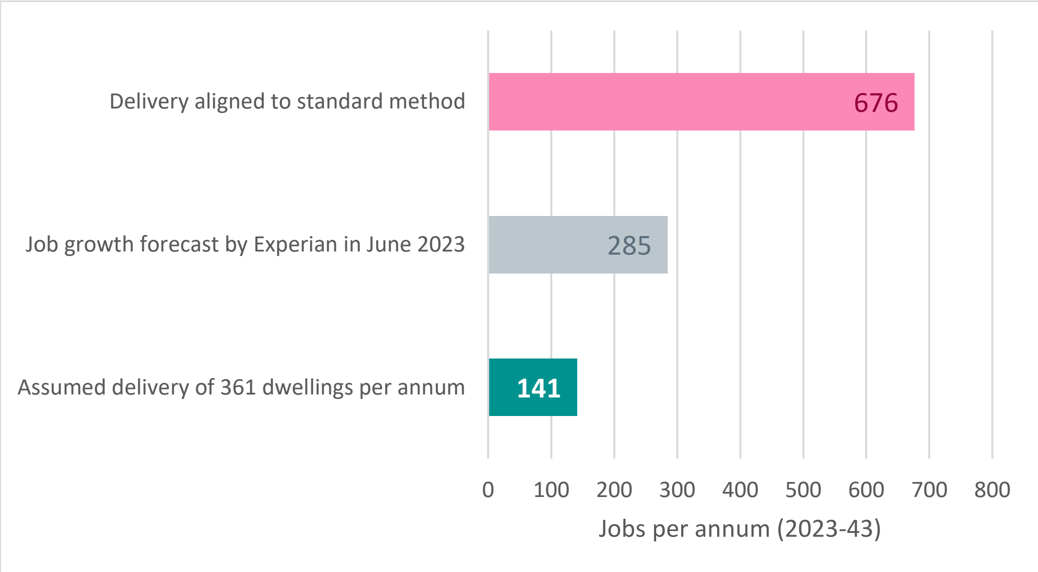
	Houses	Flats	Bungalows
Delivery aligned to standard method	69%	15%	16%
Delivery of 361 dwellings per annum	70%	15%	15%

Source: Edge Analytics; VOA; Turley analysis

Potential to support job growth

4.12 While the previous section found that provision in line with the standard method could support the creation of around 676 jobs per annum in Havant over the proposed plan period (2023-43) the modelling suggests that this could fall to around **141 jobs per annum** if only 361 homes are provided annually. This is around half the number anticipated in the Experian forecast that features in the ELR of 2024.

Figure 4.6: Benchmarking Job Growth Supported with Constrained Housing Delivery (2023-43)



Source: Edge Analytics; Experian

Summary

4.13 While the standard method currently suggests a need for at least 887 dwellings per annum in Havant, the Council has indicated that it may be able to provide only around **361 dwellings per annum**, over the period from 2023 to 2043, due to '*identified constraints and limited land availability*'.

4.14 Although such constraints cannot be factored into any assessment of need, it is still possible to consider how such a level of housing provision could affect the size and profile of the population in Havant.

4.15 Demographic modelling suggests that it could lead to the borough having around 14% fewer residents by 2043 than if the minimum need for housing was met to that point, with the population growing from 2023 at only a third of the rate recorded over the prior two decades (2.5/7.5%).

4.16 It would predominantly be the older population, aged 65 and above, that would be expected to grow in this scenario. There would likely be minimal change in the number aged 45 to 64 but all other age groups would be expected to shrink, by up to 13% in the case of children under 16. Such a profile of growth, as behaviours change, would be expected to support only around half as many jobs as were forecast in the Council's ELR.

4.17 All types of households would still be expected to form but there would naturally be fewer than if the full need was met, with the number living alone seeing the greatest reduction. It is for this reason that a slightly different mix of homes would be needed in such a scenario, with fewer needing no more than two bedrooms and more needing larger homes.

5. Need for Affordable Housing

5.1 The NPPF continues to require the needs of '*those who require affordable housing*' to be assessed and reflected in planning policies, with this also continuing to be specified in the draft text that is currently subject to consultation[69].

5.2 The PPG likewise continues to offer guidance on how those needs should be calculated, which is broadly unchanged from the long-established approach that was followed to estimate the need for affordable housing in Havant within section 5 of the HNA[70].

5.3 The PPG therefore still requires calculation of '*the total net need (subtract total available stock from total gross need)'* which should then be converted into '*an annual flow based on the plan period*'[71].

5.4 This section uses information held and collated by the Council – supplemented as necessary with secondary data – to follow this methodology and provide an updated position on the need for affordable housing in Havant. It first considers the gross need and then accounts for supply to arrive at the net annual position required by the PPG. This continues to be broken down by the number of bedrooms required, as in the HNA.

Current and future gross need

5.5 This part of the calculation identifies both the existing backlog of households in need of affordable housing and the additional need that could be continuously generated in future, as existing households' circumstances change and new households form but are unable to access the home that they need on the open market.

Current need for affordable housing (A)

5.6 The Council's housing register identifies existing households who report themselves, and it accepts, as being in need of affordable housing. The PPG continues to explicitly acknowledge that housing registers provide '*relevant information*' for this type of assessment, and while it also identifies other data sources it rightly warns of the risk of double counting and emphasises that care should be taken to include '*only those households who cannot afford to access suitable housing in the market*'[72]. Given that a household's ability to do so is comprehensively assessed when applying to join the housing register, it is considered the most suitable and reliable source of information for the purposes of this assessment, as it was in the HNA.

5.7 The Council shared a snapshot of its housing register in January 2026, confirming that 1,434 households were at that point enrolled in the highest priority bands[73]. This is around 19% fewer than reported in the HNA, based on an equivalent snapshot in

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[69] MHCLG (December 2024) National Planning Policy Framework, paragraph 63; MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Policy HO1 paragraph 2a

[70] PPG section 67 – "Housing needs of different groups"; relevant paragraphs last revised in July 2019

[71] PPG Reference ID 67-08-20190722

[72] PPG Reference ID 67-006-20190722

[73] Circa 43 households in Band 4 have been discounted, as in the HNA, since these have been effectively found to not be in housing need by the Council

October 2022[74]. The Council believes that there are several reasons for the fall, including a return to pre-pandemic trends – with an elevated number of applications having been made in the initial aftermath – and the effect of internal restructuring that has led to more effective and efficient management, with applications reviewed more often and being closed or suspended as needed.

5.8 A comparable proportion are already occupying affordable housing, which is implied to be inadequate, but the majority continue to not currently live in such housing. While households continue to most often require only one bedroom, there has been a slight reduction in the proportion needing smaller homes and a modest increase in the number needing at least three bedrooms[75].

Table 5.1: Current Need for Affordable Housing (A)

	Bedrooms required				Total	HNA
	1	2	3	4+		
A1 Existing affordable housing tenants in need Applications to transfer	52	38	89	19	**198**	236
A2 Others on housing register Applications excluding transfers	538	426	224	48	**1,236**	1,530
A3 Total housing need currently A1 + A2	**590**	**464**	**313**	**67**	**1,434**	**1,766**
%	41%	32%	22%	5%	**100%**	–
% in HNA	44%	32%	20%	4%	**100%**	–

Source: Council records; Turley analysis

Future need for affordable housing (B)

5.9 It remains more challenging to predict the scale of future need, compared to the need outlined above which exists at the current point in time and can therefore be quantified. The PPG continues to provide less guidance than it has in the past on how to estimate the '*projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market*', albeit previous guidance on how to calculate '*the number of newly arising households likely to be in affordable housing need*' does still remain[76].

5.10 It confirms that this stage of the assessment should '*reflect new household formation*', albeit without specifying precisely how this should be calculated[77]. Historic guidance, outlining in more detail the approach that is still broadly followed, does though

[74] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.6

[75] *Ibid*, Table 5.1

[76] PPG Reference ID 67-006-20190722; PPG Reference ID 2a-021-20190220

[77] PPG Reference ID 2a-021-20190220

continue to assist in this regard[78]. The HNA explained how this endorses use of a *gross* annual household formation rate, rather than measuring net additional households, so this has been calculated by Edge Analytics based on the scenario which assumes that the minimum need suggested by the standard method is met in full[79].

5.11 The PPG also refers to '*the proportion of newly forming households unable to buy or rent in the market area*'[80]. This can once again be estimated, as in the HNA, through an affordability benchmarking exercise which compares the cost of purchasing or privately renting to households' income. While it is still important to acknowledge that the latter will not be only factor determining whether a household will be able to access the market – with income type, credit score and savings also crucial – there is generally less robust and consistent data available on these factors at the local level. It is equally still not possible to isolate the income of those requiring different sizes of property, making it necessary to consider costs overall before assuming – as in the HNA[81] – that households will require comparably sized homes to those currently on the housing register, excluding transfer tenants.

5.12 Focusing first on private rent, newly reported data from the ONS – introduced towards the end of section 2 – suggests that the mean rent in Havant stood at £1,118 per month as of November 2025[82]. This is substantially higher than the benchmark of £760 per month that was used in the HNA, albeit without being directly comparable where this was a lower quartile figure that was then but is no longer reported by the ONS[83]. It is reasonable to assume that an up-to-date lower quartile figure would be lower than the mean, especially given that the lower quartile of 82 properties that are *currently* advertised for rent equates to around **£980 per month**[84]. While this could be skewed by the type of properties currently on the market, there is an opposing risk of overstating costs at the entry level, such that on balance this is considered a more reliable benchmark for the purposes of this assessment.

5.13 Unlike with private rent, it *is* possible to use official data from the Land Registry – introduced at the earlier Table 2.1 – to calculate the lower quartile price paid for housing in Havant, during 2024 as the last calendar year to have been completely reported (£247,500). This does though require the making of assumptions to estimate the associated monthly cost of a mortgage, with it envisaged for the purposes of this assessment that households would obtain a mortgage at the average five-year fixed rate available in February 2026[85] (4.94%) and repay over 25 years, having put down a 5% deposit. A mortgage for an entry-level property in Havant would cost an estimated **£1,366 per month** on these terms, circa 39% more than the entry-level rent. While not

[78] Department for Communities and Local Government (2007) Strategic housing market assessments: practice guidance, Annex B

[79] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.9. While this scenario has been chosen to ensure that the assessment of need is unconstrained, it is noted that gross annual household formation could be around 20% lower if only 361 homes were to be provided annually

[80] PPG Reference ID 2a-021-20190220

[81] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.14

[82] ONS (December 2025) Price Index of Private Rents, UK: monthly price statistics

[83] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 2.3 and paragraph 5.11

[84] Based on search of Rightmove in early February 2026

[85] https://moneyfactscompare.co.uk/news/banking/bank-of-england-base-rate-february-2026/

taken forward in this assessment, it is of note that this gap could at least theoretically close if mortgage rates fall to 4.0% and a household put down a 10% deposit, with repayment over 35 years[86].

5.14 The income required to purchase or rent housing in Havant can be estimated based on the above costs, aligning with a recent report from the English Housing Survey by assuming that no more than 30% of gross household income is spent on housing costs[87]. This is slightly lower than the benchmark of one third used in the HNA, but has been preferred where that originated from a study that is now almost twelve years old[88].

5.15 The resulting benchmarks can be compared to the income profile of households in Havant, as reported in Paycheck data obtained from CACI. This assigns all households to different income bands, thus providing an indication of how many earn less than a certain amount, even if rounding to the nearest £5,000 is required to align with the reported bandings. Such a process indicates that around 60% of households are unable to afford the cost of purchasing an entry-level home, whereas fewer – circa 44% – are unable to afford the lower cost of privately renting. Both figures are higher than previously reported at Table 5.3 of the HNA (57/25%) with the latter especially being substantially so, due to rising rents and the newly made assumption that a slightly smaller proportion of income is spent on housing costs.

Table 5.2: Income Required to Access Entry-Level Market Housing in Havant

	Annual cost	Income required	Rounded	Able to afford	**Unable to afford**
Purchase	£16,396	£54,652	£55,000	40%	**60%**
Private rent	£11,760	£39,200	£40,000	56%	**44%**

Source: ONS; Land Registry; CACI; Turley analysis

5.16 The above, as in the HNA, is ultimately intended to estimate the proportion of newly forming households that could be unable to access open market housing. While it has used an income profile that captures all types of households – including recently formed households, working households and older households with pensions – there remains no local evidence showing how income varies between different household types in Havant. In the absence of more comprehensive data, it is therefore necessary to assume – for the purposes of this calculation – that the income profile of newly forming households aligns with that of all existing households, and that those unable to afford entry-level rents will require affordable housing. It should though be recognised that some of those households who are technically able to rent may still require

[86] Such terms would require repayments of circa £986 per month, only 1% higher than the lower quartile rent, albeit this does assume a deposit of some £24,750

[87] MHCLG (May 2025) English Housing Survey 2023 to 2024: experiences of the 'housing crisis'

[88] Resolution Foundation (August 2014) Housing pinched: understanding which households spend the most on housing costs

affordable housing, where the latter can include ownership products that are specifically considered later.

5.17 Beyond newly forming households, the PPG also continues to require '*an estimate of the number of existing households falling into need*'[89]. This can be based on the Council's record of lettings to households moving from other tenures, to whom can be added those who remain on the housing register having joined over the same period (2023-25). Such an approach should capture all those living in other tenures that were deemed to need affordable housing, regardless of whether they have yet been accommodated.

5.18 When drawing these elements together, Table 5.3 suggests that a new gross need for 760 affordable homes could arise every year from new and existing households in Havant. This is some 47% more than previously estimated in the HNA, with more households expected to form and substantially more assumed to be unable to privately rent, offsetting the reduced number of existing households falling into need.

Table 5.3: Future Need for Affordable Housing (B)

	Bedrooms required				Total	HNA
	1	2	3	4+		
B1 New household formation, gross Edge Analytics' projection based on outcome of standard method	–	–	–	–	**1,280**	1,109
B2 Newly forming households unable to privately rent	–	–	–	–	**44%**	25%
Proportion derived from ONS and CACI data, then applied to B1 and split based on housing register	245	194	102	22	**563**	273
B3 Existing households falling into need Households from other tenures annually receiving lettings or registering need	75	83	32	6	**196**	244
B4 Newly arising need, gross annual B2 + B3	**320**	**277**	**134**	**28**	**759**	**517**
%	42%	36%	18%	4%	**100%**	–
% in HNA	41%	37%	19%	3%	**100%**	–

Source: Council records; Turley analysis

[89] PPG Reference ID 2a-021-20190220

Total gross need for affordable housing (C)

5.19 When combining the current need with the estimated future need, assumed to arise annually over the remaining 17 years to 2043 – proposed as the endpoint of the emerging plan period – it can be estimated that circa 601 households throughout Havant will need affordable housing each year, most often but not exclusively requiring one or two bedrooms. Like the previous estimate in the HNA[90] – which was 29% lower – this represents a ***gross*** figure, taking no account of supply which is incorporated into the next stage of the calculation as required by the PPG.

Table 5.4: Total and Annual Gross Need for Affordable Housing (C)

	Bedrooms required				Total	HNA
	1	2	3	4+		
C1 Total housing need currently A3	590	464	313	67	1,434	1,766
C2 Total newly arising need over 17 years B4 x 17	5,440	4,709	2,278	476	12,903	–
C3 Total gross need over 17 years C1 + C2	6,030	5,173	2,591	543	14,337	–
C4 Annual gross need over 17 years C3 / 17	**355**	**304**	**152**	**32**	**843**	**601**
%	42%	36%	18%	4%	**100%**	–
% in HNA[91]	41%	36%	19%	3%	**100%**	–

Source: Council records; Turley analysis

Accounting for supply (D)

5.20 The PPG continues to recognise that '*there will be a current supply of housing stock that can be used to accommodate households in affordable housing need…as well as future supply*'[92]. This supply can therefore be assumed – as in the HNA – to contribute towards meeting the gross need calculated above, at least in a quantitative sense.

5.21 Lettings data supplied by the Council confirms the number of affordable homes that have become available to non-transfer tenants over the last three years, on average. This can reasonably inform an assumption on the number of such properties that will become available in future, albeit it is acknowledged that this may be susceptible to change when accounting for losses through Right to Buy and the extent of replacement.

[90] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 5.5

[91] Percentages did not sum to 100% due to rounding

[92] PPG Reference ID 67-007-20190722

5.22 The calculation should also take account of '*future supply*', namely affordable homes that are expected to be delivered. The Council has shared details on outstanding permissions, as of April 2025, and although this has not been broken down by tenure a review of larger schemes has sought to estimate the number of affordable homes that could come forwards[93]. It has also established, from discussions with local providers, that there are a small number of long-term vacant homes that are set to be returned to use with all known demolitions also planned to be replaced[94].

5.23 A further source of supply emerges when it is recognised that some of the households currently in need of affordable housing already occupy such homes, which will thus be vacated when their needs are met. Allowance for these transfers is therefore made within the calculation.

5.24 When the above are combined, it is suggested that circa 242 affordable homes could become available every year in Havant, around 6% more than estimated in the HNA. Circa 43% would be expected to contain two bedrooms with only slightly fewer (42%) having one, again broadly aligning with what was previously reported.

[93] This process has established the proportion and mix of affordable homes that were initially proposed in schemes where at least ten dwellings are yet to have been built, with these figures then applied proportionately to the latter

[94] Portsmouth Homes has confirmed that 14 one-bed homes are proposed to be brought back into use, and although it plans to redevelop another 7 one-bed homes that are currently occupied, the intention is for them to be directly replaced meaning that this will have no overall impact on the supply. Vivid Homes reports itself as having three long-term voids that will be relet once repaired. Aster has confirmed that it has no voids nor occupied stock that it plans to demolish

Table 5.5: Assumed Supply to 2043 (D)

	Bedrooms required				Total	HNA
	1	2	3	4+		
D1 Committed supply of affordable housing Outstanding permissions as advised by the Council	135	170	56	9	**370**	454
D2 Affordable homes occupied but vacated by households in need A1	52	38	89	19	**198**	236
D3 Vacant affordable homes returning to use Reported by local providers	17	0	0	0	**17**	0
D4 Emerging supply over 17 years (D1 + D2 + D3) / 17	12	12	9	2	**35**	33
D5 Lettings to new tenants per annum Lettings data supplied by the Council excluding transfers	89	93	24	1	**207**	195
D6 Estimated annual supply D4 + D5	**101**	**105**	**33**	**3**	**242**	**228**
%	42%	43%	14%	1%	**100%**	–
% in HNA	41%	44%	12%	3%	**100%**	–

Source: Council records; Turley analysis

Net need to 2043

5.25 The projected supply of 242 affordable homes per annum is lower than the estimated gross need for 843 such homes each year, suggesting that there is a net annual need for circa **601 affordable homes** in Havant beyond the existing and expected future supply. This is substantially higher than the previously reported need for 373 affordable homes per annum, with the increase having been generally driven by the rising cost of market housing which is consequently assumed to be unaffordable to more of what is expected to be a greater number of newly forming households. While there remains an implied need for all sizes of affordable housing, the greatest need is suggested as still being for properties with one bedroom, followed by those with two.

Table 5.6: Estimated Net Need for Affordable Housing (2026-43)

	Bedrooms required				Total	HNA
	1	2	3	4+		
Annual gross need over 17 years C4	355	304	152	32	**843**	601
Estimated annual supply D6	101	105	33	3	**242**	228
Net need per annum C4 – D6	254	199	119	29	**601**	373
%	42%	33%	20%	5%	**100%**	–
% in HNA[95]	42%	32%	24%	3%	**100%**	–

Source: Turley analysis

5.26 The PPG requires this need to be '*considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments*', so that the Council can consider whether there needs to be '*an increase in the total housing requirement…[to] help deliver the required number of affordable homes*'[96].

5.27 The Council is proposing that 10-35% of the homes provided on larger sites, delivering ten or more homes, would be affordable[97]. On a purely numerical basis, this could theoretically require the provision of between 1,717 and 6,010 homes per annum to meet the annual need for affordable housing in full. Planning instead for 887 dwellings per annum, based on the standard method, could be expected to deliver between 89 and 310 affordable homes each year on the same basis, and this would only reduce if delivery was constrained.

5.28 Such basic calculations do though oversimplify what is widely known to be a complex relationship between market and affordable housing. These complexities have previously led the High Court to confirm that neither the NPPF nor the PPG require affordable housing needs to be met in full when determining the overall need for housing, with the Court of Appeal – in upholding this judgment – subsequently confirming that '*planning judgment*' is required[98]. The Council will therefore need to exercise this in selecting a housing requirement for the new Local Plan, balancing the prospective delivery of affordable housing against other factors.

Summary

5.29 This section has once again used the well-established methodology, outlined previously in the HNA, to provide an updated position on the need for affordable housing in Havant.

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[95] Percentages did not sum to 100% due to rounding

[96] PPG Reference ID 2a-024-20190220

[97] Havant Borough Council (May 2025) Draft Building a Better Future Plan, Policy 32

[98] Borough Council of Kings Lynn and West Norfolk v Secretary of State for Communities and Local Government, ELM Park Holdings Ltd [2015] EWHC 2464 (Admin); Jelson Ltd v Secretary of State for Communities and Local Government and Hinckley and Bosworth Borough Council [2018] EWCA Civ 24

5.30 The first stage of the calculation establishes the scale and profile of affordable housing need in gross terms. It captures 1,434 households, almost a fifth fewer than previously, that are currently enrolled in priority bands on the Council's housing register. It estimates that a further need for 759 affordable homes will arise each year as existing households' circumstances change and others form but are unable to afford the open market, with the latter expected to be a more common occurrence than previously due to rising rents. Addressing the latter and clearing the existing need over the remaining years of the proposed plan period would result in a gross need for **843 affordable homes per annum**, over a third more than previously estimated in the HNA.

5.31 The PPG also requires supply to be taken into account, allowing not only for lettings but also projected completions, returning voids and the release of affordable housing that is currently occupied. Data supplied by the Council suggests that 242 affordable homes could become available each year, broadly aligning with what was previously estimated and continuing to most often have one or two bedrooms.

5.32 This is evidently lower than the estimated gross need, meaning that there is a residual net need for **601 affordable homes per annum**. This is substantially higher than the previously reported annual need for 373 such homes, largely due to the rising cost of market housing which is consequently assumed to be unaffordable to more of the growing number of new households forming in Havant. There remains a need for all sizes of affordable housing but the greatest shortfall is still implied to be for properties with one bedroom, followed by those with two.

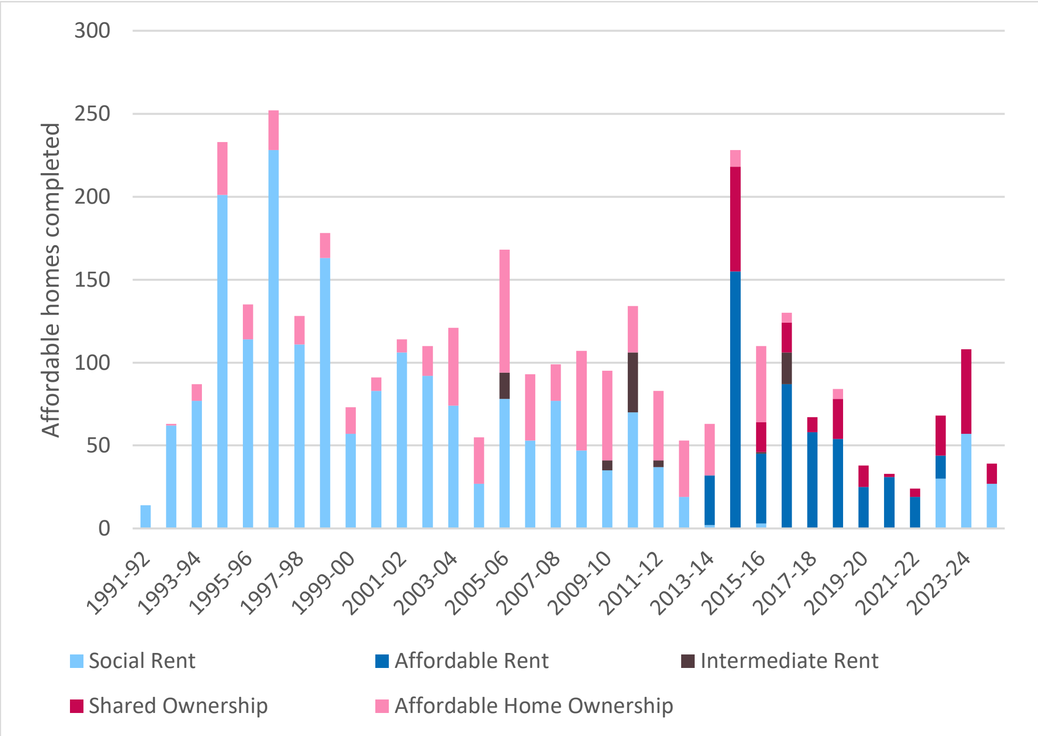
5.33 Meeting such a need would theoretically require provision of substantially more homes than are implied to be needed even by the standard method, based on the Council's emerging policies. There is though widely acknowledged to be a complex relationship between market and affordable housing.

6. Role of Different Affordable Housing Products

6.1 The HNA highlighted the previous Government's acknowledgement that housing providers were being increasingly innovative in their efforts to meet the needs of those households who were unable to access market housing, even if – in the case of Havant – newly developed affordable housing, up to 2022, continued to most often be made available to rent[99].

6.2 This has remained the case in the three additional years reported since, albeit there has been a notable shift back to social rent – dominant prior to 2014 – at the apparent expense of affordable rent[100]. While the latter accounted for two thirds (66%) of the affordable homes completed in Havant between 2014 and 2022, compared to only 4% over the eight years prior, it has since accounted for only 7% of completions. Some 53% of recent completions have been available for social rent, rising from effectively zero over the eight years to 2022 but surpassing the equivalent figure of 47% over such a period to 2014. Shared ownership has also become more prominent over the last three years, having accounted for 21% of completions between 2014 and 2022 but 40% in the three years since.

Figure 6.1: Type of Affordable Housing Completed in Havant (1991-2025)



Source: MHCLG

[99] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.28

[100] MHCLG (November 2025) Table 1011: additional affordable housing supply, detailed breakdown by local authority

6.3 The previous Government aimed to facilitate innovation by amending the definition of affordable housing within the NPPF, as noted in the HNA[101]. This was effectively retained in the updated version that was published by the current Government in December 2024, as indeed it largely is in the further version that is currently subject to consultation. Annex B of the latter continues to describe affordable housing as '*housing for sale or rent, for those whose needs are not met by the market*', confirming that this includes '*housing that provides a subsidised route to home ownership*' as well as that which is '*for essential local workers*' or indeed now for '*national military housing needs*', the latter being the only addition that is proposed[102].

6.4 The revisions of December 2024 did though place a greater emphasis on social rent, more explicitly distinguishing it from '*other affordable housing for rent*' – so as to give '*clearer priority*' to this product[103] – even if the definitions themselves were, and are proposed to remain, effectively unchanged[104]. The Government has also removed what had become a redundant definition for Starter Homes, with this concept ultimately never taken forward by the previous administration[105].

6.5 It is within this context that this section reconsiders how the products referenced in both the current and emerging NPPF could help to meet the evidenced need for affordable housing in Havant. It focuses first on affordable home ownership before turning to rental products, evolving the approach of the HNA by explicitly considering the residual need for social rent.

Affordable routes to home ownership

6.6 Both the current and emerging NPPF continue to refer to discounted market sale (DMS) which, as the HNA previously explained, is required to cost at least 20% less than market value[106].

6.7 A minimum such discount is also expected of any '*other low cost homes for sale*', within the broader category of '*other affordable routes to home ownership*'.

6.8 As in the HNA, the relative affordability of such a product can be estimated by calculating the likely annual cost of purchase with a mortgage, after applying a discount to what would be a newly-built property. The breakdown offered by the aforementioned Land Registry data does indicate that such properties are priced at a premium in Havant, with the lower quartile price paid for a newly-built property in

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[101] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.26

[102] MHCLG (December 2024) National Planning Policy Framework, Annex 2; MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Annex B

[103] MHCLG (February 2025) Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation, response for Questions 52 and 53

[104] Each of the conditions that are currently, and proposed to carry on being, specified for social rent were previously contained in the broader definition for "affordable housing for rent", with the latter having explicitly referenced social rent at various points

[105] National Audit Office (November 2019) Investigation into Starter Homes

[106] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 5.34

2024 some 41% higher than when all sales are included (£349,600 vs. £247,500). A similar situation was reported by the HNA[107].

6.9 It is for this reason that a discount of 30% is implied to be needed simply to make newly-built housing as affordable as the average home sold in Havant, factoring resales into the latter. A discount even of 50% would make such housing only slightly more affordable than market rent. With the previous section's calculation assuming that only those unable to access the latter will need affordable housing, DMS would appear likely to play only a limited role in meeting the need that has been quantified. It could though help renters to purchase, addressing what is arguably a separate segment of the need for affordable housing that could also free up lower cost market housing once met.

Table 6.1: Benchmarking Cost of Discounted Housing for Sale

	Price of home	Annual cost of mortgage or rent	Income required	Hholds ***able*** to afford	Hholds ***unable*** to afford	Variance from market rent
Purchase*	£349,600	£23,159	£77,198	25%	75%	+31%
20% discount*	£279,680	£18,528	£61,758	36%	64%	+20%
Purchase^	£247,500	£16,396	£54,652	40%	60%	+16%
30% discount*	£244,720	£16,212	£54,039	40%	60%	+16%
40% discount*	£209,760	£13,896	£46,319	50%	50%	+6%
Market rent	**–**	**£11,760**	**£39,200**	**56%**	**44%**	–
50% discount*	£174,800	£11,580	£38,599	56%	44%	0%

Source: ONS; Land Registry; CACI; Turley analysis ** new home ^ any home*

6.10 There also remains the option of shared ownership through which households buy a 25-50% share of a new home and pay rent on the remaining share, in addition to their mortgage[108]. Table 6.2 does though suggest that this too would cost more than privately renting, such that it would again not be expected to play a significant role in meeting the need quantified in the previous section. It would instead be expected to have the greatest impact on the separate group of households that can afford to rent but not buy, albeit only when purchasing a 25% share since the cost of a larger share in a newly-built property appears likely to be only fractionally more affordable than a typical purchase, including resales.

[107] *Ibid*, paragraph 5.37 and Figure 5.3

[108] Rent assumed to be equivalent to 2.75% of the unsold equity, as in the HNA, to align with the Capital Funding Guide produced by Homes England

Table 6.2: Benchmarking Cost of Discounted Housing for Sale

	Annual cost of mortgage	Annual rent	Total annual cost	Income required	Hholds ***unable*** to afford	Variance from market rent
Purchase*	£23,159	–	£23,159	£77,198	75%	+31%
Purchase^	£16,396	–	£16,396	£54,652	60%	+16%
50% share*	£11,580	£4,807	£16,387	£54,622	60%	+16%
25% share*	£5,790	£7,211	£13,000	£43,334	50%	+6%
Market rent	**–**	**£11,760**	**£11,760**	**£39,200**	**44%**	–

Source: ONS; Land Registry; CACI; Turley analysis ** new home* *^ any home*

Affordable housing for rent

6.11 Both the existing and emerging NPPF also continue to refer to a range of affordable housing products that are offered to rent. Some are expected to be priced relative to the local market – with discounts of at least 20% – and this would clearly offer a more affordable option than the private rental market in Havant, as would be expected. This would only be enhanced through a larger discount which would also be permitted through national policy. Around a quarter of all households could though remain unable to afford rent even with a 40% discount, indicating that there will also be a need for lower cost social rent as considered further below.

Table 6.3: Estimated Annual Cost of Affordable Rent

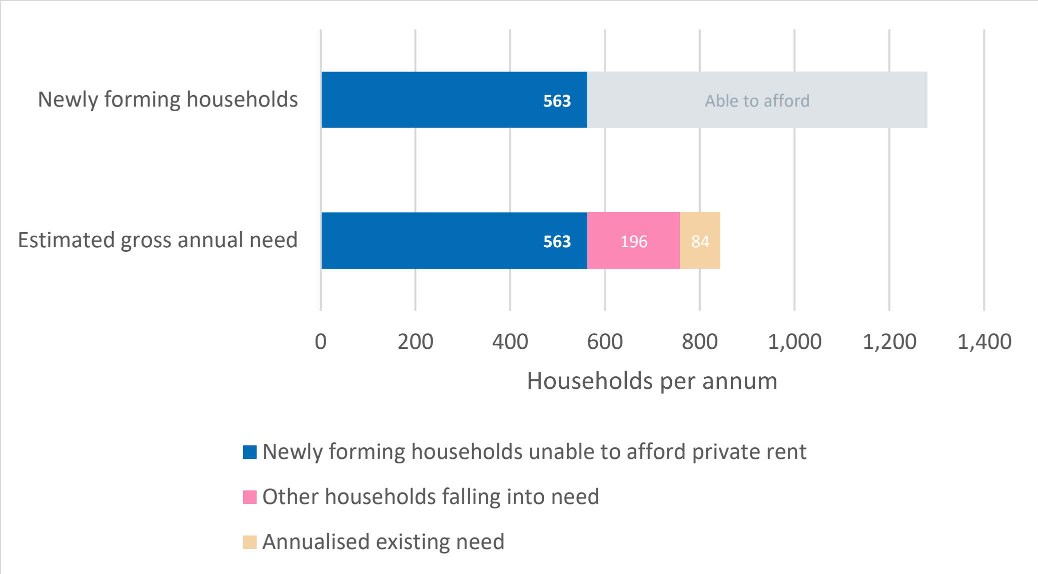
	Annual cost	Income required	Households ***able*** to afford	Households ***unable*** to afford	Variance from market rent
Market rent	**£11,760**	**£39,200**	**56%**	**44%**	–
80% market	£9,408	£31,360	69%	31%	-13%
60% market	£7,056	£23,520	75%	25%	-19%

Source: ONS; CACI; Turley analysis

Bringing the analysis together

6.12 The calculation in the previous section assumes, at Step B2, that 44% of newly forming households in Havant will be unable to afford the cost of private rent and will thus require affordable housing. Such households are responsible for around three quarters (73%) of newly arising need – the residual being existing households falling into need – and for two thirds (67%) of the overall gross need calculated at Table 5.4.

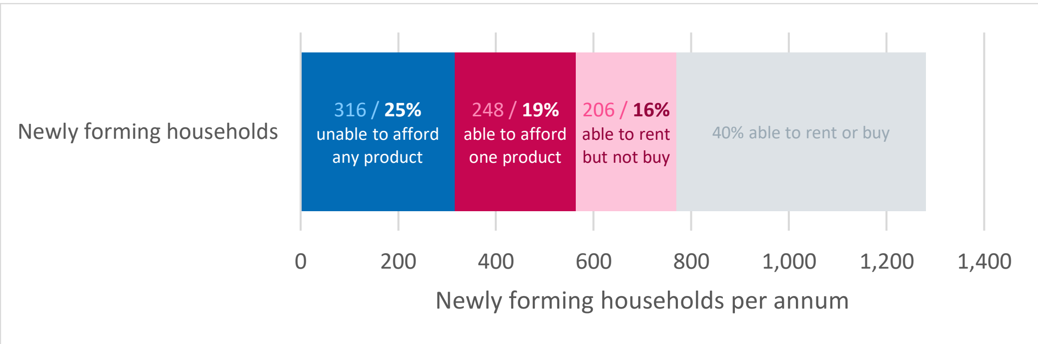
Figure 6.2: Households Unable to Afford Private Rent within Affordable Housing Need Calculation



Source: Turley analysis

6.13 This section has shown there to be products that would theoretically cost less than private rent, and so help to meet at least some of the need estimated in the previous section (or indeed a separate gross need that should itself be arguably monitored, where an estimated 206 newly forming households would be able to rent but not purchase and would thus benefit from affordable home ownership products). It is estimated that circa 19% of newly forming households would be unable to afford private rent but would be able to afford at least one of the alternative products that have been considered. This represents around 44% of the newly forming households assumed to be generating a need for affordable housing in Havant, as illustrated at Figure 6.3.

Figure 6.3: Newly Forming Households by Ability to Access Products

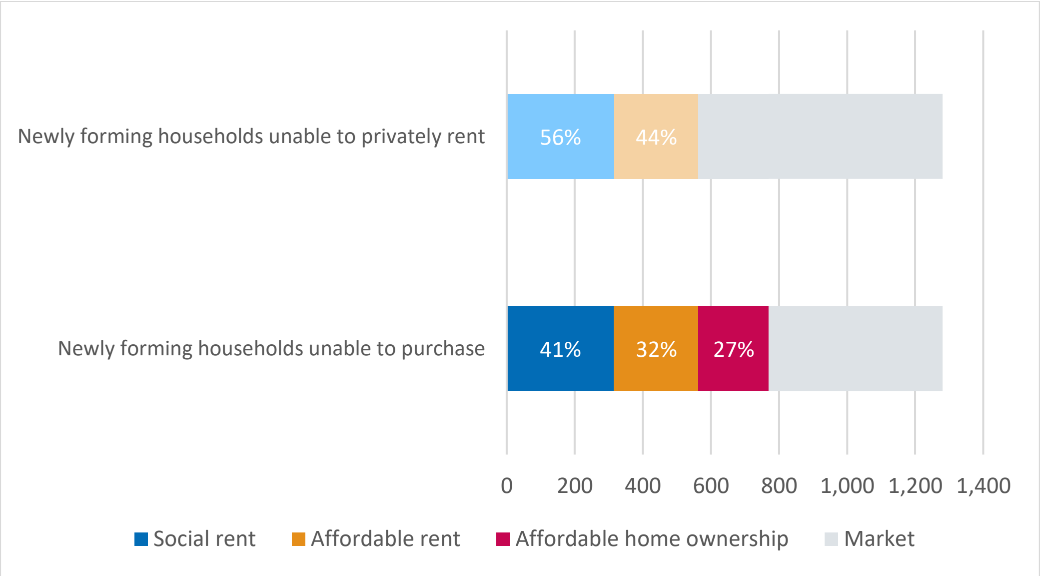


Source: Turley analysis

6.14 Households unable to afford any of the products considered in this section are implied to need social rented housing. The NPPF now expects local authorities to specify '*the minimum proportion of social rent homes required*' – and it is proposed to carry on doing so – and if this was to be based purely on this calculation of need, taking no account of viability nor the preferences of registered providers, it could be argued that 56% of households will need social rented housing. This represents the estimated proportion of newly arising need, from newly forming households – as the main driver of need in Havant[109] – that cannot be met by other products.

6.15 While the residual need could ordinarily then be split between different products – albeit only indicatively – this is complicated in this case by the suggestion that only one of the products considered, namely affordable rent, would cost less than privately renting. Delivering only this and social rented housing would not provide the range of options that the NPPF has arguably long expected, and it would specifically offer no affordable home ownership products despite them having a recognised role not only in helping households to purchase but potentially also releasing any lower cost market housing that they would otherwise rent. If the aim is to therefore include a proportionate amount of such housing within the mix of affordable homes to be provided in Havant, a solution could be to focus more broadly on the newly forming households that are unable to *purchase*, rather than rent, even if this would technically increase the need quantified in the previous section. Circa 27% of these households could be able to afford one of the affordable home ownership products considered in this section – namely DMS or shared ownership – while 32% could have their needs met by affordable rent, with the residual 41% then needing social rented housing.

Figure 6.4: Indicative Split of Affordable Housing Need in Havant



Source: Turley analysis

6.16 It should though be emphasised that the above is only **indicative** and although it can arguably be used as a starting point in negotiations – subject to viability testing – such a mix of products should not be expected of every site. Developments providing a

[109] The earlier Figure 6.2 showed that this group are responsible for 67% of the gross annual need estimated in the previous section. The ability of the residual third cannot be easily assessed, where these are existing households whose financial means are not known

greater proportion of social rent, for example, would not only be offset by sites doing the opposite elsewhere in Havant – by providing a greater amount of affordable home ownership products – but they would also themselves help to meet what is evidently a need for those products alone, in the latter case adding to the need quantified in the previous section. A scheme's individual contribution should therefore be carefully considered within this context.

Summary

6.17 With the previous section having estimated the number of affordable homes needed in Havant, this section has proceeded to consider how this could be met through the delivery of social rent, affordable rent, discounted market sale (or similar) and shared ownership products.

6.18 It has indicated that the latter two ownership products may play only a limited role in meeting the need generated by newly forming households unable to afford private rent, since they would apply discounts only to new homes that are already priced at a premium in Havant, making them cost more than rent even with discounts applied.

6.19 They could though meet the needs of those able to rent but not buy, being affordable to 27% of the households estimated as being unable to afford the latter (who technically add to the need quantified in the previous section). Around a third (32%) could have their needs met by affordable rent, set as low as 60% of the market level, but the residual 41% would likely be unable to afford even that and could thus require social rented housing. Such a mix is though reflective only of the calculated need, with the Council advised to seek the views of registered providers and consider viability before deciding on its approach for the emerging Local Plan.

7. Reconsidering Specific Needs

7.1 The final sections of the HNA considered the specific housing needs of older people and the need for accessible and adapted housing, where these were then specifically identified in the NPPF amongst the '*different groups*' whose needs '*should be assessed and reflected in planning policies*'[110].

7.2 This was retained within the revised NPPF that was published in December 2024, and although some rewording is proposed in the version that is currently subject to consultation it too is set to expect development plans to '*take into account an assessment of the size, type and tenure of housing or other accommodation needed for different groups*', including but not limited to '*disabled people*' and '*older people*', with the latter '*including those who require retirement housing, housing-with-care and care homes*'[111].

7.3 It is within this context that this section reconsiders the needs of these specific groups, in addition to '*looked after children*' where they were added to the list of specific groups in December 2024.

Older people

7.4 The HNA observed how the older population of Havant had grown over the decade to the 2021 Census[112]. The earlier Figure 2.9 has already shown how this has continued over the years reported since, to 2024, with the population aged 65 and above having grown by a further 4% over these three years alone[113]. Further investigation confirms that the population aged 75 and above has actually grown over twice as fast in this time – by some 10% – with the number aged 65 to 74 having latterly stabilised.

Table 7.1: Population Change by Elderly Age Cohort (2021-24)

	2021	2024	Change	% change
65 and over	**30,414**	**31,764**	**+1,350**	**+4%**
65 to 74	15,358	15,232	-126	-1%
75 and over	**15,056**	**16,532**	**+1,476**	**+10%**
75 to 84	10,582	11,859	+1,277	+12%
85 and over	**4,474**	**4,673**	**+199**	**+4%**

Source: ONS

[110] DLUHC (September 2023) National Planning Policy Framework, paragraph 62

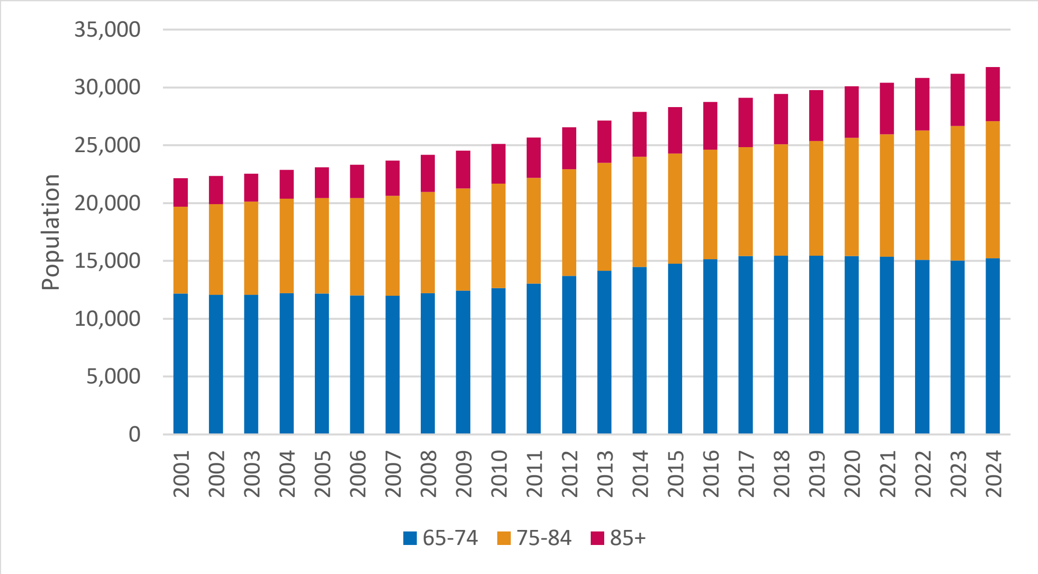
[111] MHCLG (December 2024) National Planning Policy Framework, paragraph 63; MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Policy HO1 paragraph 2

[112] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Figure 6.1

[113] ONS (July 2025) Estimates of the population for England and Wales, mid-2011 to mid-2024 detailed time series

7.5 Figure 7.1 further illustrates this trend within a longer-term context back to 2001. It shows how the number of residents aged 65 to 74 grew by over a quarter (26%) across the decade to 2016 before stabilising, growing by an estimated 1% in the eight years reported since. It is those aged 75 to 84 that grew most in this latter period, again by around a quarter, with the number aged 85 and above likewise growing but at only around half this rate (13%).

Figure 7.1: Older Population of Havant (2001-24)



Source: ONS

7.6 The HNA outlined the long-term health conditions experienced by older residents of Havant, based on analysis by Hampshire County Council (HCC) that does not appear to have been updated[114]. It equally discussed the homes occupied by older people, drawing upon the 2021 Census which continues to provide the most comprehensive such insight at the local level[115].

7.7 It did though proceed to consider how the older population was projected to grow, using modelling which has now been superseded by that presented in this report. It is now anticipated that housing delivery in line with the outcome of the standard method could grow the older population of Havant by around a third (34%) over the entire period from 2023 to 2043, when allowing for known completions to 2025, albeit those aged 75 and over would be expected to keep growing at a faster rate. This could reduce if only 361 homes are provided annually, for the reasons discussed in section 4, but even this could lead to the older population growing by some 22%.

[114] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, paragraph 6.6

[115] *Ibid*, p44-46

Table 7.2: Projected Population Change by Age Cohort and Scenario (2023-43)

	2023	Standard method		Constrained housing delivery (361dpa)	
		2043	% change	2043	% change
65 and over	**31,179**	**41,904**	**+34%**	**37,909**	**+22%**
65 to 74	15,038	17,674	+18%	15,871	+6%
75 and over	**16,141**	**24,230**	**+50%**	**22,038**	**+37%**
75 to 84	11,618	16,420	+41%	15,002	+29%
85 and over	**4,523**	**7,810**	**+73%**	**7,036**	**+56%**

Source: ONS; Edge Analytics

7.8 The HNA explained how such projections can be used to estimate the housing needs of older people. It highlighted how the modelling itself makes assumptions around the number of people living in a communal establishment, such as a care home, rather than private housing[116]. While this was then aligned with the approach of the 2014-based household projections – allowing for rising demand as the older population grows – the ONS has changed its approach in the latest 2022-based projections and now fixes the number of people living in communal establishments, based on the number recorded by the 2021 Census. Edge Analytics have opted to retain the previous approach in their own modelling, fixing the *proportion* of those aged 75 and above that were not in private households as of the 2021 Census – while keeping younger cohorts fixed – and so allowing for growth as the older cohort increases in size. This suggests that the communal population of Havant could increase by 412 persons between 2023 and 2033 – equivalent to circa 21 persons per annum – if the minimum need suggested by the standard method is met, allowing for completions to 2025. This is below the equivalent figure reported in the HNA[117] (25pa) and would reduce further to 307 people, or 15 per annum, if only 361 dwellings per annum are provided. With this growth entirely attributable to those aged 75 and above, as in the HNA, it can again be taken to suggest a need for additional bedspaces in elderly care and nursing homes which continues to be **excluded from and additional to** the reported need for dwellings[118].

[116] *Ibid*, paragraph 6.13
[117] *Ibid*, Table 6.3
[118] *Ibid*, paragraph 6.14

Table 7.3: Projected Change in Communal Population of Havant (2023-43)

	Total change	Average annual change
Delivery aligned to standard method	412	21
Delivery of 361 dwellings per annum	307	15

Source: Edge Analytics

7.9 It should be noted that, as in the HNA, no attempt has been made to consider how other forms of specialist housing – possibly in different use classes – could meet this distinct need for bedspaces[119]. This reflects ongoing uncertainty around residents' requirements and preferences. The extent to which existing residents are suitably accommodated has also not been considered, due to a lack of robust data with which to quantify a further need that will almost certainly exist to at least some extent.

7.10 Beyond this distinct need for communal accommodation that is additional to private dwellings, there also remains a need for other types of specialist housing for older people. The PPG continues to encourage such analysis using '*online tool kits provided by the sector'*, specifically referencing the Strategic Housing for Older People Analysis (SHOP@) toolkit – developed by Housing LIN and previously used in the HNA[120] – as '*a tool for forecasting the housing and care needs of older people*'[121]. While it is no longer freely available, the tool drew upon national data to estimate the rate at which those aged 75 and over could require different forms of specialist housing, generally suggesting that there could be demand for:

- **125 sheltered housing units** per thousand residents aged 75 or above;
- **20 enhanced sheltered housing units** per thousand residents aged 75 or above; and
- **25 extra care units with 24/7 support** per thousand residents aged 75 or above.

7.11 The earlier Table 7.2 outlined how the population aged 75 and above could change in Havant in both of the scenarios considered in this report. Such growth could, according to this toolkit, generate demand for between 50 and 69 units of specialist accommodation each year, predominantly driven by an assumed demand for sheltered housing as shown at Table 7.4. This is slightly below the figure of 72 units per annum that was reported in the HNA and, like that study, counts individuals otherwise assumed to be living in private households, such that they are **included** in any calculated need for dwellings[122]. While it remains challenging to quantify, it is once

[119] *Ibid*, paragraph 6.16. It is acknowledged, as previously that housing strategies or development could accommodate those assumed to be in need of bedspaces in residential institutions (Use Class C2) within other forms of accommodation, in Use Class C3, if this is capable of meeting their needs. Where evidenced, this would directly elevate the overall need for dwellings to include those individuals that are currently excluded by the underlying projections

[120] *Ibid*, paragraph 6.17

[121] PPG Reference ID 63-004-20190626

[122] Turley (October 2023) Housing Needs Analysis: Havant Borough Council, Table 6.4 and paragraph 6.18

again important to also recognise that the need could be even greater if existing older residents are living in unsuitable accommodation and are themselves also in need of this type of housing.

Table 7.4: Projected Demand for Specialist Housing in Havant (2023-43)

	Standard method	Constrained housing delivery (361dpa)
Additional residents aged 75+	**8,089**	**5,897**
Demand for sheltered housing (125/1,000)	1,011	737
Demand for enhanced sheltered housing (20/1,000)	162	118
Demand for extra care (25/1,000)	202	147
Total demand for specialist housing	**1,375**	**1,002**
Average per annum	69	50

Source: Edge Analytics; Housing LIN; Turley analysis

Accessible and adapted housing

7.12 Section 7 of the HNA considered the need for accessible and adapted housing in Havant, suitable for people with health problems and disabilities. It confirmed the extent of long-term illness and/or disability amongst the population, drawing upon the 2021 Census which remains the most up-to-date and comprehensive survey of the borough's residents. This data notably continues be similarly drawn upon by HCC, alongside information drawn from other sources, within the data reports produced to inform its Joint Strategic Needs Assessment[123] (JSNA) and this can therefore be equally referenced by the Council as it develops its Local Plan.

7.13 The analysis and conclusions of the HNA are considered to remain largely valid, only requiring a minor update to align with the updated modelling introduced in this report.

7.14 While the HNA observed that around 0.2% of households had received a Disabled Facilities Grant on average in each of the three years to 2021, and proceeded to apply this to the households that would result from meeting what was then the minimum need suggested by the standard method, the same logic would suggest that circa 2,614 adaptations would be needed between 2023 and 2043 if the higher need was now to be met, from 2025 onwards. This equates to around 16% of the additional households envisaged in such a scenario.

7.15 This does rise to some 34% in the scenario which assumes that only 361 homes are provided annually, seemingly due to the more limited number of additional households

[123] Available here

where this makes the comparable number of adaptations (2,432) a much larger proportion of what is a smaller overall number.

7.16 The HNA previously suggested that the Council could be justified in expecting around 20% of new homes to be accessible, at least as a starting point for negotiation. This would arguably continue to be justified, sitting as it does within what is now a range, albeit a higher figure of 25% could also be warranted where this is the exact midpoint.

Looked after children

7.17 Revisions to the NPPF in December 2024 added '*looked after children*' to the list of groups whose needs should be '*assessed and reflected in planning policies*'[124]. It confirms, like the version currently subject to consultation, that evidence of such needs '*can be found in the relevant local authority's Children's Social Care Sufficiency Strategy*'[125].

7.18 This is produced in the case of Havant by HCC, with the current version having been drafted in October 2022 and formally approved in March 2023[126].

7.19 While this does not generally report at the borough level, it confirms that there were 1,749 children looked after (CLA) throughout Hampshire as of March 2022[127]. The percentage of children who are looked after throughout Hampshire is reported to have '*remained at a steady 0.6% since 2018, indicating a direct correlation between CLA and total population*'[128]. The general approach is described as being to help people '*remain in their family home with relevant support wherever it is safely possible*', and this is seen to explain why the number of CLA has been growing by only around 1% per annum when other authorities have been experiencing growth of closer to 5%[129].

7.20 While this document remains the latest Sufficiency Duty Strategy – covering the period to 2027 – HCC has also more recently produced a Market Position Statement, in May 2025, that is intended to build upon it[130]. This explains how demand has nationally increased as the population has grown, with the rate at which children are looked after reported as having remained at 70 per 10,000 children since November 2023[131]. It proceeds to state that:

"While Hampshire County Council social care programmes, such as 'Modernising Placements' and 'Transforming Social Care' have demonstrated success in keeping the number of CLA under the national average at 67 per 10,000 children, this nevertheless increased from 65 per 10,000 children in 2023 (and 61 per 10,000 children in 2022). The preventative work undertaken by the Children's Services Directorate ultimately means

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[124] MHCLG (December 2024) National Planning Policy Framework, paragraph 63

[125] *Ibid*, footnote 26; MHCLG (December 2025) National Planning Policy Framework: draft text for consultation, Policy HO2 paragraph 2f

[126] Hampshire County Council (October 2022) Children's Services Sufficiency to 2027

[127] *Ibid*, paragraph 3.1

[128] *Ibid*, paragraph 3.10

[129] *Ibid*, paragraph 3.10

[130] Hampshire County Council (May 2025) Market Position Statements: Children's Strategic Commissioning

[131] *Ibid*, p6

when these children do come into the care of the local authority their needs are higher"[132]

7.21 Within this context, the Council is advised to remain in close contact with the relevant department(s) of HCC to ensure that it is aware of any expected shortfall of housing for looked after children, that it could potentially address through its emerging Local Plan.

Summary

7.22 The final sections of the HNA considered the specific housing needs of older people and the need for accessible and adapted housing, which both continue to feature in the NPPF amongst the '*different groups*' whose needs '*should be assessed and reflected in planning policies*'.

7.23 There has been further growth in the older population since the HNA was produced, particularly amongst those aged 75 and over – which has grown by 10% since 2021 – as the number up to ten years younger (64-74) has generally stabilised over the last decade. The modelling does though suggest that even the latter group will grow by at least 6% even if the full need for housing is not met, trebling to 18% if it was to be. There would continue to be stronger growth amongst the population aged 75 and above, and it is this group that is expected to annually generate a need for 15-21 bedspaces in communal establishments that is excluded from and additional to the reported need for dwellings. It could also generate a further need for 50-69 units of specialist accommodation, such as sheltered and extra care housing, albeit this would be *included* in any reported need for dwellings.

7.24 The HNA's conclusions on the need for accessible and adapted housing remain largely valid, being based on data from the 2021 Census that remains the latest available and also continues to feature amongst the information that has been separately assembled by HCC. The updated modelling developed in this report does though have implications for the previous estimate of adaptations over the plan period, with a repeat of this exercise suggesting that 16-34% of households may need them. The figure of 20% that was previously suggested as a starting point for negotiation does remain within this range, so arguably remains justified, even if a slightly higher figure of 25% would now be recommended since this is the midpoint.

7.25 Although they were not previously considered in the HNA, the NPPF does now require the needs of looked after children to also be assessed. It signposts strategies that, in the case of Havant, show there to have been a relatively stable rate of demand at the reported scale of Hampshire, with this seen to have been helped by the deliberate strategy of keeping people in their family home with support wherever it is safely possible. While there are signs of demand increasing, children in Hampshire continue to be looked after less often than is seen nationally, albeit the initial focus on prevention does result in children having greater needs if they do come into care.

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[132] *Ibid*, p6

8. Summary and Conclusions

8.1 This addendum to the Housing Needs Analysis (HNA) produced for Havant Borough Council ('the Council') in October 2023 provides updated evidence on the size, type and tenure of housing needed throughout Havant, taking account of newly available evidence and changes to the National Planning Policy Framework (NPPF).

8.2 It has shown there to have been a continued evolution of the local housing market, that has seen:

- Housing delivery slightly increase, lifting the annual average back to 2011 to 357 dwellings per annum;
- A growing proportion of new homes be houses, most often and increasingly containing three bedrooms;
- The population grow by an estimated 2% since 2021, mainly due to net in-migration from other parts of the UK which has increasingly offset the opposing excess of deaths over births;
- The older population grow most to account for a greater share of the overall population, albeit with the growth of those aged 25 to 44 also having recently accelerated;
- House prices rise since 2021 at what appears to be a slower rate than previously; and
- Average rents grow for properties of all sizes, albeit with signs of this having eased over the last year.

8.3 It has proceeded to outline how a new standard method of assessing housing need has been introduced since the HNA was produced, in December 2024. This currently suggests that **at least 887 dwellings per annum** are needed in Havant. The report has introduced demographic modelling which suggests that such a level of housing provision, over the period to 2043, could lead to the population growing at more than double the rate seen over an equivalent historic period, albeit it would equally only sustain the growth of the last two reported years. It would be expected to bring growth in all types of households, coincidentally requiring an identical mix of unit sizes and types to what was previously reported – albeit only indicatively – by the HNA.

8.4 While local authorities are able to set a housing requirement higher than suggested by a standard method that generates only a minimum need, to support economic growth for example, this is unlikely to be necessary in Havant given that simply meeting the minimum need – in combination with changing behaviours – would be expected to grow the labour force and enable the creation of around twice the number of jobs envisaged in the forecast used in the Council's Employment Land Review (ELR) of September 2024. It would therefore leave ample headroom to support further job growth beyond what is forecast.

8.5 The Council has indicated that it may be unable to fully meet the need suggested by the standard method, with constraints and limited land availability – beyond the scope of this report – potentially leaving it able to provide only around 361 dwellings per annum between 2023 and 2043. While such constraints cannot be factored into any assessment of need, modelling can still be developed to show that such a level of provision could slow recent population growth and leave the borough with around 14% fewer residents in 2043 than if the full need was to be met. It would be expected to mainly grow the older population, aged 65 and above, with those of at least 45 years of age seeing much more limited growth and all other age groups shrinking. This would be expected to support only around half the number of jobs forecast in the ELR of 2024. The profile of additional households would also be expected to differ in such a scenario, with fewer people living alone and slightly more needing larger homes as a result.

8.6 Returning to focus on unconstrained needs, the report has proceeded to recalculate the need for affordable housing in Havant, following the longstanding approach that was previously used in the HNA. It has accounted for the reduced number of households in priority bands on the Council's housing register, before allowing for the additional need that can be expected to arise as newly forming households struggle to afford market options and existing households' circumstances change. It is estimated that these factors, combined, could generate a gross need for 843 affordable homes per annum, surpassing the projected annual supply of 242 affordable homes to suggest that there is a residual net need for **601 affordable homes per annum**. This is substantially higher than the previously reported need for 373 such homes per annum, with this attributable to the rising cost of market housing. The calculation is also broken down by unit size, confirming an ongoing need for properties of all sizes but with the greatest shortfall implied for homes with one bedroom, followed by those with two.

8.7 Consideration has subsequently been given to how this quantified need for affordable housing could be met through the delivery of different products. Shared ownership and discounted market sale would be expected to play only a limited role in meeting at least the quantified need, as the application of discounts to newly built homes that themselves attract a premium can make them cost more than private rent, with only those newly forming households unable to access the latter counted in the reported annual need. These products could though meet the separate needs of those able to rent but not buy, being affordable to 27% of the households estimated as being unable to afford the latter, who technically add to the reported need. A further third (32%) could have their needs met by affordable rent, set as low as 60% of the market level, but the residual 41% would likely be unable to afford even that and could thus require social rented housing. Such a mix is though reflective only of the calculated need and the Council is advised to seek the views of registered providers and also consider viability before deciding on its approach for the new Local Plan.

8.8 The report has finally reconsidered a range of specific housing needs. The older population is noted as having grown further since the HNA was produced, with the strongest growth being amongst those aged 75 and above, and this is projected to continue regardless of whether the full need for housing is met or only 361 homes are provided annually. A need for 15-21 bedspaces in communal establishments, like care homes, can be expected annually as this group grows – this being *additional to* any reported need for dwellings – while demand for 50-69 units of specialist accommodation could also be generated, the latter being *included* in any reported need for dwellings.

8.9 Older people could also be amongst the 16-34% of households requiring adaptations over the plan period. The HNA previously recommended that around 20% of new homes should be accessible, at least as a starting point, and although this lies within the updated range and thus remains justified, a slightly higher figure of 25% would technically now be recommended as the midpoint.

8.10 Looked after children have also been considered, as is now required by the NPPF. The report has explained that there has been a relatively stable rate of demand throughout Hampshire, latterly rising but remaining lower than the national average, with Hampshire County Council believing this to have been helped by its strategy of keeping people in their family home with support wherever it is safely possible.

Appendix 1: Demographic Modelling Assumptions

HAVANT
DEMOGRAPHIC SCENARIOS

Assumptions Note

June 2026

EDGE ANALYTICS

ACKNOWLEDGMENTS

Demographic statistics used in this report have been derived from data from the Office for National Statistics licensed under the Open Government Licence v.3.0.

June 2026

EDGE ANALYTICS

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1 METHODOLOGY

1.1 Demographic scenarios have been developed for Havant using Edge Analytics in-house forecasting models, VICUS.

1.2 The main VICUS model is a 'cohort component' model, which enables the development of population forecasts by single year of age and sex using assumptions related to fertility, mortality and migration (internal and international in and out flows), in line with the methodology used by the Office for National Statistics (ONS) and other statistical agencies.

1.3 Alongside this is the VICUS-DF ('derived forecast') model, providing a headship/membership rate model for household and dwelling projections and an economic activity rate model for labour force and employment projections (Figure 1).

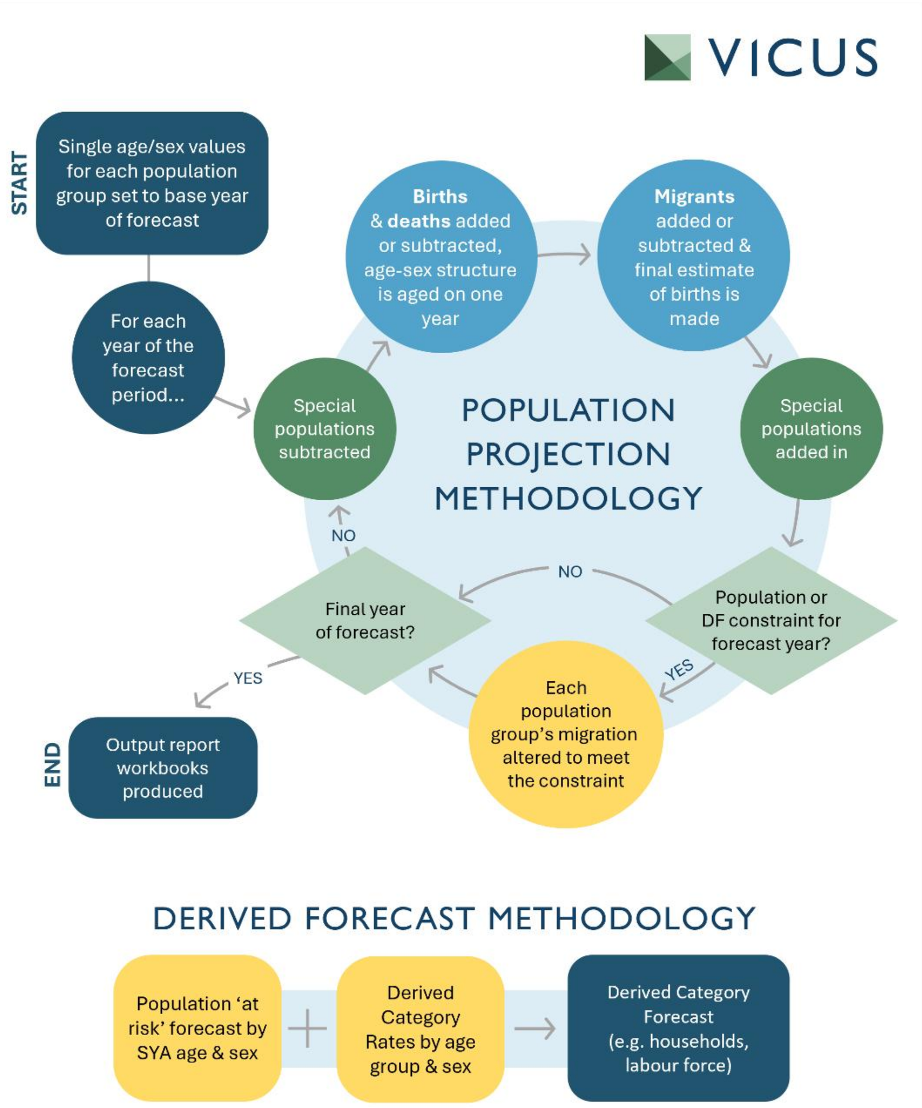

Figure 1: VICUS modelling methodology

2 DEMOGRAPHIC SCENARIOS

Introduction

2.1 Two scenarios have been developed for Havant using VICUS to a 2043 horizon. In both scenarios, future fertility, mortality and migration assumptions have been derived from the historical mid-year estimate (MYE) time series from ONS and the latest available subnational population projections (SNPP) from ONS. Assumptions relating to household formation have been derived from the 2014-based Ministry of Housing, Communities & Local Government (MHCLG) household projection for Havant. Labour force growth assumptions have been derived from ONS data.

2.2 Details on the scenario definitions, inputs and assumptions are provided below.

Scenario Definitions

2.3 Edge Analytics has developed two **Dwelling-led** scenarios for Havant (Table 1).

Table 1: Scenario definitions

Dwelling-led Con	Dwelling-led constrained (Con) scenario with a dwelling growth constraint of +361 per year, from 2023/24 to 2042/43. Configured with 2014-based MHCLG household headship rates rebased to the 2021 Census in each age group and returned to 2001 values in the 25-34 and 35-44 age groups.
Dwelling-led LHN	Dwelling-led local housing need (LHN) scenario with a dwelling growth constraint of +361 in 2024/25 and +887 per year from 2025/26 to 2042/43. Configured with 2014-based MHCLG household headship rates rebased to the 2021 Census in each age group and returned to 2001 values in the 25-34 and 35-44 age groups.

2.4 In a dwelling-led scenario, population growth is determined by the annual change in the number of dwellings, using key assumptions on household headship rates, communal population statistics and a household to dwelling conversion factor. Internal (domestic) migration is used to balance between dwelling and population growth, with a higher level of net internal migration resulting where the resident population is insufficient in size and structure to support the defined level of dwelling growth.

Scenario Assumptions

Population

2.5 In the 'Con' scenario, the forecast base year is provided by the 2023 ONS MYE, disaggregated by single year of age and sex; in the 'LHN' scenario, the forecast base year is the 2024 ONS MYE. From the base year onwards, future population counts are estimated by single year of age and sex, using the defined assumptions on fertility, mortality, migration outlined below.

Births & Fertility

2.6 An area-specific and age-specific fertility rate (ASFR) schedule is derived from a five-year history of historical births data (2019/20–2023/24). In combination with the 'population at risk' (i.e. all women between the age of 15–49), the ASFR assumptions provide the basis for the calculation of births in each year from 2023/24 onwards in the *Dwelling-led Con* scenario and 2024/25 onwards in the *Dwelling-led LHN* scenario. Over the forecast period, the ASFR is adjusted to reflect the annual rate of change in the long-term fertility assumptions of the 2022-based SNPP.

Deaths & Mortality

2.7 An area-specific and age-specific mortality rate (ASMR) schedule is derived from a five-year history of historical deaths data by sex (2019/20–2023/24). In combination with the 'population at risk' (i.e., the total population), these ASMR assumptions provide the basis for the calculation of deaths in each year from 2023/24 onwards in the *Dwelling-led Con* scenario and 2024/25 onwards in the *Dwelling-led LHN* scenario. Over the forecast period, the ASMR is adjusted to reflect the annual rate of change in the long-term mortality assumptions of the 2022-based SNPP.

Internal Migration

2.8 An area and age-specific migration rate (ASMigR) schedule is derived from the latest ten years of historical data (2014/15–2023/24), which determines the age/sex distribution of internal in- and out-migrants over the forecast period.

2.9 In both scenarios, the level of internal migration is altered by the model to meet defined annual dwelling targets.

International Migration

2.10 Future counts of international in- and out-migration is derived from the latest ten years of historical data (2014/15–2023/24). An ASMigR schedule of rates is derived from the relevant migration history and used to distribute the future counts by single year of age.

2.11 Within the historical rebased MYEs, which were released in November 2023 to better align the population estimates between the 2011 Census and 2021 Census, is an unattributable population change (UPC) component. ONS considers it likely that UPC is associated with migration, either internal and/or international, although it does not assign it to any flow in particular. Within the scenarios presented here, UPC is included within the historical international migration flows as this has historically been the most difficult component to estimate.

Households & Dwellings

2.12 The Census defines a household as, *"one person living alone, or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area".*

2.13 In the modelling, a dwelling is defined as a unit of accommodation which can either by occupied by one household or can be vacant.

2.14 In each dwelling-led scenario, these assumptions are used to derive the level of population growth required to meet the defined dwelling-growth target.

Household Headship Rates

2.15 A household headship rate is defined as the *"proportion of individuals in a specific group considered the head of household."*[1]

2.16 The household headship rates used in the VICUS modelling have been taken from the MHCLG 2014-based household projection model, which is underpinned by the ONS 2014-based SNPP. The MHCLG household projections are derived through the application of projected headship rates to a projection of the private household population (i.e. the total population *minus* the communal population). The methodology used by MHCLG in its household projection models consists of two stages:

- **Stage One** produces the national and local authority projections for the total number of households by sex, age-group and relationship-status.
- **Stage Two** provides the detailed 'household-type' projection by age-group, controlled to the previous Stage One totals (Table 2).

Table 2: MHCLG 2014-based Stage Two household type classification

MHCLG Category	Description
One person male	One person households: Male
One person female	One person: Female
Couple no child	One family and no others: Couple households: No dependent children
Cple+adlts no child	A couple and one or more other adults: No dependent children
One child	Households with one dependent child
Two children	Households with two dependent children
Three+ children	Households with three or more dependent children
Other households	Other households with two or more adults

2.17 In both scenarios, the **Stage Two** headship rates have been applied.

2.18 These rates have been 'rebased' to the 2021 Census using statistics on the number of households by age of the household representative person and household composition.

2.19 As the 2014-based household projection model only runs to 2039, the final-year rate has been fixed across all age groups and household types to the 2043 scenario end year, aside from the younger adult age groups (25–34 and 35–44), with the rates returning, between 2023 and 2044, to higher levels of household formation experienced in 2001.

[1] MHCLG 2014-based Household Projections

Communal Population Statistics

2.20 Household projections in VICUS exclude the population 'not-in-households' (i.e. the communal/institutional population). These data are drawn from 2021 Census. Examples of communal establishments include prisons, residential care homes, student hall of residence, and certain armed forces accommodation.

2.21 For ages 0–74, the number of people in each age-group 'not-in-households' is fixed throughout the forecast period. For ages 75–85+, the population 'not-in-households' varies across the forecast period depending on the size of the population.

2.22 The communal population statistics are therefore used to derive the size of the household population in both scenarios.

Household to Dwelling Conversion Factor

2.23 The relationship between households and dwellings is modelled using a conversion factor, sourced from MHCLG Council Tax data. Under both scenarios, a household to dwelling conversion factor of 0.8% for Havant has been applied and fixed throughout the forecast period.

Labour Force & Employment

2.24 The labour force and employment growth implications of the dwelling-led scenarios are estimated through the application of economic activity rates, commuting ratios and unemployment rates.

Economic Activity Rates

2.25 Economic activity rates are the proportions of the population that are actively involved in the labour force, either employed or unemployed and looking for work. In both scenarios, economic activity rates by five-year age group (16–89) and sex have been derived from 2011 Census statistics for Havant. Adjustments have been made in line with the Office for Budget Responsibility's (OBR) analysis of labour market trends for the UK in its 2018 Fiscal Sustainability Report.[2]

Commuting Ratios

2.26 The difference between the level of employment in an area and the size of the resident workforce (i.e. residents in employment) can be used to infer a 'commuting ratio'. A ratio higher than 1.00 indicates a net out-commute (the number of residents exceeds the level of employment in an area). A commuting ratio lower than 1.00 indicates the reverse: a net in-commute (the level of employment in the area exceeds the size of the resident workforce). The closer the ratio is to 1.00, the greater the balance between the size of the resident workforce and the level of employment.

2.27 According to the 2021 Census, the number of resident workers in Havant was approximately 56,370, with the number of people employed in the area at 48,833. This results in a commuting ratio of 1.15, indicating a net out-commute. The 2021 Census commuting ratios has been applied and fixed throughout the forecast period in each scenario.

[2] OBR Fiscal Sustainability Report, July 2018

Unemployment Rate

2.28 Unemployment rates measure the proportion of unemployed people within the economically active population. In both scenarios, an unemployment rate of 4.3% for Havant has been applied and fixed throughout the forecast. This has been sourced from a five-year average of the ONS model-based estimates (July 2020 to June 2024).

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