Appendix 4: Government standard method housing calculation for Rutland

Step 1 – Setting the baseline

The baseline is 0.8% of the existing housing stock for the area.

Using Table 125 (dwelling stock estimates by Local Authority District)[1] , the latest figure is 18,090

18,090 x 0.8% = 144.72 rounded up to 145

Step 2 – An adjustment to take account of affordability

An adjustment is made using the following formula:

Adjustment Factor = ((five year average affordability ratio)-5)/5×0.95+1

Using the house price to workplace-based earnings ratio dataset[2] the five year average affordability ratio for Rutland is 9.5

Adjustment factor = ((9.5 - 5) / 5) x 0.95 + 1 = 1.855

Step 3 – Calculating the annual housing need

Minimum annual local housing need figure = housing stock baseline x adjustment factor

145 x 1.855 = 268.975 rounded up to 269

[1] LiveTable125.ods
[2] House price to workplace-based earnings ratio - Office for National Statistics