

**Town and Country Planning Act 1990**

**Planning and Compulsory Purchase Act 2004**

**Section 78 Appeal by This Land Development Limited**

# **Land East of Rayleigh Road Thundersley**

**Housing Need Evidence**

**Summary Proof of Evidence of James Donagh BA (Hons), MCD, MIED**

**Appeal Ref: APP/M1520/W24/3338797**

**LPA: 23/0085/OUT**

## Document Control Sheet

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# 1 SUMMARY PROOF OF EVIDENCE

## 1.1 Background

1.1.1 My name is James Donagh, I am a Member of the Institute of Economic Development ('IED') with an honours degree and a Master of Civic Design. I am a Director at Stantec in the national Development Economics Team. I have 30 years professional experience in housing, planning and economic development and have regularly given evidence at s78 Appeals in my capacity as a housing need expert witness.

1.1.2 My evidence addresses Castle Point's local housing need, including affordable housing need.

## 1.2 Castle Point's Demographic and Housing Context

1.2.1 Reviewing and analysing publicly available data on demographics and housing strongly suggests a pressing need for greater housing provision in Castle Point. Some key signals are discussed here.

1.2.2 The rate of net housing additions is very low in Castle Point. Over the period 2012-22, net housing additions as a percentage of 2012 stock stood at 8.6% in England, 5.9% in South Essex, and just 4.1% in Castle Point. Therefore, the district's rate of housing additions is low by sub-regional standards, which are themselves well below the national rate.

1.2.3 A high proportion of Castle Point households – 3.2% - live in caravans or other mobile or temporary structures. This compares to 0.8% in South Essex, 0.6% in the East, and 0.4% in England.

1.2.4 Household formation rates for younger age groups (25-34 and 35-44) in Castle Point are lower than those for England, and the gap is forecast to increase. For example, HFR among 25–34-year-olds in Castle Point is currently 0.377, compared to 0.438 in England. In 2039 these are forecast to be 0.359 and 0.428 respectively. This suggests that those aspiring to be first-time buyers are struggling to form households, and on current trends this will worsen.

### 1.3 Castle Point Housing Delivery in Context

- 1.3.1 Across South Essex, there is a persistent record of under delivery, that falls significantly behind minimum local housing need calculated using the standard method.
- 1.3.2 Quantifying the shortfall is problematic, because measurement and plan periods differ, nevertheless, looking back over the past 10 years it can conservatively be estimated at about 10,000 homes.
- 1.3.3 Looking ahead, based on past trajectory, assuming a South Essex housing requirement that matches standard method minimum local housing need and noting published 5-year housing land supply statements, this shortfall is set to worsen.
- 1.3.4 The fact that under delivery in Castle Point takes place in the context of under delivery across South Essex, demonstrates that unmet need is not being picked up, anywhere. Rather it is adding to the national housing emergency when national planning policy explicitly seeks to improve the situation.
- 1.3.5 Housing growth in South Essex (6.5%) is lower than observed across England (8.8%). Of the South Essex authorities, Castle Point's housing growth (3.4%) is lowest of all (between 1.7% and 5.3% lower). This points to a housing emergency of greater severity in South Essex than experienced across England, an emergency of especial severity in Castle Point.

### 1.4 Local Housing Need

- 1.4.1 Local housing need calculated using an alternative method that results in a lower housing need figure than that identified using the standard method is only permitted after it has been tested at examination - and then found to be sound through said examination process. Thus, for the purposes of this appeal, minimum local housing need is 349 dwellings per annum.
- 1.4.2 In any event, the evidence I present in Section 3 of my Proof and expanded upon in Section 5 of Appendix 1 to my Proof of Evidence and Section 4 of HENA 2022<sup>1</sup>, demonstrates that there is nothing exceptional in Castle Point's demographic context to justify an alternative method that leads to a lower housing need figure. For that

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<sup>1</sup> CD 6.19

reason, local housing need calculated using the standard method should be given full and substantial weight.

## 1.5 Affordable Housing Need

- 1.5.1 The HNA 2022 and ORS Report<sup>2</sup> both estimate affordable housing need for Castle Point. HNA 2022 estimates total net affordable housing need at 326, which compares to just 56 in the ORS Report. I consider that the approach in HNA 2022 should be preferred and that in the ORS Report cannot be relied upon.
- 1.5.2 HNA 2022 figures are compatible with delivery of standard method housing need, using dwelling-led forecasts which assume this. ORS Report figures are based on alternative housing delivery figure which I consider to be too low.
- 1.5.3 The inputs to HNA 2022 make significant use of official data provided by councils, including on properties becoming available for new tenants each year. The analysis in the ORS Report relies heavily on the outputs of a housing model which we cannot scrutinise but produces results which are very significantly different to those based on official council sources.
- 1.5.4 Even assuming that 40% affordable housing delivery is achieved, and accounting for historic rates of affordable stock losses, overall housing delivery some 2-3 times the standard method level would be required to meet the affordable housing need identified in HNA 2022 over the plan period. This demonstrates the need for an ambitious approach to affordable and overall housing delivery.

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<sup>2</sup> CD 6.22