

LOCAL HOUSING NEEDS ASSESSMENT SPECIFICATION

Summary Requirement

Castle Point Borough Council is seeking to prepare a local plan for its area, from hereon in known as the Castle Point Plan.

It is intended that the Castle Point Plan will be a place-making document that guides how the different towns and places in Castle Point will change over the period to 2050. It will be a plan that is embedded in community engagement and aiming to deliver the aspirations that local people have for their towns and places.

To help inform the Castle Point Plan, the Council is seeking for a robust assessment to be undertaken of the local housing needs in the Castle Point area in the period up to 2050.

Whilst it is critical that this work is cognisant of the requirements of national planning policy, in the draft revised NPPF (December 2023) the government have changed the status of the Standard Method for calculating housing need to advisory, where exceptional circumstances can be applied. The Standard Method is based on nationally applied algorithms and out of date population forecasts. The number it reaches for Castle Point (355 dwellings per annum) it is felt, does not necessarily reflect the nuances of the local housing market or local need. People at a local level cannot relate to the standard methodology, and the Council has come under criticism in respect of simply relying on the standard method. That housing target was used in the now withdrawn Castle Point Local Plan 2018-2033 and resulted in a level of housing that could only be accommodated with the loss of Green Belt land.

The Council is, therefore, seeking an alternative and up to date assessment of housing need to be prepared which uses a combination of up-to-date empirical data, and insight from a demographically representative residents telephone survey, and engagement with key stakeholders involved in housing provision, social care, the economy and the local housing market.

Through this approach the Council will be able to better explain the need for housing, and residents and other stakeholders will be able to understand and relate to the sources of information that have given rise to the level of housing need identified.

Castle Point is within the South Essex Housing Market Area that also includes Basildon, Brentwood, Rochford, Southend-on-Sea and Thurrock. The assessment will need to be aware of emerging plans in those areas – economic, as well as housing.

What is crucial is the relationship between housing need and communities and places. A one size fits all planning by numbers approach is not proposed in Castle Point. Therefore, the local housing needs assessment, should not just provide a robust alternative assessment of housing need in the Borough, must also contribute towards the basis of a spatial plan and place making within existing communities.

Detailed Requirements

It is expected that a local housing needs assessment will be carried out which takes into account current and future demographic trends and market signals. Within this context the size, type and tenure of housing need for different groups within the community should be assessed. This should include, but not limited to, those requiring affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent, and those people wishing to commission or build their own homes.

It is expected that following matters will be considered in detail as part of this assessment:

Baseline Household Projections

It is expected that a baseline housing need position will be derived having regard to the most up to date population and household projections. It is expected that new projections with a 2021-base will be published this Spring/Summer, and it is these that must be used for the purposes of establishing a baseline need.

The baseline assessment should consider any variant projections published by the ONS at that time and should also consider how the projections have changed over time.

The Council is clear that the assessment is NOT to use the 2014 household projections, even if the government retain that data as the means for calculating the standard method. The 2014 baseline has been tested at a South Essex level by Turleys in 2022.

It is expected that the local housing needs assessment will scrutinise the inputs and outputs from the baseline household projections to understand the likely composition of future households and the consequential requirement for different types and sizes of homes. This requirement should be explored through the survey of residents to ensure that recommendations about the sizes and types of homes that should be provided align with the needs and expectations of local people.

Affordability and the need for Affordable Housing

Affordability and the need for Affordable Housing in all its facets needs to be explored both through the empirical data and through the telephone surveys.

Affordability

In relation to the affordability of housing, most recent approaches to determining affordability have focused on the relationship between the cost of buying or renting a property and income levels. This has been a reasonable determinant in an extended period of low interest rates.

Recent inflation and consequential changes to the Bank of England base rate have seen average interest rates for mortgages increase to over 4%. Furthermore, inflation has also driven up the cost of living and the cost of running a home. These factors have combined with high property prices/rents to further affect the affordability of housing.

Empirical data should be used to develop a model of affordability that better reflects the costs of owning or renting a home and the pressures that places on income. Through the telephone surveys thoughts around the overall costs of owning or renting a home should be explored to ensure that the model reflects the lived experience of local people.

It is expected that this work should identify the income needed to own or rent different types of property in Castle Point. With regard to owning a property, the different requirements for first time buyers and other buyers should be drawn out. It is the outcomes of this work that should be used to undertake the assessment of the need for affordable housing.

Need for Affordable Housing

Whilst a calculation of affordable need as set out in the Planning Practice Guidance should be prepared, it is expected that the need for affordable housing should be explored more widely to really understand barriers to access of the local housing market. As a minimum this element of work should consider:

- concealment of households
- concealment and headship rates of those in their 20's and 30's unable to access the housing market
- the demand for social housing as detailed on the Council's housing register
- the need for key worker housing to meet the demands from key public sector services, including social care

It should be noted that there is a large caravan site within the borough which is currently occupied by renters. These caravans are gradually being replaced with park homes that are being sold to the over 55's as retirement accommodation. This will see the renters displaced. There is a need for this assessment to explore, and factor into any need calculations the additional homelessness impact for Castle Point arising from this site.

As appropriate the work should recommend an adjustment to the baseline to improve affordability in the local area. That adjustment should be justified by the evidence and capable of being explained to stakeholders. This element of work should also recommend the levels of affordable housing sought as part of new developments, the size and types of affordable housing needed, the types of affordable tenures that should be sought to best meet local needs, the level of discount needed for any First

Homes, and the level of equity that should be sought in respect of any shared-ownership products.

Older People

Castle Point has an ageing population, with people of retirement age and over making up 25% of the borough's population. This proportion is expected to increase to 29% by 2043. Furthermore, the population aged over 75 makes up 11% of the local population and is expected to increase to 16% of the local population by 2043.

The assessment should use empirical evidence, telephone surveys, stakeholder engagement and industry best practice such as that arising from the Housing LIN to identify how best to make provision for the housing needs of older people within the community. Recommendations should be made about the location, types and tenures of homes needed and the need for any specialist accommodation provision, including the need for nursing home/care home provision.

Furthermore, it is expected that many older people are also looking to downsize, but live independently. The independent living market has been proven to some extent on the existing park homes sites (see below), but the range of accommodation needs is probably broader than that. This needs to be explored.

It should be noted that there is one large existing park home site providing accommodation to older people (over 900 units), and a second site which is growing (currently around 200 units, expected to increase to over 800 units). The impact of this park home provision should be explored, as it is not clear if it is impacting positively or negatively on the need for specialist accommodation or for nursing home/care home provision.

Disabled People

Disabilities are wide ranging and give rise to different housing needs. Through the use of empirical evidence, telephone surveys, stakeholder engagement and the application of industry best practice, the needs for wheelchair accessible accommodation (as defined in part M of the Building Regulations), and the needs for the specialist accommodation for those with physical disabilities and learning disabilities should be identified, and recommendations should be made about the types of provision needed in Castle Point.

Jewish Community

In recent years, a community of Haredi Jews has taken the decision to relocate to Canvey Island having purchased a former school as a community centre. The Jewish community now makes up 0.7% of the borough's population, although this figure is 4.4% in the north Canvey Middle Super Output Area.

It is understood that there are aspirations within that community to continue to grow. As there has been an inflow of Haredi Jews into the area over the past 10 years, this flow will be reflected in the 2021 household projections going forward.

However, families within this community are typically bigger than has historically been seen in Castle Point, and there may therefore be a need for specific house types which will need to be picked up through the local housing need assessment to ensure that there are sufficient larger homes available overall. It is therefore expected that as part of the assessment stakeholder engagement with representatives of the Jewish community will be undertaken and this information will be used to inform recommendations around the mix of sizes and types of homes needed in Castle Point, and in the different towns within the borough.

Gypsies and Travellers

A separate gypsy and traveller accommodation needs assessment has been commissioned from ORS on a County-wide basis. The local housing needs assessment does not need to therefore include an assessment of the need of gypsies and travellers but should cross reference to that emerging work.

Economy

Population projections suggest that the number of working age people living in Castle Point is expected to shrink from 56% of the local population currently to 53% of the local population in 2043. This has implications for local businesses.

There is therefore a requirement using empirical data, the residents survey and through stakeholder engagement, including engagement with local businesses and economic interests, to understand the housing needs arising from economic growth. In terms of empirical data, an agreed economic forecast should be used. As appropriate consideration should be given to how this forecast should be adjusted to account for the implications of nationally significant infrastructure projects and the Thames Freeport on the economy. It is expected that a recommendation will be provided as to the scale and nature of housing need required in Castle Point to support economic growth projections.

Consideration should not just be given to the overall need for housing arising from the economy, but also to how the urban first approach to planning for new homes in the borough will impact on the choice of new homes in terms of location, type and tenure for those who work (or seek to work) in the borough and those who operate (or seek to operate) businesses in the borough.

It is further expected that due to an increased prevalence for working from home amongst office based workers following the COVID pandemic, that the demand for office space within the home has changed. Through available empirical evidence, and through the residents survey the extent of this change should be explored, with the

outcomes reflected in the recommendations related to the size of new homes, if appropriate.

Objectives

1. Technically Robust

The Council is seeking for local housing need to be explored in a way which is alternative to the standard method approach set out in National Planning Policy. It is therefore critical that there is rigour and robustness in the approach and methodology applied when undertaken this work so that it can withstand scrutiny at Examination in Public. In addition, delivery of need will also be crucial. The assessment will inform how the council engages with and partners developers, Homes England and Housing Associations, and indeed it plans for its own housing stock and stock growth.

It is therefore critical that the most up to date evidence available at the time of the assessment is used, and that evidence is taken from reliable and robust sources. It is also critical that the residents survey is demographically representative and that the size of the survey is sufficient to be statistically reliable.

Regarding stakeholder engagement, there should be a clear audit trail in terms of how insight was gathered and how it was used to influence any recommendations made.

To ensure the technical robustness of the assessment, a clear methodology statement must be agreed upfront and all sources of evidence should be fully referenced, and that survey results and stakeholder engagement notes are included in full (subject to GDPR) as appendices to the final reporting. Officers from the Council should be able to review and comment on the report and any recommendation to ensure that any errors or inconsistencies are identified and addressed.

The Council will expect the appointed consultant to be able to successfully defend their work at an Examination in Public for the Castle Point Plan, or at a Planning Appeal. A day rate is required for that work.

2. Digitised

Whilst the Council will expect technical report to be prepared, it is expected that any data arising from the work and any modelling will be provided to the Council in a digital format such as MS Excel, so that the Council can interrogate the data and information for different purposes. Additionally, in order to allow for the community to engage with the outputs of the assessment an online storyboard or Power BI of the results should be prepared so that residents can access the findings in a clear and interactive way.

3. Embedded community engagement

The Castle Point Plan will be embedded in community engagement, it is therefore critical that the evidence on which it is based also has community engagement embedded. To this end, there is a requirement for a resident's survey as part of this specification and also engagement with key stakeholders within the community and within local service provision.

Questions for local residents need to strike a balance between brevity and also establishing a clear understanding of residents aspirations and intent. Depending on initial responses, follow up questions may be asked that deepen our understanding, and highlight hitherto unknown trends and avoid double counting.

All data must be anonymised and collected, stored and used in accordance with a privacy notice (the consultant to supply a draft for the Council) and the GDPR.

Furthermore, the outcomes of the assessment should be presented in a way which enables community engagement. Local people should be able to engage with the results, outcomes and recommendations of the assessment, and be empowered to use the evidence as they engage in the preparation of the Castle Point Plan. To this end, it is expected that whilst there will be a detailed technical report, there will also be a short and visually interesting summary report and an online storyboard or Power BI also produced as part of this work that enables wider engagement in the outputs of the assessment.

4. Multifunctional outputs

Whilst the principle aim of the Local Housing Needs Assessment will be to inform the Castle Point Plan, the Council is also the local housing authority and owns and manages its own social housing stock. It also has land which it is looking to deliver further social housing on. Other partners such as Essex County Council have responsibilities around adult social care provision, and also have their own house building company.

The recommendations of the Local Housing Needs Assessment should not therefore be narrowly focused, but should look across the range of functions, powers and responsibilities that the Council and its partners have.

At a South Essex level work is progressing on establishing a partnership between the local councils and housing associations. The Council is also a benefactor of a place-based partnership between the Association of South Essex Authorities and Homes England. Recommendations which would enable Castle Point to optimise benefit from these partnerships to improve delivery would be welcomed.

The model of affordability should be provided to the Council in a format which can be updated as average incomes change, interest rates change and elements of the cost of living change. This will enable the Council to keep affordability, and its approach to affordable housing provision under review over time, as new developments come forward.

Engagement

As set out above engagement with the community, and stakeholders is a critical objective of this work. Therefore, it is expected that the appointed consultant will:

- a) Undertake a telephone survey with residents to understand their housing needs now and in the future. This should be a demographically representative survey and should be of sufficient size to be statistically significant and robust.
- b) Prepare a short, visually interesting summary document for residents which summarises the outputs of the Local Housing Needs Assessment.
- c) Undertake in-depth engagement meetings/workshops with stakeholders in the community such as service providers, representatives of groups with specific protected characteristics, businesses etc to understand housing needs and the challenges associated with housing.

A presentation to Members should also be costed in as an option.

Deliverables

It is expected that the following deliverables will arise from the Local Housing Needs Assessment:

- 1) A technical report with all necessary appendices in MS Word and PDF
- 2) Any data using in the technical report and any associated analysis and modelling in MS Excel
- 3) Residents survey report in MS Word and PDF and the associated data and analysis in MS Excel
- 4) Stakeholders' engagement report in MS Word and PDF
- 5) A short, visually interesting summary report in MS Word and PDF
- 6) An online Storyboard or Power BI that presents the information in an engaging, accessible and community friendly way.
- 7) Presentation materials related to any stakeholder engagement event and member briefing.

The consultant may be required to provide evidence at the examination of the Local Plan, or in relation to planning appeals where local housing need issues are a consideration.

All technical work required to fulfil this commission should be completed by suitably qualified and experienced individuals.

Timescales

Recognising the need to achieve a robust survey outcome, and the need to use the 2021 Household Projections which will not be published until the Summer of 2023, it is expected that this work will be delivered over a period of 4 months commencing May 2023, and concluding by the end of August 2023.