Southend-on-Sea
Integrated Needs Assessment

Part A: Housing Needs

Southend-on-Sea City Council

September 2026

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Contents

1.0 Introduction

1.1 Lichfields has been commissioned by Southend-on-Sea City Council ('SCC') to produce an Integrated Needs Assessment ('INA'), comprising:

- Part A: Housing Needs Assessment (**this report**) ('HNA');
- Part B: Economic Needs Assessment; and
- Part C: Retail and Leisure Needs Assessment.

1.2 The INA will form a part of the emerging Local Plan evidence base, helping SCC understand its housing, employment land and retail needs over the plan period, shaping the Local Plan and its policies. The INA, and this HNA specifically, have been informed by, and sit alongside, a range of other evidence base documents, including the Housing and Employment Land Availability Assessment, which have informed the amount of likely housing growth modelled within this HNA.

Key housing need priorities are identified and highlighted throughout this HNA.

Context

Southend-on-Sea Regulation 18 Local Plan

1.3 SCC undertook consultation on its Regulation 18 Local Plan between July and September 2025; this HNA (and wider INA) has been prepared in the context of the upcoming Regulation 19 Local Plan consultation.

1.4 The Regulation 18 Local Plan (Section 5) acknowledged the housing challenges that exist within the City, with local housing need (c.1,400 per year) being roughly four times the amount of housing that has been delivered historically as part of the Core Strategy (2007) (c.340 per year). In terms of housing need and supply, it proposed:

- Approximately 9,500 homes to 2040 (Policy SP5);
- For affordable housing, options of (1) continuation of existing rates, i.e. 20% on sites of 10-49 dwellings and 30% on sites of 50+ dwellings, or (2) provision of 30% on sites of 10+ dwellings, excluding brownfield flatted developments outside high value areas where a minimum of 10% will apply (Policy DM5.1);
- In terms of housing mix, schemes should have regard to the evidence in the Local Housing Needs Assessment (2022) and where schemes deviate this will need to be justified (Policy DM5.2). When considering mix the Council will also have regard to site size, location and characteristics;
- In terms of housing for older people (Policy DM5.7) the policy seeks to ensure a sufficient supply and range of housing for older people but does not set specific targets. The Housing Need Assessment for Older People (2022) is referred to in the supporting text.

South Essex Local Housing Need Assessment (2022)

1.5 At the time the Regulation 18 Plan was prepared the key piece of housing need evidence for Southend comprised the South Essex Local Housing Needs Assessment (2022) ("the LHNA"). This LHNA has been considered as part of the preparation of this HNA, however key changes since the LHNA was prepared mean that most of its findings have now been superseded. This is because at the time the LHNA was prepared;

1. The standard method by which overall housing needs was assessed is different to that which is currently in place. This change in methodology leads to a different overall housing need figure for Southend; and
2. The results of the 2021 Census had not yet been published, which meant that a significant amount of contextual data in the LHNA relied on either 2011 Census data or other more recent survey-based data.

Southend Housing Need Assessment for Older People (2022)

1.6 Also published at the time of the Regulation 18 consultation was the Southend Housing Need Assessment for Older People ("HNAOP") which specifically sought to address the needs of older people. It contained a highly detailed assessment of the future needs of older people in Southend looking at both types and tenures of housing, incorporating both primary and secondary research on trends and preferences. Whilst the HNAOP pre-dated the publication of the 2021 Census and 2022-based population projections, it remains an important piece of evidence and its findings should be read alongside the findings of this HNA.

Southend Corporate Plan 2024-28

1.7 The Southend-on-Sea City Council Corporate Plan 2024-28 ("SCC CP") sets out key priorities for the Council, of which housing underpins priority 3 which is 'caring with a good quality of life for all'. Specifically this priority cites "*a lack of housing and the right infrastructure*", to which the Council's response will be:

"We will take action to address the root causes of poverty and inequality and empower communities to be strong, resilient and safe. We will ensure the right care and advice is available for those who need social care support. We will also make sure every child and young person has the best possible start in life …we will enable the housing and infrastructure the city needs." (SCC CP p.12)

1.8 Key outcomes are that "*people live well, age well and care well and remain living independently in the community for as long as possible*" and that "*quality, affordable and safe homes are available for residents in Southend-on-Sea"*. These are considered throughout this HNA.

Southend Housing Strategy 2018-28

1.9 The Council produced its Housing, Homelessness and Rough Sleeping Strategy 2018-2028 in 2019, and housing delivery through the new Local Plan forms a key aspect of many of its strategic priorities, including to:

- Prioritise the supply of safe, locally affordable homes, through the development of a new local plan which sets ambitious housing targets and reviews S106 developer contributions; and
- Regeneration and growth to create inclusive, healthy places to live and thrive, through a new local plan which unlocks sites for house building and regeneration, and promoting well designed, accessible developments that encourage health, wellbeing, and independence.

1.10 Also relevant is the strategy's objective to support people to live independently in their own homes and avoid homelessness, which will be supported by the Council developing a greater understanding of the need for specialist/supported accommodation (including through this HNA and its existing HNAOP).

HNA Structure

1.11 This HNA is set out as follows:

- **Section 2.0** sets out national policy and guidance relevant to assessing housing needs;
- **Section 3.0** sets out relevant context for Southend, including demographic and housing market change;
- **Section 4.0** sets out overall housing needs, including under the standard method and the various housing supply scenarios set out by the Council;
- **Section 5.0** sets out affordable housing needs;
- **Section 6.0** sets out an assessment of housing mix for both market and affordable housing; and
- **Section 7.0** considers the needs of specific groups.

2.0 National Policy and Guidance

National Planning Policy Framework (NPPF)

NPPF December 2024

2.1 The NPPF published December 2024 remains relevant for plan-making under the current plan-making system. The NPPF reinforces government's longstanding objective of significantly boosting the supply of homes, making explicit reference to the overall aim of meeting an area's identified housing need, including with an appropriate mix of housing types for the local community [§61]. It states that to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment conducted using the method set out in national guidance (herein the 'SM'):

"To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning practice guidance. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for." [§62]

2.2 Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rented homes); families with children; looked after children; older people (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes [§63].

2.3 The NPPF confirms that strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need can be met over the plan period. This is of particular relevance in Southend-on-Sea, owing to its constraints on land supply for housing and other uses.

NPPF August 2026

2.4 The new version of the NPPF was published in August 2026, shortly before this HNA was finalised. It includes plan-making policies which apply to the new plan-making system. This NPPF continues to contain an objective of supporting the delivery of a substantial increase in the supply of homes. Policy HO1 sets out that Local Plans should be based on a housing need assessment that establishes the overall number of homes needed using the standard method ('SM'). It further sets out that plans should also take into account an assessment of the size, type and tenure of housing or other accommodation needed for different groups, including: affordable housing; older people; disabled people; people who rent their own homes; families with children; students; and self-build. This HNA continues to address these core requirements under the current (2026) NPPF.

Planning Practice Guidance (PPG) December 2024

Overall Housing Need (SM)

2.5 The PPG states that the NPPF expects strategic policy-making authorities to follow the standard method in assessing local housing need. This uses a formula that incorporates a baseline of local housing stock which is then adjusted upwards to reflect local affordability pressures to identify the minimum number of homes expected to be planned for. The standard method identifies a minimum annual **housing need** figure and ensures that plan-making is informed by an unconstrained assessment of the number of homes needed, but it does not produce a **housing requirement** figure which will need to take into account both the housing need, but also an assessment of the amount of new homes that can be provided in an area (which may be higher or lower than needs for different relevant reasons).

2.6 The SM is as follows:

1 A baseline using **0.8%** of the existing housing stock for the local authority area. This provides a stable and predictable baseline that ensures all areas, as a minimum, are contributing a share of the national total proportionate to the size of their housing market; and

2 An adjustment based on affordability, to ensure that SM responds to price signals and seeks to ensure housing need addresses the worsening affordability of housing. The method uses the median workplace-based affordability ratio (five year average) as follows:

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

In effect, this means that for each 1% the ratio is above 5, the housing stock baseline should be increased by 0.95%. An authority with a ratio of 10 will have a 95% increase on its annual housing stock baseline. No adjustment is applied where the ratio is 5 or below.

2.7 The PPG explains that the affordability adjustment is applied to take account of past under-delivery. As SM identifies the minimum uplift that will be required, there is not a requirement to specifically address past under-delivery separately within the assessment of future local housing needs. As the inputs to the standard method are updated regularly, and as such the standard method output can change, the PPG indicates that the standard method figure can be relied upon for-plan making for 2 years from the time that the plan is submitted for examination.

Needs of Specific Groups

2.8 Separate guidance is given on identifying the housing needs of different groups. Importantly, the PPG states that local housing need (as identified using SM) identifies an overall minimum average annual housing need figure but does not break this down into the housing need of individual groups, which:

"... may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method. Strategic policy-making authorities will need to consider the extent to which the identified needs of specific groups can be addressed in the area, taking into account: the overall level of need identified using the standard method (and whether the evidence suggests that a higher level of need ought to be considered); the extent to which the overall housing need can be translated into a housing requirement figure for the plan period; and the anticipated deliverability of different forms of provision, having regard to viability."

Students

2.9 Strategic policy-making authorities need to plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus. This is considered further in Section 3.0, in light of the recent (December 2025) announcements of the closure of the University of Essex's Southend Campus.

Affordable Housing

2.10 Those in affordable housing need are those whose needs are not met by the market. Local authorities are required to estimate the current number of households and projected number of future households who lack their own housing or who cannot afford to meet their housing needs in the market. The method set out in the PPG is set out in full within Section 4.0 of this report.

Private Renters

2.11 The PPG states that tenure data from the Office for National Statistic (ONS) can be used to understand the future need for private rented sector (PRS) housing. However, this will be based on past trends. The level of changes in rents may reflect the demand in the area for PRS housing, and can be sourced from the English Housing Survey (EHS), ONS's Private Rental Index, the Valuation Office Agency (VOA), HomeLet Rental Index and other commercial sources.

Self-Build

2.12 Local Authorities are required to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in their area in order to build their own home. To obtain a robust assessment of demand for this type of housing in their area, PPG states that authorities should assess and review the data held on registers. This assessment can be supplemented with the use of existing secondary data sources such as building plot search websites, 'Need-a-Plot' information available from the Self Build Portal and enquiries for building plots from local estate agents.

Housing for older and disabled people

2.13 The PPG places great emphasis on the importance of planning for the housing needs of older people, noting that their needs can be addressed through a variety of housing types including age-restricted general market housing, retirement living or sheltered housing, extra care housing or housing-with-care, and residential care homes and nursing homes. It also recognises the role that general housing plays in supporting older people, such as housing which can be adapted to meet changing needs. In assessing needs, plan-makers can consider census data and population projections, or (where possible) from a number of online tool kits provided by the sector.

2.14 For people with disabilities, the PPG states that multiple sources of information may need to be considered in relation to disabled people who require adaptations in the home, either now or in the future. The Census provides information on the number of people with a long-term limiting illness and plan-makers can access information from the Department for Work and Pensions on the numbers of Personal Independence Payment (replacing Disability Living Allowance)/Attendance Allowance benefit claimants. Whilst these data sources can provide an indication of the number of disabled people, not all of the people included within these counts will require adaptations in the home:

"Applications for Disabled Facilities Grant (DFG) will provide an indication of levels of expressed need, although this will underestimate total need, as there may be a large number of people who would want or need an adaptation, but would not have applied to the DFG."

2.15 The PPG further advises that engagement at all levels can help plan-makers identify the housing needs of people with disabilities.

2.16 On the basis of this evidence, plan-making authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people. These policies can set out how the plan-making authority will consider proposals for the different types of housing that these groups are likely to require. They could also provide indicative figures or a range for the number of units of specialist housing for older people needed across the plan area throughout the plan period.

3.0 Southend-on-Sea Context

3.1 This section sets out key demographic and housing market context for Southend. Relevant socio-economic context is set out in the Economic Needs Assessment.

Population and Households

3.2 ONS Mid-Year Estimates (MYEs) show there are 185,256 residents in Southend as of 2024; an increase of 3.7% over the prior decade (2014-24), which is slower than the regional and national average over this time period. This likely reflects, in part, the fact that the rate of housing growth has been lower in Southend than wider comparators over this period. Southend has seen slower growth in the number of children compared with wider averages as shown in Table 3.1, and its younger working age population has slightly declined (contrary to wider trends of growth, albeit not without similarities to other coastal areas). Southend's older working age population has broadly been in line with wider averages (at around 7%), and in line with wider trends over 65s have been the fastest growing age group.

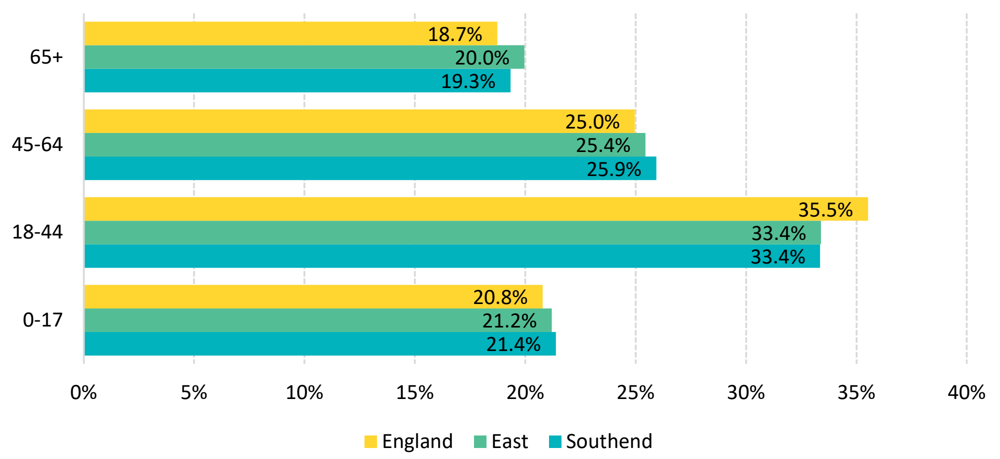
Table 3.1 Population change by broad age group – 2014 to 2024 – Southend, East and England

	Southend-on-Sea				East				England			
	2014	2024	Change	Change (%)	2014	2024	Change	Change (%)	2014	2024	Change	Change (%)
0-17	37,997	39,611	1,614	4.2%	1,283,333	1,394,026	110,693	8.6%	11,535,489	12,183,016	647,527	5.6%
18-44	62,222	61,798	-424	-0.7%	2,057,370	2,196,314	138,944	6.8%	19,562,764	20,823,309	1,260,545	6.4%
45-64	45,002	48,038	3,036	6.7%	1,560,350	1,673,255	112,905	7.2%	13,767,600	14,632,684	865,084	6.3%
65+	33,389	35,809	2,420	7.2%	1,138,468	1,312,711	174,243	15.3%	9,504,466	10,981,092	1,476,626	15.5%
Total	**178,610**	**185,256**	**6,646**	**3.7%**	**6,039,521**	**6,576,306**	**536,785**	**8.9%**	**54,370,319**	**58,620,101**	**4,249,782**	**7.8%**

Source: ONS Mid-Year Estimates

3.3 Despite seeing lower overall population growth than the region, Southend's population age profile is similar to that of the wider East of England, as shown in Figure 3.1. In both areas just over 21% of residents are children and one-third are younger working age. Both areas have marginally more older people (both older working age and retired age) compared with the national average.

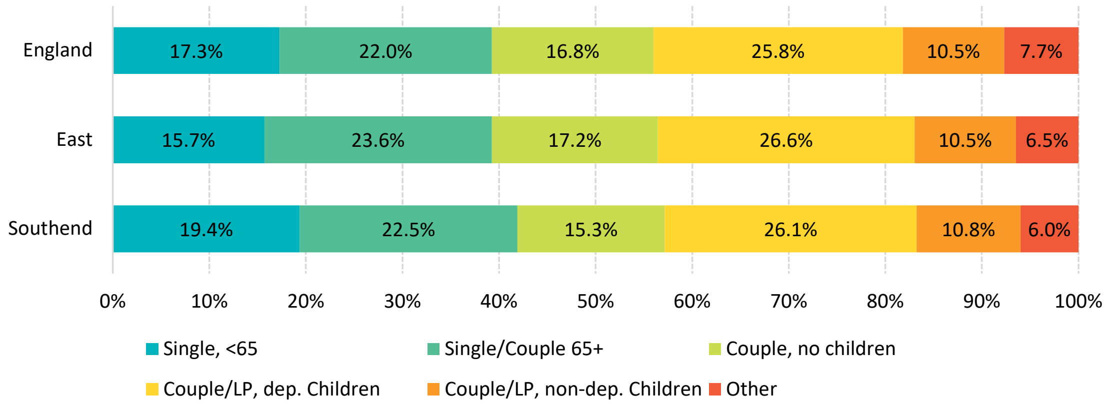
Figure 3.1 Population age profile – 2024 – Southend, East and England



Source: ONS Mid-Year Estimates

3.4 Southend's household profile shows more young single person households compared with wider averages, as shown in Figure 3.2. The City has fewer older households compared with the region, more in line with the national average, and fewer couples with no children than either comparator. The picture for families is mixed; for couples (and lone parents) with dependent children, Southend sits between the regional and national averages, whereas Southend has more families with non-dependent children than these averages. This is consistent with Southend having a slightly higher proportion of older working age residents (45-64) who are more likely to have non-dependent children.

Figure 3.2 Household composition – 2021 – Southend, East and England



Source: Census 2021

Students

Context

3.5 At the time of the 2021 Census there were c.8,100 full-time students living in Southend, of which c.4,800 were aged 16 to 18 and c.3,300 age 19 and over. The vast majority lived within single family households, i.e. within the family home, or in other types of family household as shown in Table 3.2. Less than 2% lived in all-student households, and 3.5% lived in communal establishments (e.g. purpose-built student accommodation [PBSA], managed accommodation provided through an employer, etc).

Table 3.2 Living arrangements of all full-time students in Southend in 2021

		Number	%
Living in **households**	Living in a single family household (e.g. at home with parents)	6,477	79.6%
	Living alone	293	3.6%
	Student household [number of households]	150 [38*]	1.8%
	Other related household or other household types with children	617	7.6%
	Other (e.g. unrelated/non-student adults)	317	3.9%
Living in **communal establishment** (e.g. halls of residence)		283	3.5%

Source: Census 2021. *Shows the number of student households, meaning there were an average of 4 students per household.

3.6 The main providers of Further Education/Higher Education in Southend are South Essex Colleges Group and Southend Adult Community College, although neither operate any

PBSA within Southend. The University of Essex Southend Campus accommodated just over 2,100 students[1] at its peak in 2021/22 although numbers have declined significantly in recent years to around 800[2]. It operates student accommodation at University Square which provides accommodation for 561 students[3].

University of Essex Southend Campus - closure in 2026

3.7 In December 2025 it was announced that the University of Essex Southend Campus would close at the end of Summer 2026, with all c.800 students being transferred to the University's Colchester Campus. Students will be relocated to Colchester where appropriate (into either university accommodation or into the private rented sector), supported to commute to Colchester, or supported to transfer to alternative institutions via the University's compensation scheme.

3.8 Had the Campus remained open, it might have been necessary to consider the needs of students having regard to the number currently living in private rented accommodation (student households, or HMOs) and the role that additional PBSA could have in freeing up general market housing for occupation by families, taking into account any potential for growth in the number of students at FE/HE establishments. However:

1. Census data suggests that the number of all-student households was already relatively small in Southend (comprising 150 students in 38 households in 2021);
2. If anything, this has likely declined in recent years given the fall in student numbers at the University of Essex Southend Campus, which likely made up most of these student households given the nature of the institution[4];
3. The University of Essex will be closing its Southend Campus, resulting in no future increase in demand for PBSA or student housing from this institution; and
4. There are no currently known plans for another HE provider to replace this, nor any known plans for material growth at the other HE/FE institutions that would impact housing needs.

3.9 As such, this HNA does not specifically consider the future needs of students in Southend. The nature of the HE/FE providers in Southend (those that remain, once University of Essex Southend Campus closes) are those where students are likely to live primarily within existing households (i.e. at home with family, in couples, etc) in which case they have no specific impacts on housing demand, either in PBSA or in all-student households. The households in which they live would form and exist in any event and are already accounted for in any projections.

3.10 Consideration of the potential population and labour supply impacts of the closure are set out in further detail in **Appendix 1**. In summary, there are many unknowns at this stage, and the number of people in question is not likely to be significant in the context of

[1] Latest publicly available data published in 2023 by University of Essex shows student count at Southend Campus in 2017/18 [1,326], 2018/19 [1,238], 2019/20 [1,207], 2020/21 [1,622] and 2021/22 [2,136] https://www.essex.ac.uk/-/media/documents/directories/records-management/information-document-student-numbers.pdf

[2] As reported by BBC News in December 2025 https://www.bbc.co.uk/news/articles/cn5ly77pkn9o

[3] As reported by University of Essex in August 2010 https://www1.essex.ac.uk/news/event.aspx?e_id=2068

[4] Indeed, it is possible it fell to zero (or close to) given there was sufficient capacity at University Square (561) to accommodate the majority of students (c.800) who were enrolled at the time the closure was announced, and assuming some students lived at home or in other types of households.

Southend's overall population, such that it is concluded that the impact of the University's closure does not need to be given specific consideration within the INA overall.

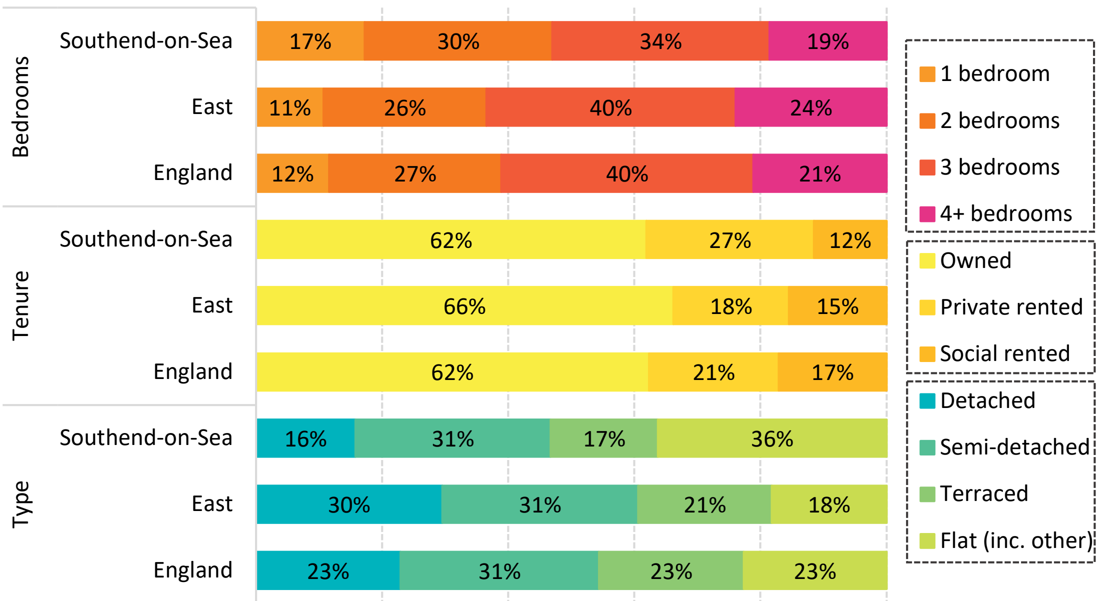
3.11 Should another HE/FE provider become established in Southend, such that the increase in students would have impacts on the housing market (either within PBSA or private households) the Council will need to consider such housing needs and impacts at that time.

Housing Stock

3.12 Southend's housing stock reflects the urban nature of the area, as shown in Figure 3.3. It has a greater proportion of flats and 1-beds compared with wider averages, which is also consistent with the relatively high proportion of single person households in Southend. Consequently, the area has a lower proportion of detached housing compared with wider averages (16% compared with 23-30%), and a lower proportion of 3-beds (34% compared with 40%), although the difference in 4-bed homes is less significant (19% in Southend, which is only slightly lower than the national average of 21%).

3.13 In terms of tenure, private renting is notably more prevalent in Southend than wider averages, again consistent with the prevalence of young single person households. Owner-occupiers are at a similar level in Southend to the national average. The City has a lower amount of affordable rented stock compared with wider averages; 12% compared with 15-17% regionally and nationally.

Figure 3.3 Housing stock by bedrooms, tenure and type - 2021 – Southend, East and England



Source: Census 2021

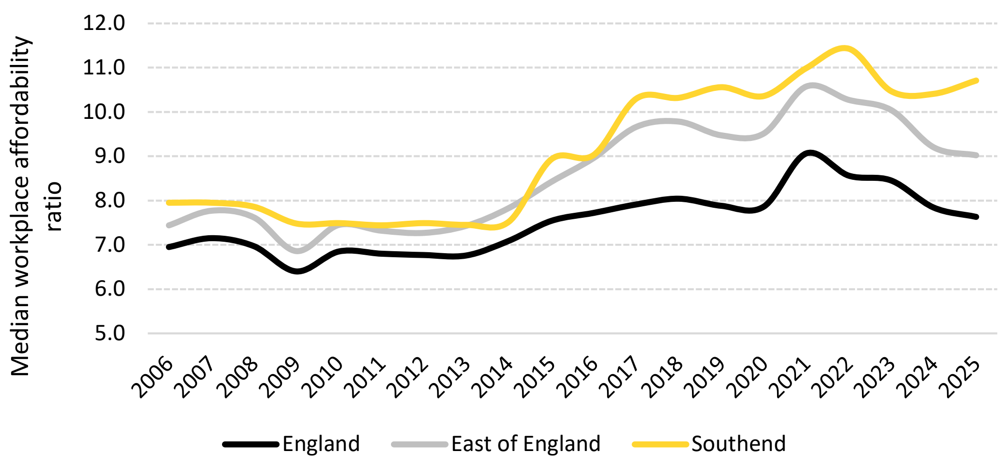
Housing Market

3.14 Figure 3.4 shows the ratio of median house prices to median workplace earnings in Southend and wider comparators over the last 20 years. The use of workplace earnings to assess affordability is in line with guidance on housing needs assessments and ensures that the affordability measure captures the earnings of those who work in an area, i.e. those who will likely need housing there. This means the figures are not skewed in areas where there is out-commuting to higher paid jobs (such as to London, which is the case for many in Southend). In such areas, a relatively lower residence-based affordability ratio (i.e. based on the earnings of people living in an area) may mean affordability appears relatively 'good', when this is not the case for people working locally who may struggle to access housing.

3.15 The residence-based affordability ratio in Southend is currently around 8.2[5] which reflects this market dynamic (and, taken in isolation, would suggest that affordability in Southend is indeed not too far above the national average). Whilst the workplace based ratio is considered more reflective for the context of the affordability challenges within Southend's housing market, it is important to recognise that other elements of this assessment, including the affordable housing need assessment in Section 5.0, does use the household income profile of Southend which is, by definition, influenced by residence-based earnings and fully reflects the role of higher earnings from those who may commute out to locations such as London.

3.16 In line with wider trends, the affordability ratio in Southend peaked in the lead-up to the 2008 financial crisis, before dipping in 2009. The affordability ratio remained fairly stable in all areas throughout the early 2020s before it began to steadily increase again. All areas saw another slight dip in 2020, following the immediate aftermath of the pandemic, before peaking again in 2021 (regionally and nationally) and 2022 (in Southend). Wider trends have been on a steady downward trajectory since, but this has not been seen in Southend.

Figure 3.4 Ratio – median house prices to median workplace earnings – 2005 to 2025 – Southend, East and England



Source: ONS Affordability Ratios

3.17 To understand why affordability in Southend has diverged from wider trends, it is necessary to understand whether this is due to faster growing house prices, slower growing wages, or a combination of both. As of 2025 median house prices in Southend are £340,000, which is lower than the regional average but higher than the national average as shown in Table 3.3. Looking over the last decade, house price growth in Southend has outpaced both regional and national averages however, with median prices increasing by nearly 56% in Southend, compared with 51% regionally and 43% nationally.

[5] In 2025 the ratio was 8.18, and the five-year average to 2025 was 8.57.

3.18 During this time, workplace earnings in Southend had also significantly lagged behind growth seen more widely, with earnings increasing by only around 30%, compared with over 41% regionally and nationally.

3.19 As a result, although Southend was slightly less affordable than wider averages in 2015 (with house prices being just under 9 times earnings compared with 7.5-8.4 nationally) Southend is now markedly less affordable, with prices now at nearly 11 times earnings. This means that in the last decade, the affordability ratio in Southend has worsened by nearly 20%, during a time in which regionally the increase was around 7% and nationally it was broadly stable.

Table 3.3 Housing affordability change (median, workplace earnings) – 2015 to 2025 – Southend, East and England

	Southend-on-Sea				East				England			
	2015	2025	Change	Change (%)	2015	2025	Change	Change (%)	2015	2025	Change	Change (%)
Prices	£218,500	£340,000	£121,500	55.6%	£230,000	£348,000	£118,000	51.3%	£209,950	£300,000	£90,050	42.9%
Earnings	£24,455	£31,748	£7,293	29.8%	£27,300	£38,597	£11,297	41.4%	£27,841	£39,298	£11,457	41.2%
Ratio	**8.9**	**10.7**	**1.8**	**19.9%**	**8.4**	**9.0**	**0.6**	**7.1%**	**7.5**	**7.6**	**0.1**	**1.2%**

Source: ONS Affordability Ratios

3.20 The general worsening of housing affordability in Southend is likely to have knock-on implications for affordable housing demand, which is explored further in Section 5.0.

Summary

3.21 Historic population growth in Southend has generally been below wider averages, although its demographic make-up is broadly similar to wider averages. In line with wider trends, the City has seen ageing amongst its population. Recent trends will be a key indicator of future demographic change in Southend, informing the assessment of future housing needs.

3.22 The presence of a number of higher/further education institutions in Southend mean there are a significant number of students in the City, although the majority are age 16-18 and live at home. The University of Essex Southend Campus (the only HE provider to operate student accommodation in Southend) recently announced its closure, which will result in around 800 students being relocated to Colchester (or elsewhere) as of Summer 2026. As such, specific housing needs of students are not considered as part of this assessment.

3.23 Southend's housing stock reflects the urban nature of the area, with more flats and a smaller housing stock compared with wider averages. Levels of affordable rented housing are low relative to wider averages whilst private renting is more predominant. Housing affordability has been persistently worse than the regional or national average, owing to slow wage growth; this has implications for affordable housing need.

4.0 Overall Housing Need

4.1 National policy is clear that to determine the minimum number of homes needed in an area, strategic policies should be informed by a local housing needs assessment, conducted using the standard method as set out in the PPG. This section therefore sets out the results of the standard method as it currently applies to Southend.

4.2 In the case of Southend, land availability and potential future housing supply is constrained meaning that the Council's evidence currently indicates it will be unable to meet its local housing need in full; this is considered separately in the Housing and Employment Land Availability Assessment and Urban Capacity Study. Notwithstanding, the Council needs to have an understanding of the expected outcomes - in terms of household, population and labour supply change – associated with its likely level of housing growth over the plan period, so that it can plan appropriately for other uses, including social infrastructure, employment and retail. Therefore, this section considers, through demographic modelling, what levels of population and household growth might arise through the likely level of housing growth in Southend. These projections underpin the assessments of affordable housing need, housing mix and the needs of specific groups set out in Sections 5.0, 6.0 and 7.0, as well as informing other aspects of the INA (e.g. around labour supply as part of the economic needs, or around likely household and retail expenditure patterns of the future population as part of the retail needs assessment). It is these core housing and population scenarios that form a common thread across the INA.

Standard Method Housing Need

4.3 The standard method identifies a minimum annual housing need figure and ensures that plan-making is informed by an unconstrained assessment of the number of homes needed, based on housing stock and affordability. The SM is as follows:

1. A baseline using **0.8%** of the existing housing stock for the local authority area. This provides a stable and predictable baseline that ensures all areas, as a minimum, are contributing a share of the national total proportionate to the size of their housing market; and
2. An adjustment based on affordability, to ensure that SM responds to price signals and seeks to ensure housing need addresses the worsening affordability of housing. The method uses the median workplace-based affordability ratio (five-year average) as follows:

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

   In effect, this means that for each **1%** the ratio is above 5, the housing stock baseline should be increased by **0.95%.** An authority with a ratio of 10 will have a 95% increase on its annual housing stock baseline. No adjustment is applied where the ratio is 5 or below.

4.4 Using the standard method, Southend's local housing need is **<u>1,405 homes per annum</u>** as shown in Table 4.1.

Table 4.1 Calculation of local housing need using standard method for Southend-on-Sea

	Element	Figure	Method/Source
Step 1	Baseline	669	0.8% of 83,577 – 2024 stock MHCLG Live Table Dwelling Stock Estimates
Step 2	Affordability Uplift	110.2%	Ratio of 10.8 – 5-year average 2021-25 ONS Median Workplace Affordability Ratios
Outcome	**Local Housing Need**	**1,405**	~

Source: Lichfields analysis of MHCLG/ONS

4.5 The SM does not produce a housing requirement figure, i.e. the figure that will actually be planned for through the Local Plan. As set out in PPG (ID 2a-040), "*once local housing need has been assessed, as set out in this guidance, authorities should then make an assessment of the amount of new homes that can be provided in their area. This should be justified by evidence on land availability, constraints on development and any other relevant matters*." This is particularly relevant in Southend, where constraints on housing land availability and supply mean that the planned housing requirement will not reasonably meet the level of housing need as identified by SM within the Local Planning Authority area.

Understanding Demographic Change

4.6 An understanding of the projected population and household change in an area is needed to inform assessments of the needs of specific groups, as well as other assessments based on future population growth (such as economic growth, retail needs, social infrastructure, etc). Whilst the SM provides the overall housing need figure, it is not linked to any demographic projection (as it is based on stock and affordability, neither of which link to any demographic inputs), nor is there any guidance set out on how plan-makers should derive population projections from the SM.

Official Population Projections

4.7 As a starting point for understanding future household and population, it is helpful to consider Southend's projected change as set out in official projections. ONS National Population Projections and Sub-National Population Projections (NPPs/SNPPs) apply a trend-based approach to project the future population over a 25-year period. Household projections associated with these are also published. They are generally produced every two years, although this can vary around the time Censuses are taken.

4.8 The latest projections are the 2022-based SNPPs, published in 2025 and represent a full (25-year) projection which fully accounts for the findings of the 2021 Census. Within these projections the base population is the 2022 MYEs and assumptions for future births and deaths are generally based on trends from the preceding five years (mid-2018 to mid-2022). Whilst ONS would generally also apply this approach to migration, in the case of the 2022-based projections ONS advises the use of its 'migration category' variant which incorporates migration trends up to 2024, as this better reflected the short-term migration flows which were changing rapidly at the time. This 'migration category' variant is applied throughout this assessment where there are any references to the official projections.

Local Modelling for Southend

Base Date

4.9 Since the 2022-based SNPP has been released, ONS has continued to produce the mid-year population estimates. The latest currently available are for mid-2024, as shown in Section 3.0. These have been considered as part of this HNA.

Projection Period

4.10 The INA considers needs over the plan period which is the 20-year period 2025-45. This means that the starting point (in terms of the population) at the start of the plan period will inevitably be based on a projection of the population in 2025, rather than the 'actual' population, given that the 2025 MYEs are not available at the time of writing. However, for all scenarios, a consistent 2025 starting point is applied.

4.11 It is also noted that as part of housing needs assessments, local authorities are not required to take into account past under-delivery of housing (ID 2a-011), and that they can effectively 'fix' their housing need calculated using the standard method at the time the plan is submitted (ID 2a-008). There would therefore never be a requirement for SCC to identify and address any under-delivery against housing needs that arose in the years prior to 2025.

Methodology

4.12 Local modelling for Southend has been prepared using industry-standard PopGroup demographic modelling software. This applies a cohort-based approach, taking the population at the start of the relevant period and applying assumptions around births, deaths and migration to 'age' the population forward one year. The process is repeated each year of the projection.

4.13 When a population has been derived for each year, the model also applies assumptions around household formation (including an allowance for communal populations) to understand the number of households that would form, and to that applies a dwelling vacancy to project the housing need associated with that population. Similarly, the model applies assumptions around economic activity rates to understand the labour force that is derived from the population, to which assumptions around unemployment and commuting can be applied to estimate the number of jobs supported.

4.14 Scenarios can either be:

1. 'Unconstrained', in which population (and associated) outcomes each year are based solely on underlying demographic trends; or
2. 'Constrained', in which the model can be given a constraint (this could be set change in dwellings, jobs, or total population) and the model will 'adjust' the population each year as required to fit this constraint. This adjustment is made by either constraining or inflating migration levels so that, when combined with the relevant birth and death rates (and household formation in the case of housing, or economic activity in the case of jobs), the desired outcome is achieved.

4.15 **Appendix 2** sets out the modelling assumptions applied to Southend for each scenario, including explanation of the approach to communal populations.

Demographic Projections for Southend

4.16 As published, the 2022-based SNPP/SNHP project growth of 497 households per year in Southend between 2025 and 2045, with a population in 2045 of just under 192,000, as shown in Table 4.2. Allowing for vacancy, this equates to growth equivalent to **516 dwellings per annum (dpa)**.

4.17 As explained in Appendix 2, ONS currently applies a constant number for the communal population for all age groups over the projection period, which is a change from the previous approach where, for over 75s, the proportion was held constant (thus ensuring the number of older people living in care homes rose with the ageing population). For the reasons set out in Appendix 2, we consider ONS's earlier approach to be more robust and appropriate for assessing housing needs; adopting this approach in the official projections results in household growth of 474 per annum, or **492 dpa**. This is because having slightly more older people in communal establishments commensurately reduces the number living in households. All subsequent housing need figures referred to in this report incorporate this assumption around communal population.

4.18 The final adjustment that can be made is to include the 2024 MYEs as the new 'base' population to which projections (around births, deaths and migration) are applied. This can affect the future trajectory in a number of ways, depending on the relative size and composition (age/sex) of the population in 2024 compared with that which was envisaged. This amended starting point can also alter the growth trajectory, compounding in each year. When extrapolated over a long period, e.g. 20 years, relatively small changes in birth/death/migration assumptions compound and result in different projected outcomes, and therefore any projection of change carries some degree of uncertainty, which increases the longer the projection period.

4.19 In the case of Southend, the MYEs suggested the population in 2024 was larger than the 2022-based SNPP envisaged, and when this population forms the base of the projection the growth trajectory is higher than the official projection, reaching just over 200,000 by 2045 and with growth of 670 households each year or **696 dpa**.

Table 4.2 High level outcomes of various demographic scenarios using official projections and estimates

	Assumptions	Annual change 2025-45		Population in 2045
		Households	Dwellings	
2022-based Sub-National Population/Household Projections	n/a (as published)	497	516	191,744
2022-based SNPP/SNHP – communal adjustment	For over 75s the percent living in communal establishments is held constant	474	492	191,744
2022-based SNPP/SNHP – re-based to 2024 MYEs, with communal adjustment	Population at 2024 updated to align with 2024 MYEs. For over 75s the percent living in communal establishments is held constant	670	696	200,210

Source: Lichfields using ONS SNPP/MYEs/Household Projections

4.20 ONS publishes several SNPP variants, which apply different migration assumptions consistent with its national projection. These variants alter the migration trends that are applied and give an idea of the potential variation in an area, or the realistic 'margin of error'. As shown in Table 4.3, these variants show that Southend's population in 2045 could vary – compared with the migration category – from anywhere between +7% (using 10-year migration trends) to -5% (under low international migration), as, equating to a range of between c.183,000-205,000.

Table 4.3 Variation between projected population for Southend in 2045 under ONS variant projections – 2022-based SNPP

	Population in 2045	Variance to preferred
Migrant Category (ONS Preferred)	191,744	-
5-year Migration	194,487	1.4%
10-year Migration	205,520	7.2%
High Int'l Migration	204,106	6.4%
Low Int'l Migration	183,091	-4.5%

Source: ONS 2022-based SNPP. Note: Zero Net Migration variant not shown as this is not considered a realistic scenario; it is a theoretical scenario intended to isolate natural change for specific central government policy purposes.

4.21 Furthermore, these variants do not represent the whole range of potential scenarios, since variants for the SNPP are only produced on the basis of varied migration levels. At a national level, ONS also produces alternative NPPs which adopt slightly higher or lower assumptions about birth and death rates compared with the principal projection. If applied locally, they would further increase the number of variant scenarios and the potential range of those scenarios for a given local authority.

Relationship with housing supply scenarios

4.22 SCC has identified potential housing supply scenarios for Southend ranging from c.9,800 dwellings, based on a working assumption around housing capacity without Green Belt release, to c.14,700 dwellings, based total housing capacity for the City over the plan period (including sites within the Green Belt). These equate to **490 to 735 dwellings per year** on average over the 20-year period. These flow from the potential spatial strategies identified in SCC's Regulation 18 Local Plan and the further work on development capacity within the City that the Council has undertaken since, and are used as benchmarks for how much housing might be delivered within the City over the plan period.

Lower supply (490 dpa)

4.23 As shown above, the latest official projections for Southend indicate a need for 492 dpa. This figure is sufficiently similar to the lower end of the likely supply range (490 dpa), and therefore a scenario based on housing growth of c.490 dpa can be considered as both:

1 The likely outcomes based on **demographic change**, as per the latest official projections, assuming sufficient housing were provided to meet this need (492 dwellings per year); and also

2 The likely outcome based on the potential **planned levels of housing supply**, at the lower end of the range identified by the Council which is equivalent to 490 dwellings per year on average.

Higher supply (735 dpa)

4.24 As also shown above, a 2022-based SNPP scenario which is re-based to 2024 would suggest a higher need of 696 dpa, and a population of 200,000 in 2045. This population is within the range of the variants (4.4% above the migration category variant in 2045), however should be treated with some caution given that:

1 The 2024 MYEs suggest the population of Southend grew significantly between 2022 and 2024 – well above what was envisaged in any of the variants for 2024, and particularly high in the context of recent delivery;

2 It is not possible to know whether this 'bump' in growth will be sustained or whether future estimates will 'moderate' this growth such that growth returns to its original trajectory in due course; and

3 The latest official projections themselves are only c.1 year old at the time of preparing this assessment (having been published in June 2025) and were based on the findings of the 2021 Census, which are generally accepted to be a more accurate account of population than subsequent estimates (with any potential errors in the MYEs being compounded over time until they are corrected at the next Census).

4.25 Furthermore, the 'starting point' for a demographic projection can be a future date for which MYEs are not yet available - as is the case in Southend where the plan period starts in 2025. Therefore, the incorporation of MYEs in years which pre-date the plan period is in some ways academic (particularly given there is no need to account for backlog, as per PPG).

4.26 Notwithstanding, it is notable that this higher demographic-led figure - 696 dpa - is remarkably similar to the higher end of the supply range of 735 dpa. On this basis, a scenario based on housing growth of c.735 dpa can be considered as both:

1 The likely outcomes based on **demographic change**, as per the latest official projections when re-based to 2024 (and assuming this new trajectory is sustained), assuming sufficient housing were provided to meet this need (696 dwellings per year); and also

2 The likely outcome based on the potential **planned levels of housing supply**, at the higher end of the range identified by the Council which is equivalent to 735 dwellings per year on average.

4.27 Therefore the two scenarios modelled are:

- **Scenario 1:** Lower supply-led (**490** dpa); and
- **Scenario 2**: Higher supply-led (**735** dpa).

4.28 These are considered to also represent the realistic range of demographic-led scenarios for Southend, based on the latest official projections (492-696 dpa, depending on whether the 2024 MYEs are incorporated).

4.29 The outcomes of the scenarios – in terms of population and household change – are used to assess affordable housing needs, housing mix and the needs of specific groups in Sections 5.0, 6.0 and 7.0 of this report as appropriate. For clarity they do not represent estimates of the overall Local Housing Need of the City, as determined by the standard method, but these projections seek to consider what the sub-needs of the projected local population would be under such levels of growth (and to be considered as sub-sets of the overall local housing need).

Scenario 1: Lower Supply-led (490 dpa)

4.30 Growth of 490 dwellings per year (9,800 total) is expected to result in overall population growth of 4,900 over the plan period. As noted above, this represents a level of household growth which is broadly in line with the 2022-based household projections (not re-based). Recent trends of ageing will continue, with the number of children and younger working age people declining, and growth in the number of older working age and people of retirement age. However, there is expected to be growth of 4,100 in the labour force, as a result of changes to economic activity rates (particularly the rise in economic activity expected amongst those approaching retirement age, as a result of planned increases in state pension age). This would be expected to support 3,900 jobs, taking into account unemployment and commuting patterns. These outputs are shown in Table 4.4.

Table 4.4 Scenario 1 Outputs - Southend

Indicator		Change – 2025-45	
		Total	Annual
Total population		4,908	245
Population by age	0-17	-7,189	-359
	18-44	-2,076	-104
	45-64	1,862	93
	65+	12,311	616
Housing	Households	9,433	472
	Dwellings	**9,800**	**490**
Economy	Labour Force	4,116	206
	Jobs	3,879	194

Source: Lichfields using PopGroup

Scenario 2: Higher Supply-led (735 dpa)

4.31 Based on housing supply of 735 dwellings per year, this would be expected to support overall population growth of 16,400. As noted above, this represents a level of growth which is broadly in line with the 2022-based household projections if they were re-based to 2024 and remained on that trajectory to 2045. With this higher level of population growth the extent of projected ageing would be moderated; there would be a lesser decline in the number of children, and the number of younger working age people would increase (rather than decline, under Scenario 1). The consequent increase in the labour force is 11,200, with 9,400 jobs supported. This is shown in Table 4.5.

Table 4.5 Scenario 2 Outputs - Southend

Indicator		Change – 2025-45	
		Total	Annual
Total population		16,400	820
Population by age	0-17	-4,634	-232
	18-44	2,956	148
	45-64	4,467	223
	65+	13,611	681
Housing	Households	14,149	707
	Dwellings	**14,700**	**735**
Economy	Labour Force	11,184	559
	Jobs	9,442	472

Source: Lichfields using PopGroup. *Dwellings represents an input for this scenario; all outcomes (population change, labour force/job change) are dictated by dwelling growth.

Summary

4.32 Local housing need in Southend, calculated in line with the standard method set out in national policy, is **1,405 homes per annum**.

4.33 For the purposes of this INA, future growth in Southend is based on two supply-led scenarios; these scenarios are indicative of the actual level of housing likely to be delivered in Southend over the plan period, and the demographic outcomes associated with them (which in turn form the basis of planning for other uses, such as employment, retail and social infrastructure). These scenarios are 490 and 735 dpa, equivalent to 9,800 and 14,700 homes over the plan period.

4.34 The headline outputs associated with Scenarios 1 and 2 over the plan period are shown in Table 4.6 and Figure 4.1. These show that the lower level of housing provision (aligning with the latest official projections) would support future population growth in Southend, as well as growth in the labour force and number of jobs supported. A higher level of housing growth is directly correlated with higher overall population growth (in particular, disproportionately higher growth amongst younger people, as a result of in-migration) as well as more jobs being supported.

4.35 The outcomes of these scenarios, including detailed population by age and household projections by age/type, form the basis for the assessment of needs of specific groups in Sections 5.0, 6.0 and 7.0 of this HNA and for the other relevant elements of the INA. This ensures that the evidence base for Southend is fully integrated and presents a consistent picture of likely future demographic and economic change arising from the planned levels of housing growth. This also ensures consistency with other needs assessments driven by demographic change, such as the need for social infrastructure and retail uses.

Table 4.6 Summary of overall change for key indicators - 2025-45 – Scenarios 1 and 2, including difference

	Scenario 1: Lower Supply-led (490 dpa)	Scenario 2: Higher Supply-led (735 dpa)	Difference
Population	4,908	16,400	+11,492
Dwellings	9,800	14,700	+4,900
Labour Force	4,116	11,184	+7,068
Jobs	3,879	9,442	+5,563

Source: Lichfields using PopGroup

Figure 4.1 Summary of overall change for key indicators - 2025-45 – Scenarios 1 and 2

Source: Lichfields using PopGroup

Relationship with Standard Method

4.36 It is acknowledged that the standard method currently set out in national guidance indicates that Southend's local housing need is 1,405 homes per annum. This is an unconstrained starting point used as the starting point in plan-making, and any needs that cannot be accommodated against this will form the basis of the Council's discussions with its surrounding authorities on unmet housing needs.

4.37 However, the standard method does not produce a housing requirement figure, and guidance confirms that local authorities will need to assess the amount of new homes that can be provided, taking into account land availability, constraints and any other relevant matters. In Southend, constraints on housing land availability and supply (as identified elsewhere within the evidence base) mean that the plan is identified to not be able to meet the level of housing need as identified by the standard method. What this assessment shows, however, is that the level of supply that the Council has notionally been able to identify (between 490 and 735 per annum) would be sufficient to meet the needs associated with demographic change in Southend, as indicated by the most recent official population projections. This is particularly the case for the higher of the supply scenarios, which may provide some headroom for household growth above the latest official projections.

4.38 These supply-led projections also provide helpful information on associated demographic change that would arise from a given level of housing growth within the City, assisting the Council with considering the implications of that population change for factors such as infrastructure needs, labour supply change, or population-led demand effects for shops and services.

5.0 Affordable Housing Needs

5.1 This assessment of affordable housing needs provides an estimate of the number of households whose housing needs will not be met in the market and therefore they either currently require, or will in the future require, affordable housing. It looks at the cost of housing and households' ability to meet those costs, arriving at an estimate of the need for different types of affordable housing. The affordable housing need can then be seen in the context of overall Local Housing Need and, alongside evidence on viability and any other relevant factors, can be used to inform affordable housing planning policies.

Affordable Housing Need Context

House Prices

5.2 Lower quartile house prices indicate the price of housing at the 'entry-level' of the market[6], i.e. the price of housing in the bottom 25%. Table 5.1 shows that lower quartile prices in Southend-on-Sea are currently just over £245,000, and have been at this level since 2024. The lower quartile price for the last three years is just under £244,000 whilst the average for the last five years is slightly lower at £241,000.

Table 5.1 Lower Quartile House Prices (year ending March)

	2021	2022	2023	2024	2025	5 year ave.	3 year ave.
Southend	£237,125	£235,000	£240,750	£245,092	**£245,092**	£240,612	£243,645

Source: ONS House Price Statistics. NB: Data refers to year ending March, which is the most up-to-date lower quartile price data at the time of writing. This differs slightly to the house prices informing the affordability which uses prices in the year ending September (and which is now only produced for median, not lower quartile prices).

5.3 For the purposes of this assessment, we adopt an entry-level price of **£245,092** which is representative of actual house prices in Southend since 2024.

Rents

5.4 The most recent ONS monthly rental figures relate to January 2026 and suggest that for Southend-on-Sea the *average* rental price for a property is currently £1,275, as shown in Table 5.2. In March 2025 (i.e. aligning with the most recent house price data, shown above) the average price was £1,210.

5.5 Historically, ONS has also produced rental statistics by local authority (including lower quartile, median and upper quartile prices by housing size [1-4 beds and total]), however the last dataset for this relates to the year ending September 2023 and it is no longer produced. This shows lower quartile rents in Southend at that time were **78%** of mean rents. If it is assumed that lower quartile rents have remained at this ratio to the mean since 2023 (i.e. around 22% lower), this would imply lower quartile private rents in Southend are currently £993 per month.

5.6 Using the data for March 2025 (to align with house prices) the figure would be £942, as shown in Table 5.2, equating to **£11,307 per annum**. This figure is used as the basis for

[6] This is prescribed in the Planning Practice Guidance at PPG ID: 2a-021-20190220 whereby it states in identifying future need: *"This process will need to identify the minimum household income required to access lower quartile (entry level) market housing… It can then assess what proportion of newly-forming households will be unable to access market housing."*

this assessment for consistency with the house price data used (and aligning with the base date of the needs assessment), however given the data shows prices have continued to increase the affordable housing needs figure is likely to be a conservative (or minimum) estimate of need.

Table 5.2 Monthly mean and lower quartile (implied) rental prices in Southend

	March 2025 – aligning with prices	January 2026 – most recent
Mean	£1,210	£1,275
Lower Quartile (implied)	£942	£993

Source: ONS Price Index of Private Rents, UK: monthly price statistics and ONS Private Rental Market Statistics Summary

5.7 In line with the planning practice guidance, the assessment assumes that any household unable to afford to meet that 'entry-level' market rent, would fall within affordable housing need. Therefore, the assessment of need is agnostic of what 'affordable housing' would be provided to meet the needs of households falling below that 'entry-level' affordability threshold; it may be that they meet their needs via Affordable Rent or Social Rent products (with any housing benefits due available to cover any further shortfall between household income and such rental levels for those different types of affordable homes).

Income Profile

5.8 To understand how affordable local housing is to local residents, the assessment requires an understanding of local household incomes[7]. The latest household income profile for Southend has been obtained from Experian, as shown in Figure 5.1, and this shows that the lower quartile household income (across all households) for Southend is just under £25,400[8]. The median income is just under £41,000.

5.9 The PPG sets out clearly that the affordability of housing for **newly-forming** households must be considered foremost, as it is these households that will most likely fall into housing need if their housing requirements are not met in the market. The income distribution of newly-forming households is different from all households, reflecting their lesser incomes compared to the average[9]. This means that a greater proportion of newly-forming households are unable to access market housing than households overall, and is also shown in Figure 5.1. Based on newly-forming households having an income around 8% below the

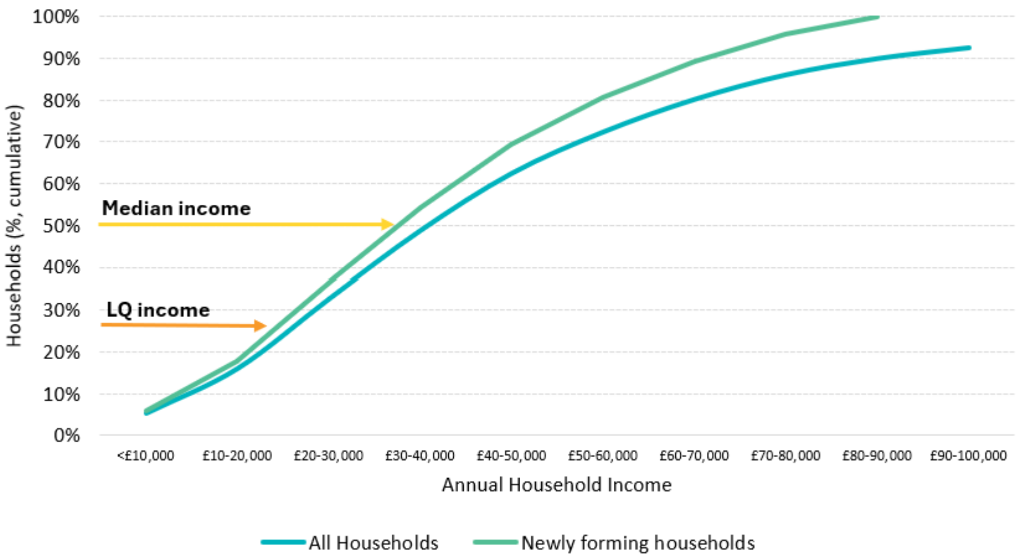
[7] This income profile reflects the earnings of those who live in Southend, not necessarily those who work in Southend but currently live elsewhere, and therefore it may be skewed in favour of higher earning out-commuters. Therefore the assessment should be considered as a minimum.

[8] As the income profile includes incomes from all sources, it includes any housing benefits received, including Local Housing Allowance which currently supports those living in the private rented sector to be able to afford housing, and therefore the modelling assumes this dynamic will continue. The private rented sector does not meet the NPPF definition of affordable housing, however it is not possible to accurately determine what the household income profile would be without LHA. For this reason, the affordable housing need assessment should be regarded as a minimum, because if the private rented sector (supported by LHA) no longer had a role in meeting affordable housing need, this would increase the amount of affordable housing need. However, it would also be reasonable to assume that LHA creates some inflationary effects in the private rented sector, and that reduced demand (e.g. if LHA were no longer available) might bring down local rents, thus somewhat rebalancing the market to make rents more affordable. It is difficult to isolate these effects and fully consider their impact on the affordable housing need assessment. In any event, the LHA rates for Southend as of 2025/26 for shared accommodation [£406/month], 1-beds [£680] and 2-beds [£875] are lower than the lower-quartile rent used in this report, and thus any households in need of a 2-bed dwelling or less will be included in this assessment of affordable housing need in any event. The potential role of LHA in supporting affordable housing needs therefore only affects those in need of homes with 3- beds [£1,100/month] or 4+ beds [£1,350/month] where LHA rates are above the benchmark.

[9] English Housing Survey 2015-16: housing costs and affordability - Annex Table 2.1: Mean and median income, 2015-16. HRP aged 16-34 have an average weekly income of £718 per week compared to £780 per week for all households, meaning younger newly forming households earn 92% of the 'all households' amount

overall average, the implied lower quartile annual income of newly-forming households in Southend would therefore be **£23,342**. This household income profile is taken forward for the purposes of the affordable housing needs assessment.

Figure 5.1 Household income profile – Southend – all households and newly-forming households



Source: Lichfields based on Experian and EHS

Housing Affordability

5.10 To undertake an assessment of affordable housing need it is necessary to determine how much of a household's income can be spent on housing (either to rent or to buy) before that housing becomes 'unaffordable' (i.e. that household becoming in need of affordable housing). There is no general consensus of what affordability thresholds should be used within the PPG, however a range of background research is included at **Appendix 3** of this report which has informed the thresholds applied in this assessment.

5.11 In summary, this research suggests the following assumptions are justified and reasonable:

- Households in the **private rented** sector can be expected to spend up to **32%** of their income on rent; and
- For **owner-occupiers**, households require a **15%** deposit and can secure a home of up to **4.5x** their annual income.

5.12 Based on the various costs of renting and buying identified above, this implies that a household in Southend requires an annual income of just over **£35,000 to rent** in the private market and just over **£46,000 to buy**, as shown in Table 5.3.

Table 5.3 Income thresholds for entry level market housing in Southend

Housing	Cost	Assumption	Income required
LQ Rent	£11,307 per annum	32% income spent on rent	**£35,335**
LQ Purchase	£245,092	15% deposit, 4.5x mortgage	**£46,295**

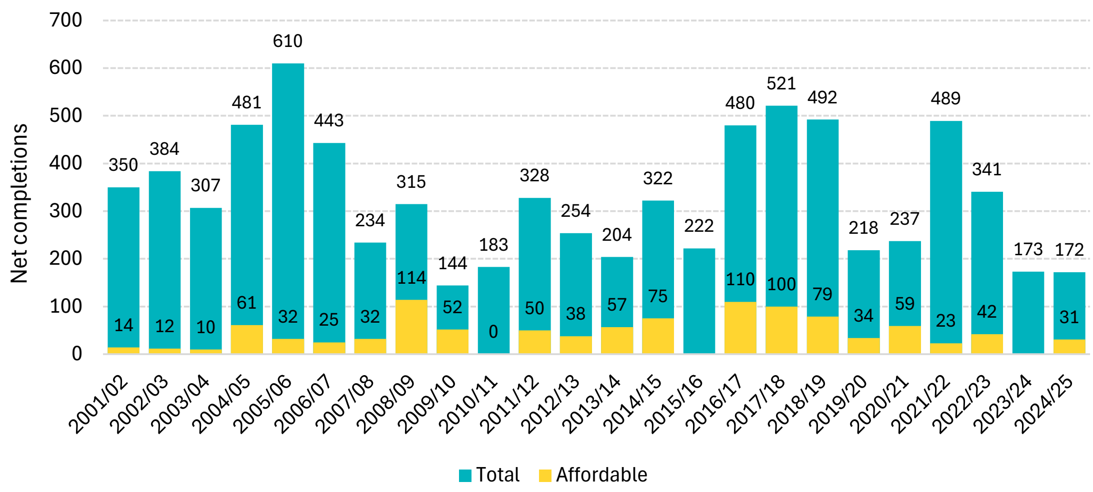
Source: Lichfields analysis of SHMA Guidance, CML, English Housing Survey, HM Land Registry, ONS

Delivery Trends

5.13 Figure 5.2 shows total net housing completions and affordable completions for Southend since 2001/02. Across this period affordable housing completions have totalled 1,050, averaging 44 per annum and representing 13% of overall delivery.

5.14 Trends in affordable housing delivery picked up in the late 2010s, with affordable delivery exceeding 100 per annum, although they have fallen since. Over the last 5 years 155 affordable homes have been delivered representing 11% of all homes delivered; over the last 10 years 478 have been delivered representing 14% of all delivery.

Figure 5.2 Total Net Completions and Affordable Completions – Southend – 2001/02 to 2024/25



Source: Southend-on-Sea City Council

Assessment of Affordable Rented Need

Step 1: Current Housing Need

5.15 Current housing need can be calculated by assessing past trends and current estimates of:

- the number of homeless households;
- the number of those in priority need who are currently housed in temporary accommodation;
- the number of households in overcrowded housing;
- the number of concealed households;
- the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and,
- the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.

5.16 Although potentially not including all households in need of housing, the housing waiting list is the starting point for estimating what the need and demand for affordable housing is. In the case of Southend, the housing waiting list bands have criteria as follows:

- **Emergency** – rare/exceptional cases where a move is needed to ensure the applicant's immediate safety/welfare and remaining in their current accommodation would cause risk of death or injury (may be directly let to);
- **One suitable offer (full duty)** – a homeless household the Council has been unsuccessful in housing whilst under the homelessness prevention and/or other homeless relief duties, and has subsequently been found to be owed the full/main homelessness duty (they cannot bid but are eligible for one offer in the private or social sector);
- **Band A -** fleeing domestic abuse, urgent medical/welfare need, urgent disrepair/property condition, overcrowded (lacking 3 bedrooms), care or supported housing leaver ready to move/live independently or living with spare rooms or adapted home and willing to downsize/move);
- **Band B -** at risk of homelessness within 56 days (owed Homelessness Prevention Duty), homeless (owed duty), homeless and non-priority (e.g. single people/couples without children or medical needs), overcrowded (lacking 2 bedrooms) or with 3+ Band C criteria;
- **Band C -** medical/welfare need, disrepair, overcrowded (lacking 1 bedroom), need to move to give/receive support not otherwise available, low income household spending over 1/3 of income on rent, accepted private rented offer whilst being assisted under homeless prevention/relief duty and former relevant child; and
- **Band D -** housing need but no local connection, a homeless household that has refused a suitable offer of accommodation or found 'intentionally homeless', or homeless/at risk of homelessness but refusing to engage.

5.17 Therefore, it is considered that the components of affordable housing need including those in need and within a reasonable preference group for affordable housing (e.g. homeless households and overcrowded households), currently concealed households and other groups in need, are represented by those identified on the waiting list as a best available proxy.

5.18 According to the Council there are (as of November 2025) 1,439 households on the Housing Register. Need by band is shown in Table 5.4; for the purposes of this assessment Bands A-C are included in the assessment of 'current need', comprising 1,302 households.

Table 5.4 Housing Register at November 2025

	Emergency	One suitable offer (full duty)	Band A	Band B	Band C	Band D	**Total**
1 bed		33	112	94	207	81	**527**
2 bed		136	38	46	244	39	**503**
3 bed	1	85	9	29	220	14	**358**
4 bed		9	3	18	11	3	**44**
5 bed +		2		5			**7**
Total	**1**	**265**	**162**	**192**	**682**	**137**	**1,439**

Source: Southend-on-Sea Council

5.19 The Council has also provided information on affordable housing need (current) by bedroom and mobility need; these are considered further in Sections 6.0 and 7.0.

5.20 These figures only include those people who have applied for and are eligible for social or affordable rent housing in accordance with the Council's Housing Allocation Policy. It does not include households who are seeking and eligible for intermediate affordable housing tenures (e.g. shared ownership) or other forms of affordable home ownership.

Step 2: Future Need

5.21 Future housing need is split into two components:

1 The proportion of newly-forming households unable to buy or rent; and

2 An estimate of the number of existing households falling into need.

5.22 For the purposes of this affordable/social rented analysis for Southend, we have focused on those newly-forming households unable to rent, with the separate calculation on intermediate housing to purchase analysed in a subsequent section of this report.

Step 2.1: Newly-forming households

5.23 The PPG recommends that gross household formation should be used as the measure of newly-forming households, as opposed to net household growth which takes into account household dissolution. This is required to ensure that household dissolution is not double-counted in the calculation, once as a net loss of households and potentially again as a re-let of the house they may have occupied. However, gross household formation is typically much higher than net rates and may represent an overestimate of the number of households seeking new housing in each year. This is limited to households forming who are under the age of 45, which is consistent with the former 2007 SHMA Guidance (Annex B) which notes that after 45 years of age, household formation rates 'plateau'.

5.24 For the purposes of considering future newly-forming households, the modelling underpinning Scenario 1 has been used (using ONS Stage 1 household projections by 5 year age group). This generates a figure of 1,483 households per year, gross (under 45).

Step 2.2: Those unable to rent or buy

5.25 Based on the housing costs to rent and buy, and affordability assumptions detailed earlier in this section, households in Southend require incomes required in Southend shown in Table 5.3. As set out above, drawing upon the review of current house prices and private rental values, lower quartile prices for a house (price paid by local authority year ending September 2024 and equal to £105,000) and a rental property (£487 per month) have been used as an indicator of the entry price to market housing. Such homes are available within the City and such values are relatively typical of smaller properties on the market, ideal for newly-forming households seeking to move into a first property.

5.26 The income distribution of newly-forming households is different from total households, reflecting their lesser incomes compared to the average[10]. This means that a greater

[10] English Housing Survey 2015 to 2016: housing costs and affordability - Annex Table 2.1: Mean and median income, 2015-16. HRP aged 16-34 have an average weekly income of £718 per week compared to £780 per week for all households, meaning younger newly-forming households earn 92% of the 'all households' amount

proportion of newly-forming households are unable to access market housing than households overall. The PPG is clear that affordability of housing for newly-forming households must be considered foremost, as it is these households that will most likely fall into housing need if their housing requirements are not met in the market.

5.27 Based on the income profile of newly forming households shown earlier the percentage unable to afford to rent is **46.3%.**

5.28 A further **16.6%** are estimated to be unable to afford to buy (these households represent a need for private rented housing or affordable home ownership, where that is their aspiration); these are considered separately at the end of this section.

Step 2.3: Existing households falling into need

5.29 The number of existing households falling into need annually is estimated using CORE (Continuous Recording) data for the number of households who move house each year (whose were previously in private sector tenures). On average over the last four years 73 households per year have moved from private sector tenancies into affordable housing in Southend.

5.30 The components of the future affordable housing need for Southend are summarised in Table 5.5.

Table 5.5 Estimate of future annual affordable housing need (rented) for Southend (per annum)

Step	Component	Figure		Source
Step 2.1	Newly forming households (gross)	1,483 pa		Lichfields modelling using PopGroup – Scenario 1
Step 2.2	Unable to rent in the market	46.3%	686	Based on income data (Experian) and housing costs (ONS)
Step 2.3	Existing households falling into need	73 pa		CORE (2012/22 to 2024/25 average)
Estimate of future affordable housing need (pa)		**824**		**(Step 2.1 * Step 2.2) + Step 2.3**

Source: Various

Step 3: Affordable Housing Supply

Current Affordable Housing Stock (Steps 3.1 to 3.5)

5.31 The PPG sets out the current components of housing stock used to accommodate current households in affordable housing need as well as future supply:

- **Step 3.1** the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need; plus
- **Step 3.2** suitable surplus stock (vacant properties); plus
- **Step 3.3** the committed supply of new net affordable homes at the point of the assessment (number and size); less
- **Step 3.4** units to be taken out of management (demolition or replacement).

Step 3.1: Affordable homes occupied by households in need

5.32 The Council's figures show that **254** of the households on its waiting list are currently occupiers of affordable housing. Their transfer would result in their existing home becoming available for someone else in need. Thus, these households do not contribute to the net requirement for affordable housing and in turn when these households move, this does not contribute to net supply.

5.33 Notwithstanding, those households do still have a requirement for the right type of affordable housing to become available to meet their needs. If an appropriate unit does not become available (e.g. due to shortage of supply of a specific type or size of unit) then these households will remain in need, despite not contributing to a net need requirement. New affordable housing provision provides the opportunity to focus on the size/type of provision to balance affordable housing mix to help address this.

Step 3.2: Surplus stock

5.34 A certain level of voids is normal and allow for transfers and works to properties. The former SHMA Guidance (page 48) noted that a social housing vacancy rate in excess of 3% (and properties which are vacant for considerable periods of time), should be counted as surplus stock.

5.35 MHCLG data[11] indicates an affordable housing vacancy level of just 1.48% in Southend in 2025, with 146 vacant social properties. Of these, 15 were 'Private Registered Provider Vacants Not Available for Lettings', i.e. they are not available for immediate letting, often because they are awaiting essential repairs. Once made available, assuming these were occupied, this would result in an even lower vacancy rate of just 1.33% which is well below the 3% rate recommended by the former SHMA guidance. On this basis a surplus stock rate of zero has been included within the model.

Step 3.3: Committed supply of new affordable housing

5.36 For the purposes of this assessment, committed supply of new affordable housing has not been included. This to ensure that future supply is not double counted (once within the assessment of need itself, and again when that need assessment is compared with future supply).

Step 3.4: Units to be taken out of management

5.37 The Council has confirmed that no specific council house losses were on the horizon at the time of writing, hence a figure of zero has been incorporated into the model. Whilst there is planned major regeneration as part of the Better Queensway masterplan, which will result in existing tower blocks being demolished and units taken out of management, these are to be replaced as part of the scheme, ensuring no net loss of affordable housing overall.

Step 3.5: Future Supply

5.38 The final part of the calculation relates to an analysis of the level of likely future affordable housing supply coming forward, which considers future annual supply of social housing re-

[11] Live Table 100 (Dwelling Stock) and Live Table 615 (Vacant Dwellings)

lets, calculated based on past trends (using a four-year average for 2021/22 to 2024/25 from CORE data). This only includes those re-lets that would lead to a net gain in the stock, i.e. where the tenant previously abandoned the property, moved into a care home/long-term hospital stay or moved into the private sector; conversely it excludes first lets, internal transfers (or those moving to other housing providers) and tenancy renewals. This show that on average over the last four years in Southend there have been **133** re-lets per year.

Affordable Rented Need Summary

5.39 Table 5.6 shows that estimated future affordable housing need in Southend is **678 per annum** over the plan period. The significant level of affordable housing need relative to the measure of overall need (1,405 per annum under the standard method) suggests that the Council should seek to maximise affordable housing delivery, subject to viability.

5.40 The importance of addressing as much affordable housing need as possible will also be key to support the Corporate Plan objective of achieving a good quality of life for all, of which providing quality affordable and safe homes for all residents is a fundamental aspect.

Table 5.6 Affordable (rented) housing need calculation – Southend-on-Sea

Step	Component	Figure	Source
Step 1: Current Need			
1.1	Emergency	1	SCC data
	Full Duty	265	
	Bands A to C	1,036	
1.2	Total current need (gross) – 1.1	1,302	
1.3	Total need (annual) – 1.1 / 20 years	65	
Step 2: Future Need			
2.1	Newly forming households (annual, gross)	1,483	Lichfields using PopGroup
2.2	Those unable to rent	46.3%/686	Lichfields using Experian/ONS
2.3	Existing household falling into need (annual)	73	CORE
2.4	Total newly arising need (annual)	824	
Step 3: Affordable Housing Supply			
3.1	Affordable homes occupied by those in need	254	SCC data
3.2	Surplus stock	0	Live Table 100/615
3.3	Committed supply	0	SCC data
3.4	Units to be taken out of management	0	SCC data
3.5	Future supply re-lets (annual)	133	CORE
3.6	Total supply (annual)	164	3.1-3.4 annualised, plus 3.5
Net Annual Need		**678**	**1.3 + 2.4 -3.6**

Source: Lichfields/various

Housing need priority – affordable rented need overall clearly represents a substantial proportion of overall housing need in Southend, reflecting poor affordability and high rates of household formation. The Council should seek to maximise the delivery of affordable rented housing overall (subject to viability) to address the acute need for affordable housing. This also aligns with the priorities of the Corporate Plan and Housing Strategy.

Social Rent

5.41 National policy and guidance refers specifically to understanding the need for Social Rent as an important part of housing needs. On the assumption that Affordable Rent levels are set at no more than 80% of equivalent market rents, it can be assumed that any household unable to afford this rent will be in need of Social Rent housing.

5.42 On the basis of the average market rents shown above, it can be estimated that equivalent Affordable Rent will be 20% below these, i.e. £9,046 per year for Southend. Households would require a household income of £28,278 per year to afford this; based on the income profile for Southend (adjusted for newly forming households) an estimated 33.9% of all households in Southend would therefore be in need of Social Rent, i.e. are unable to afford Affordable Rents, which are 80% of market rents. As a percentage of all households in need of affordable rented housing (46.3%), **Social Rent therefore represents 73% of need – 497 per annum**.

5.43 Whilst high, this is to be expected in a market where such a high proportion of households are unable to afford housing overall, as in Southend. However, for households who fall into need for any type of affordable rented housing (whether Affordable Rent or Social Rent) it would be reasonable to assume that their needs would be met by any form of affordable rented housing, because they would be provided with the necessary top-ups to their housing benefit (or universal credit) to enable them to live in affordable housing, taking into account their needs and income. For this reason, it is not strictly necessary that the amount of Social Rented housing that is provided on sites, or that is set by planning policy, is strictly reflective of the need (as identified above).

5.44 Ultimately, the proportion of affordable housing that is Social Rented on any site will necessarily be subject to viability, taking into account any grant funding availability. The Council will need to reach a judgment about what impact a high proportion of Social Rent may have on the overall proportion of affordable housing, given there is likely to be a trade-off. Given the high overall need, the Council should seek to maximise the overall amount of affordable housing for rent provided, subject to viability.

Housing need priority - the Council should seek to maximise the delivery of affordable housing for rent overall, given the overall scale of need. Where viable, and where grant funding allows, the Council should consider where Social Rent can be delivered as part of this, but this should not be at the expense of affordable housing overall.

Assessment of Intermediate Need

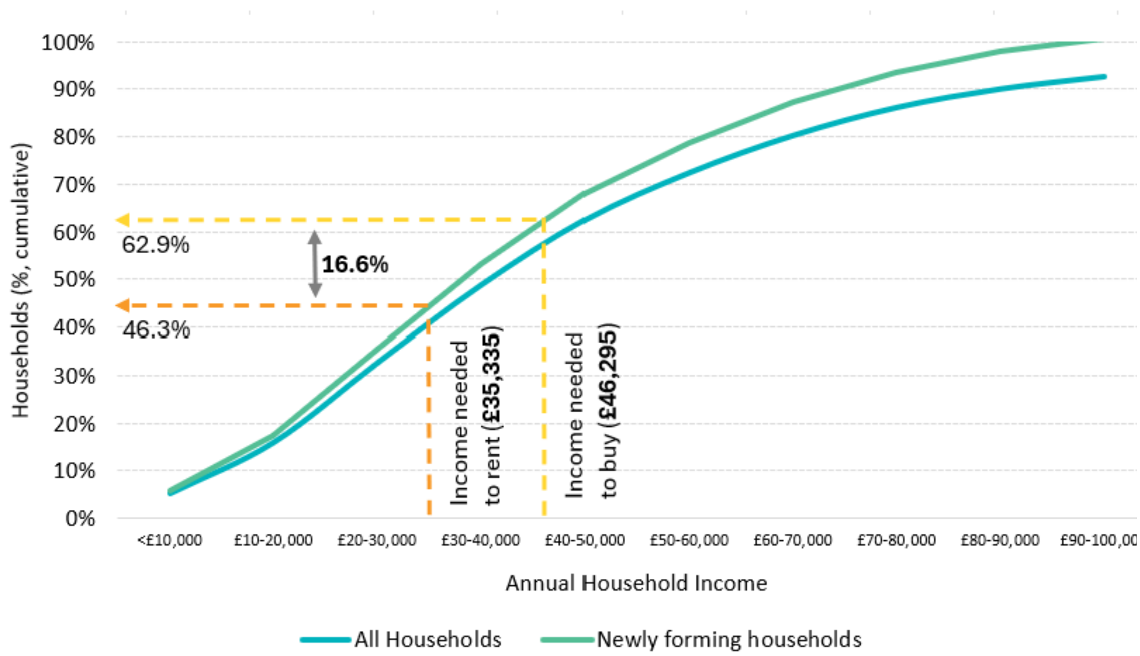
Context

5.45 The PPG states that the affordable housing need assessment should include an estimate of those that cannot afford their own home to rent or to own their home where that is their aspiration. This means affordable housing need must assess the number of households who can currently afford to rent privately, but who nevertheless aspire to own their own home (which could include intermediate affordable home ownership products, like shared ownership, discount market housing, and other forms of affordable ownership set out in the NPPF).

5.46 The affordable housing need context set out earlier in this section has already established that with entry-level house prices of just over £245,000, households in Southend require a total income of just over £46,000 to buy in the market. Given households with an income of below £35,335 are included in the assessment of affordable rented need (set out above), households with incomes of between £35,335 and £46,295 represent the households who are potentially in need of affordable home ownership options.

5.47 Looking at the household income profile of Southend (and as with the affordable rented need assessment, focusing on newly forming households), this suggests that **16.6%** of newly forming households are fall within this income range. This is shown in Figure 5.3.

Figure 5.3 Illustration of household profile showing those unable to afford to rent or buy in the market (all and newly forming households)



Source: Lichfields based on Experian and EHS/ONS

5.48 For some households within this group, the private rented sector will represent an appropriate and desirable form of tenure to meet their housing needs (e.g. those who need flexibility for work or other reasons, those who do not yet aspire to own due to saving for a house deposit or having other priorities, or simply not wanting to buy). Individuals may also have different tenure preferences. The English Housing Survey[12] (EHS) shows that 59.5% of private renters expect to buy at some point in the future and 40.5% do not. Of those who do not expect to buy, 68.2% cited 'unlikely to be able to afford it' as the main reason.

Delivery Trends

5.49 At the time of the 2011 Census there were just over 300 households in shared ownership housing in Southend; by 2021 there were just over 500 as shown in Table 5.8. This represents an increase of just under 200 shared ownership homes over the decade, or 20 per annum on average.

Table 5.7 Change in Shared Ownership (Households) – Southend – 2011 to 2021

	2011	2021	Change
Shared Ownership	306	503	197 (20pa)

Source: Census 2011/21

Projected Need

5.50 Under Scenario 1 there are projected to be just under 80,500 households in Southend in 2021, rising to just under 89,900 by 2045 as shown in Table 5.8[13]. If 16.6% of all households are unable to afford to buy, this equates to just over 13,300 households in 2025 rising to just over 14,900 in 2045.

5.51 If affordability were not a barrier to home ownership, then based on the EHS it is estimated that approximately 4,100 additional households in Southend would have purchased a home by 2045 than would have otherwise been the case.

5.52 There are currently just over 500 units of shared ownership housing in Southend contributing to meeting this need. This currently forms the main tenure of intermediate housing, although there may also be some limited contribution from other tenures, such as discount market sale housing, which may become more prevalent over time.

5.53 On the basis that by 2045 an estimated 4,121 households would aspire to own if affordable home ownership options were available, and netting off the existing supply of intermediate housing, there would be a residual net need in 2045 of 3,618 as shown in Table 5.7. This represents **a need for 181 affordable home ownership units per annum**. Applying this to Scenario 2 would suggest a need for **192 affordable home ownership units per annum**.

[12] English Housing Survey 2019/20 Buying Expectations of social and private renters

[13] For consistency with the affordable rented needs assessment Stage 1 projections have also been used.

Table 5.8 Estimate of total affordable home ownership need – Southend (net basis)

	Scenario 1		Scenario 2	
	2025	2045	2025	2045
Total households	80,425	89,858	80,425	94,574
Able to rent/unable to buy	16.6%			
Number unable to buy	13,353	14,919	13,353	15,702
EHS - Renters expecting to buy	59.5%			
EHS - Renters NOT expecting to buy	40.5%			
Not expecting to buy, affordability reasons	68.2%			
Additional buyers if affordability barriers removed	27.6%			
	3,688	4,121	3,688	4,337
Current Shared Ownership Stock	503			
Total net need	3,185	3,618	3,185	3,834
Annualised need (assuming all met by 2045)	**~**	**181**	**~**	**192**

Source: Lichfields based on PopGroup analysis, English Housing Survey, Census and Experian

5.54 The need for affordable home ownership should be closely monitored given that it is particularly sensitive to local affordability indicators (earnings, rents, house prices), wider macroeconomic factors (interest rates, mortgage lending), as well as changing social and personal preferences.

5.55 Provision of intermediate housing will also need to ensure a sufficient choice of products, accounting for the different income and deposit requirements, to meet the variety of needs. Options such as rent-to-buy and shared ownership offer a route to ownership for those with little/no deposit and relatively lower income requirements, although may be associated with other costs such as service charges. At the other end of the scale, discount market housing offers a route to ownership which is most akin to 'true' home ownership (and thus may be more desirable for some households), but requires a greater deposit and potentially income requirement compared with the aforementioned tenures.

6.0 Housing Mix

6.1 This section establishes an appropriate mix in terms of size (number of bedrooms) for affordable and market housing for Southend, having regard to relevant context including the housing waiting list, occupancy patterns and future indicators of need.

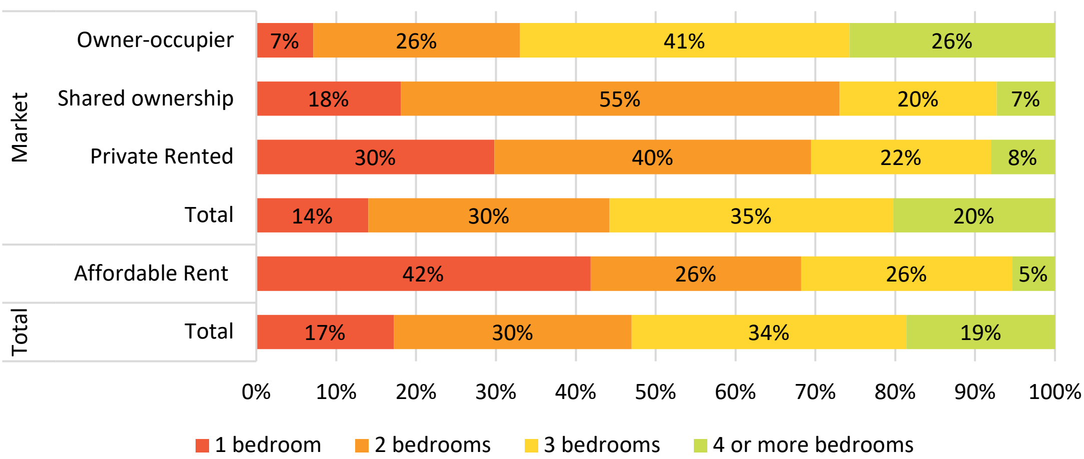
Context

Housing Stock by Tenure

6.2 Figure 6.1 shows the variation in housing stock by tenure, which is important context when considering occupancy patterns by household types within different tenures. As expected, the affordable rented stock is the smallest, with two-thirds of housing being 1-2 beds. Owner-occupiers occupy the largest housing, with two-thirds being 3-4 beds. For shared ownership and private renters the size of housing sits somewhere in between, significantly skewed towards 2-beds.

6.3 For renters, this is likely to reflect the fact that renting households are generally younger and more likely to be single people or couples, needing to rent smaller housing that is affordable to them. Those in shared ownership are likely to have characteristics more similar to those in private rented housing than owner-occupiers, particularly as they will be of similar incomes (i.e. ineligible for affordable rent but unable to buy). They will require intermediate housing for affordability reasons, thus limiting most households to at most a 2-bed dwelling which offers sufficient space for a single person, couple or family with one child (or two children, depending on their age/gender[14]).

Figure 6.1 Bedrooms by tenure – Southend - 2021



Source: Census 2021

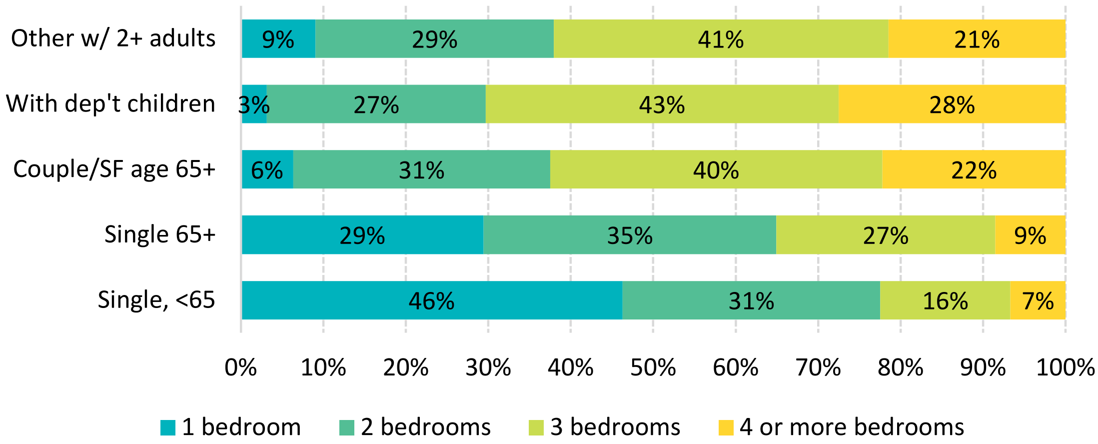
Occupancy Patterns

6.4 Figure 6.2 shows how different household types in Southend occupy housing as of the 2021 Census. As expected, young single people occupy the smallest housing (typically 1-2 bed),

[14] ONS bedroom standard (for measuring overcrowding) allows two children under age 10 (regardless of gender) to share a bedroom without being considered overcrowded, or for two children over age 10 where they are of the same gender.

with families occupying the largest housing. Couples, older households and other multiple adult households' occupancy patterns sit somewhere in the middle of these.

Figure 6.2 Occupancy (bedrooms) by household type (all tenures) – Southend - 2021



Source: Census (2021) Custom dataset

6.5 Figure 6.3 shows occupancy patterns by both household type and tenure. Amongst owner-occupiers, the trends of households not occupying housing in line with their 'needs' is even more pronounced. This is because households are free (within their financial means) to buy or rent property in line with what they want, rather than what they might be considered to 'need' (e.g. according to ONS standards for housing occupancy). Households may wish to have additional space generally or for a specific purpose, e.g. for working from home. Growing families may also live in housing with a view to having more children, or older couples may live in the family home even once adult children have left ('empty-nesting').

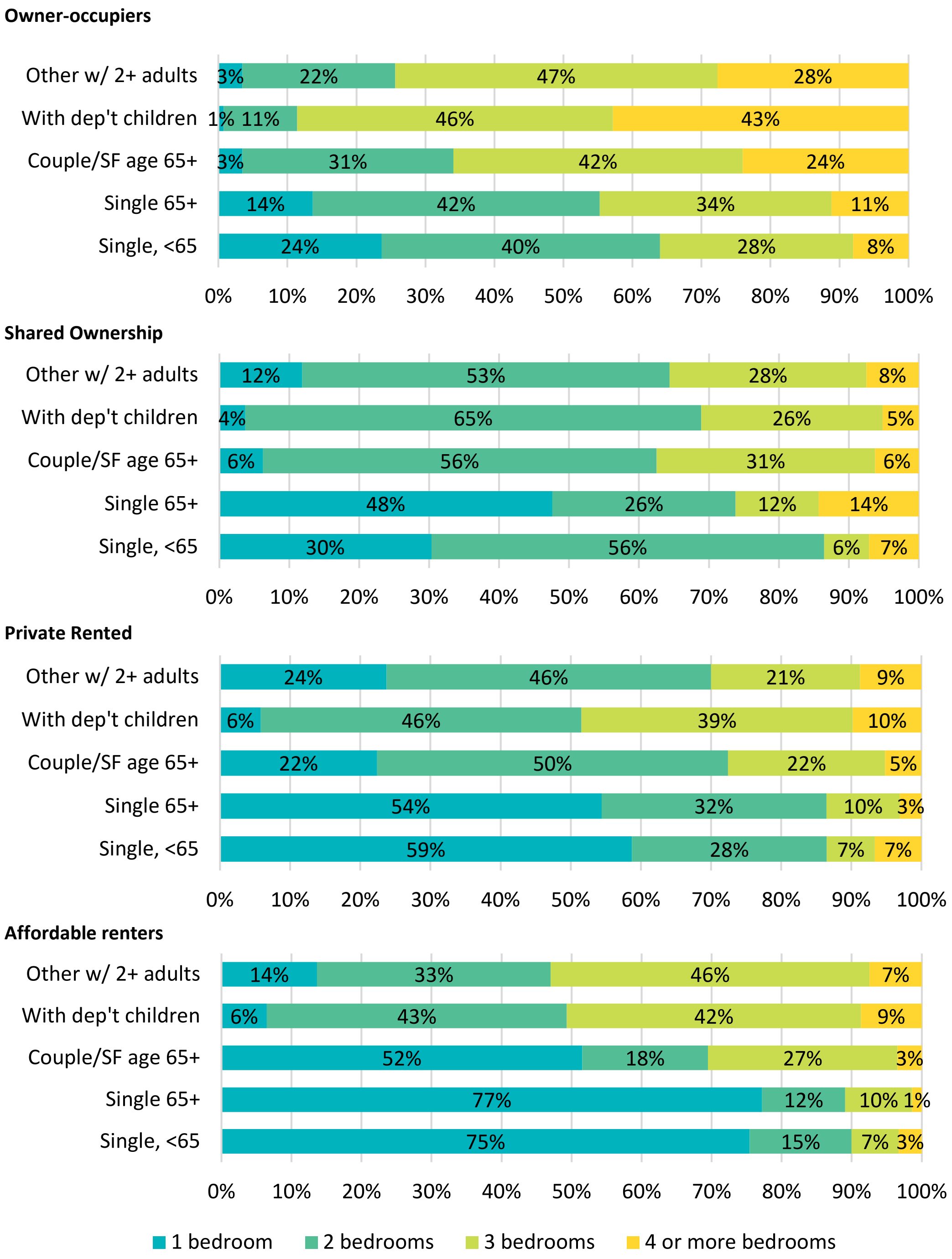
6.6 This means that, for example, only 3% of over 65s who are owner-occupiers live in 1-bed housing and almost two-thirds live in homes with 3 or more bedrooms. For households with dependent children, the overwhelming majority live in homes with 3 or more bedrooms; in some cases this will be due to need but in many circumstances households will have more rooms than they need for other reasons.

6.7 For shared ownership housing, the high predominance of 2-bed housing across all types (except young single households where 1-beds are the majority) is reflective of the overall stock of shared ownership housing being 2-bed, as shown above. Households occupying larger shared ownership housing tend to be families or older households (the latter, likely to be empty-nesters).

6.8 For private renters, the housing occupancy patterns are closely aligned with needs; this is likely to be because households are less likely to have the purchasing power of owner-occupiers (who have the highest incomes amongst tenures) and thus less able to afford larger housing which is in excess of their needs. As private renters also move more frequently than owner-occupiers, their housing is more reflective of their short to medium term needs.

6.9 Looking at the affordable rented tenure, occupancy patterns are very closely aligned with need as overall stock is smaller (i.e. fewer bedrooms on average) and because households are generally better matched to housing in line with ‘needs’ in order to make the most efficient use of stock. This has also been compounded by the so-called ‘bedroom tax’; the reduction in the housing element of Universal Credit in certain instances where households have more bedrooms than they need. This explains why 75%+ of single households in the affordable rented sector live in 1-bed homes. For older households, just over half live in 1-bed homes with a further 18% living in 2-bed homes, although there may be legitimate ‘need’ reasons for this, for example space for a carer. Notwithstanding, the figures show that a small proportion of single households in Southend live in homes with 3 or more bedrooms (amounting to 437 in total as of 2021), meanwhile there will be other households (most likely with children) living in overcrowded housing, suggesting some scope to make better use of existing stock. This is explored further later in this section.

Figure 6.3 Occupancy (bedrooms) by household type – **owner-occupiers** and **affordable renters** – Southend – 2021



Source: Census (2021) Custom dataset

6.10 In the open market, there are no specific controls on occupancy; households are open to seek a size of home based on their own choices and what they can afford, hence occupancy is not uniform with size of home. Patterns seen in Southend reflect those seen nationally, with the co-existence of small households living in large homes, and some large families living in small homes (particularly amongst affordable renters). This demonstrates why net growth in the number of smaller households (i.e. single and couple households, and older households generally) does not necessarily translate into a need for smaller housing units, unless (for example) there are specific measures targeted at encouraging downsizing and movement within the market.

Overcrowding

6.11 Also relevant to the assessment of housing mix is consideration of the degree of overcrowding within the existing stock, and in particular whether this is acute for specific tenures or household types.

6.12 ONS measures occupancy patterns based on its bedroom standard[15], information on which is available from the Census. An occupancy rating of '0' shows that a household has the number of bedrooms it requires. A rating of '-1 or less' indicates a household has fewer rooms than required, i.e. is overcrowded. A rating of '+1' or '+2 or more' implies the household has 1 or 2 [or more] bedrooms than required, i.e. is under-occupying housing.

6.13 In Southend, housing occupancy patterns for all tenures are shown in Table 6.1. As expected, rates of overcrowding are highest in the affordable rented sector; these are considered further later in this section. Within market tenures, rates of overcrowding are highest amongst private renters, with 8% (c.1,600 households) being overcrowded. Amongst owner-occupiers rates of overcrowding are low (2%) but this still represents over 800 households, of which the vast majority are those with dependent children. Conversely, the rate amongst shared ownership households is higher (5%) albeit low in terms of absolute numbers.

6.14 The need to address overcrowding is also a key element of the Council's Corporate Plan objective to achieve a good quality of life for all, particularly its objective to ensure that every child and young person has the best possible start in life.

Table 6.1 Occupancy patterns by tenure – Southend - 2021. OR = Occupancy Rating

	OR +2	OR +1	OR 0	OR -1	
				%	Number
Owner-occupiers	42%	39%	18%	2%	814
Shared ownership	13%	41%	41%	5%	24
Private Rented	10%	29%	54%	8%	1,568
Market Total	**32%**	**36%**	**29%**	**3%**	**2,406**
Affordable Rented	9%	18%	63%	10%	**897**
Total	29%	34%	33%	4%	3,300

Source: Census 2021

6.15 These trends are considered further later in this section when assessing mix for each tenure.

[15] Under the ONS Bedroom Standard a bedroom is required for each of the following: an adult couple; an adult (aged 21+), or two adolescents (10–20) of the same sex; a pair of children aged under 10 (regardless of sex); a person aged 16+ who cannot share a bedroom with another 16+ person.

The Shift Towards Home-working

6.16 Another factor that will influence the current and future demand for larger homes is the trend towards home working, affected by the Covid-19 pandemic. Whilst the highest rates of home working experienced during the peak of lockdown have not been sustained, the working practices that were adopted at the time have nevertheless led to a structural shift, with fewer people working from offices full time and more choosing to work from home on a part time, if not full time, basis.

6.17 The ONS Labour Force Survey shows that there has been a steady rise in the proportion of people in employment that work from home over time, accelerated by the pandemic. Home-working typically increases with age, (increasing from 6% of those age 16-24 exclusively working from home compared to 24% of those aged 65 and over)[16].

6.18 Of those who have the choice between working remotely and not, the ONS Opinions and Lifestyle Survey shows a lower proportion of the younger group choose to work from home (14% compared to 8-11% of all older working age groups). Older workers are more likely to live in a home suitable for home-working and have caring responsibilities which cause them to benefit more from the ability to work flexibly. Therefore, an ageing population is likely to lead to further increases in home-working over time, and a higher proportion of working age people will expect to live in a home which supports this. Furthermore, changes in the state retirement age are resulting in a greater number of older people still in employment.

6.19 Research by London School of Economics/Acas[17] found that the majority of homeworkers surveyed use a separate room/office that is only used for work, with this being a key aspect of separating work and home life. Research undertaken by property search engine Zoopla found that 22% of 2,000 home hunters surveyed considered that having an office area has become more of a priority. The ONS' public opinion and social trends series on working arrangements shows that in the year to June 2025, around 16% of workers had worked exclusively from home whilst around 25% had worked both from home and from their place of work in any one month, meaning around 41% of workers had regularly worked from home over this period[18].

6.20 Further evidence that this shift towards home working is a sustained, long-term change is the Government support for such measures. New Flexible Working regulations give employees the right to request changes to several factors in their job, including the location from which they work. This came into force on 6th April 2024 and highlights the growing mainstream recognition that working patterns have changed, and that measures protecting flexibility benefit the workforce, and subsequently the economy.

6.21 Demand for additional home office space to accommodate hybrid working will be an important consideration for future housing policy, particularly in areas within commutable distance of large cities where hybrid working is prevalent; this is likely to be the case in Southend. This may translate into demand from households for additional bedrooms, however where housing supply is limited it may also be appropriate to consider other ways in which home office demands could be accommodated. This could be through increases in floorspace without increasing bedroom numbers (e.g. provision of a separate home office

[16] Characteristics of homeworkers, Great Britain: September 2022 to January 2023 (February 2023) ONS
[17] Home is where the work is: A new study of home-working in Acas –and beyond (2013). London School of Economics
[18] Available here

which is smaller than bedroom standards, or large living spaces), through innovative layouts/designs which incorporate semi-private spaces into living spaces, or in the case of some schemes (e.g. Built-to-Rent) consideration of shared/communal workspaces. It may also be relevant to consider local context, for example availability of nearby workspaces that are outside the home.

Assessing Housing Mix

Methodology

6.22 Using the population forecasts for Scenarios 1 and 2 (set out in Section 4.0), ONS's Stage 2 household projections have been applied for the purposes of assessing housing mix. These project the household formation rates by five-year age group based on three broad groups; one person households, households with dependent children (broken down by 1/2/3+) and other households with two or more adults (this encompasses couples, families with adult children, multiple adult households and others).

6.23 These are shown in Table 6.2. In line with the projected demographic changes in Southend, the number of households with dependent children (predominantly single family households) is expected to decline significantly, although this decline is stemmed somewhat under the higher housing scenario. All other groups – single people (all ages), couples (all ages) and other multiple adult households – are expected to grow under both scenarios.

Table 6.2 Projected change in households by type (Stage **2**) – Southend – 2025-45

	Scenario 1	Scenario 2
Single, <65	3,078	4,284
Single 65+	4,747	5,181
Couple/SF age 65+	4,013	4,448
With dep't children	-5,734	-4,457
Other w/ 2+ adults	3,303	4,684

Source: Lichfields using PopGroup. *The total number of households indicated by the Stage 2 projections is not a precise match for the number of households in the modelling; this is because the population within the modelling is derived from the number of dwellings using Stage 1 rates (by sex and five year age group). To ensure consistency with the population used, it is to this population that the Stage 2 rates then apply. Due to the different way rates are grouped, this results in minor inconsistencies within the totals.

6.24 To these projections of growth, the propensity of each household type to live in various tenures (owner-occupier, shared ownership/private rent and affordable rent) is applied, and to that change, current occupancy patterns are applied. These needs by household type are aggregated to obtain a total housing mix for each tenure.

6.25 This approach ensures that future assessments of housing mix are based on actual 'demand', as evidenced through current occupancy patterns, rather than setting specific assumptions for occupancy based on household type. Whilst the latter may be appropriate within the affordable rented sector (considered later in this section) it does not represent an appropriate way of assessing housing mix in any other tenure where households exercise some choice over their housing. It is also evident from the high levels of under-occupancy that persist within the market. To fail to deliver housing in line with demand would likely only result in increased overcrowding, given households in the market occupy housing in line with their financial means, not necessarily their needs.

Limitations

6.26 Whilst a simple and evidence-based method of assessing needs, there are two main limitations with this approach to assessing mix which should be noted:

1. By applying current tenure splits, the assessment effectively 'bakes in' current tenure trends amongst households which may not be fully reflective of the needs of different tenures (which will actually be based on income levels). For example, if the tenure mixes amongst different households changes, so might the housing needs (by bedroom) for that household type; and
2. By applying current occupancy patterns by household type the assessment similarly 'bakes in' current occupancy patterns which might not be fully reflective of current or future demand. Overcrowding within the existing market and trends towards home-working are two examples of such factors.

6.27 For these reasons, it is prudent to adopt a sufficiently flexible approach to housing mix to ensure policies are not overly prescriptive and can adapt to changing needs and demands, where appropriate. It should also be recognised that the actual housing mix that might be appropriate on any given site for planning purposes is likely to have regard to a wider range of factors, such as site location, site type, accessibility, any other site characteristics, density, design, local infrastructure, locally identified needs and other relevant factors, including national planning policy. Thus the recommended mix should not be viewed as those which are applicable equally to all sites, but rather as a starting point (against which other relevant factors are considered) and for the purposes of monitoring overall delivery of different sizes of housing against needs at a City-wide level. Market indicators, such as house prices, rents and levels of home-working should also be monitored so that the assessed need is responding to actual demand as it changes.

Market Housing Mix

6.28 For the purposes of assessing market housing mix, the demands of owner-occupiers are assessed separately to those of shared ownership/private renters. This is because existing trends show that the characteristics of these types are different, reflecting their different income levels and purchasing power.

Owner-Occupiers

6.29 Based on the projected household growth by type under Scenarios 1 and 2 shown above in Table 6.2, and the percentage of those households living in owner-occupier housing, the future housing mix for owner-occupiers would be as shown in Table 6.3. Compared with the current stock, this mix is overall much smaller and reflects the projected decline in the number of families in Southend, which are generally associated with the highest demand for 3-4 beds. Conversely, growth in the number of single person households (particularly those under 65) is likely to drive significant demand for 1-2 bed market housing, based on current occupancy trends.

Table 6.3 Projected owner-occupier mix using household growth and occupancy patterns

	% living in OO housing	Scenario 1 – 490 dpa					Scenario 2 – 735 dpa				
		Total	1-bed	2-bed	3-bed	4-bed	Total	1-bed	2-bed	3-bed	4-bed
Single, <65	42.3%	1,303	309	525	365	1,814	430	731	508	145	1,814
Single 65+	70.2%	3,332	455	1,386	1,118	3,637	497	1,513	1,221	407	3,637
Couple/SF age 65+	90.7%	3,639	127	1,112	1,525	4,034	140	1,233	1,690	969	4,034
With dep't children	54.1%	-3,101	-24	-329	-1,419	-2,411	-19	-256	-1,103	-1,033	-2,411
Other w/ 2+ adults	67.9%	2,242	78	496	1,047	3,179	110	704	1,485	880	3,179
		Total	944	3,191	2,636	643	**Total**	1,159	3,925	3,801	1,369
		Mix	**13%**	**43%**	**36%**	**9%**	**Mix**	**11%**	**38%**	**37%**	**13%**

Source: Lichfields using PopGroup and 2021 Census

6.30 For this specific group, other factors likely to be relevant to housing mix are:

1 Overcrowding – **moderate** relevance, given overall rates are low (2%) however this still represents 800+ households (mostly with dependent children), and national policy is clear that plan-makers should address the needs of families with children; and

2 Home-working – **very high** relevance, given ability of owner-occupiers to exercise choice over housing, and particularly having regard to growth in the number of single people of working age. These currently predominantly occupy 1-bed housing although it would be reasonable to assume some shift in demand towards either larger 1-bed or 2-beds to reflect home-working. Also applies to households with 2+ adults.

Housing need priority – for market housing, the Council should focus delivery on achieving choice and flexibility amongst mid-sized family housing (2-3 beds). Whilst reduce demand from families over the plan period is likely to see demand for the largest homes fall, households will likely continue to demand larger and more flexible living spaces to accommodate changing preferences.

Intermediate and Private Renters

6.31 Based on the projected household growth and the percentage of each type living in intermediate or private rented housing, the housing mix for these tenures would be as shown in Table 6.4. Because these household types predominantly occupy 1-2 bed housing at present, and because most of the projected growth is in smaller households (with a decline in families) the assessment suggests no need for 3-4 bed housing, with all of the need being 1-2 bed.

Table 6.4 Projected intermediate/private rented mix using household growth and occupancy patterns

	% living in SO/PR housing	Scenario 1 – 490 dpa					Scenario 2 – 735 dpa				
		Total	1-bed	2-bed	3-bed	4-bed	Total	1-bed	2-bed	3-bed	4-bed
Single, <65	41.5%	1,277	741	364	87	85	1,777	1,031	507	121	118
Single 65+	13.8%	656	355	209	69	22	716	388	228	75	24
Couple/SF age 65+	5.4%	218	47	109	50	11	241	52	121	55	13
With dep't children	34.1%	-1,958	-113	-901	-753	-190	-1,522	-88	-701	-585	-148
Other w/ 2+ adults	23.9%	788	184	366	169	69	1,118	262	519	240	97
		Total	1,214	147	-378	-3	**Total**	1,644	675	-94	105
		Mix	**124%**	**15%**	**-39%**	**0%**	**Mix**	**71%**	**29%**	**-4%**	**4%**

Source: Lichfields using PopGroup and 2021 Census

6.32 For this specific group, other factors likely to be relevant to housing mix are:

1 Overcrowding – **high** relevance, given rates are high (7% for these groups combined, representing nearly 1,600 households, mostly with dependent children); and

2 Home-working – **moderate to high** relevance, given these households will be able to exercise some degree of choice over their housing (and particularly given the high prevalence of this tenure for single people of working age who currently predominantly occupy 1-bed housing), however this is unlikely to be to the same degree as owner-occupiers due to lesser purchasing power, particularly for single income households.

Housing need priority – private renters and intermediate households are likely to see overall demand for smaller housing compared with owner-occupiers, which past trends indicate will be largely geared towards 1-2 bed housing. However, it would be prudent to consider some flexibility in offering more 2-3 beds on the basis of helping alleviate overcrowding amongst families and to accommodate changing work patterns.

Affordable Housing Mix

Housing Waiting List

6.33 As with market tenures, affordable housing can be determined with regard to current occupancy patterns, however the current housing waiting list is also an important consideration as it represents the actual assessed needs of households who have a current need.

6.34 Information has been provided by SCC on the current needs of households on the waiting list in Southend, including by priority band and bedroom need. This is shown in Table 6.5, and shows that the majority of affordable need is for 1-2 beds.

Table 6.5 Indicative mix for affordable housing based on housing waiting list

	1-bed	2-bed	3-bed	4+bed
Number of households	527	503	358	51
Implied mix (%)	**37%**	**35%**	**25%**	**4%**

Source: Lichfields based on SCC data

Overcrowding

6.35 Particularly relevant to the issue of affordable housing mix is consideration of current occupancy patterns; for example, high levels of under-occupancy may indicate scope for better use of existing stock, reducing the need to provide larger family housing. Alternatively, high levels of overcrowding may indicate there is existing unmet need for larger affordable housing which should factor into housing mix considerations.

6.36 Occupancy patterns for affordable rented households are shown in Table 6.6. It should be noted that the bedroom standards used by ONS to measure occupancy for the purposes of the Census do not necessarily capture all the factors that would affect a households' needs for the purposes of assessing affordable housing needs (in particular, whether the 'bedroom tax' is applicable). For example, the bedroom tax is not applicable to households over state pension age, those requiring overnight care, some foster carers, where household members are away (e.g. armed forces or students). As such, some households shown below as having an occupancy rating of +1 or more might have a legitimate need for that additional space and not be a suitable candidate for 'right sizing'.

6.37 The Census shows that the majority of affordable housing occupants occupy housing in line with their needs, which is the typical pattern. Some under-occupancy does exist, with 1,600 having 1 spare bedroom and just over 800 having 2+ spare bedrooms, although for the reasons set out above in some cases there will be mitigating factors. There are nearly 900 households living in overcrowded accommodation, most of which are households with dependent children. A smaller number (c.150) are other types of households with 2 or more adults, most of which will be families where all children are non-dependent (i.e. adult children living at home).

Table 6.6 Occupancy patterns by household type – households in affordable rented housing – Southend - 2021. OR = Occupancy Rating

	OR +2	OR +1	OR 0	OR -1	Total
Single, <65	246	358	1,854	0	2,458
Single 65+	192	208	1,361	0	1,761
Couple/SF age 65+	76	46	143	0	265
With dep't children	29	318	1,526	744	2,617
Other w/ 2+ adults	266	677	863	153	1,959
Total	**809**	**1,607**	**5,747**	**897**	**9,060**
As a % of all households	9%	18%	63%	10%	100%

Source: Census 2021

6.38 To understand whether this position has improved or worsened over time, Table 6.7 compares the position in 2021 to that in 2011; noting that this would have been prior to the introduction of the 'bedroom tax'. From this we can infer whether the bedroom tax has resulted in an improvement in 'right sizing' within Southend, and if so whether it is reasonable to assume such trends will continue.

6.39 As shown in Table 6.7 the overall number of households in affordable rented housing in Southend increased by just over 5% between 2011 and 2021, from c.8,600 to c.9,100. There was some decline in the number of households living with 1 spare bedroom and an increase in the number of households living in housing which met their needs. However, there was a

16.5% increase in the number of households living in overcrowded housing and a nearly 9% increase in the number of households with 2 or more spare bedrooms.

Table 6.7 Occupancy patterns – households in affordable rented housing – Southend – 2011 to 2021

	OR +2	OR +1	OR 0	OR -1	Total
2011	743	1,675	5,409	770	8,597
	8.6%	19.5%	62.9%	9.0%	100%
2021	809	1,607	5,747	897	9,060
	8.9%	17.7%	63.4%	9.9%	100%
Change	**8.9%**	**-4.1%**	**6.2%**	**16.5%**	**5.4%**

Source: Census 2011/Census 2021

6.40 This suggests without specific intervention, a reliance on 'right sizing' alone is unlikely to yield sufficient affordable housing supply within the existing stock to justify adoption of a smaller affordable housing mix than is indicated based on the current housing waiting list. At present, the data suggests families in overcrowded housing would continue to have their needs unmet without the provision of new affordable housing which is family-sized.

Future change

6.41 As with market tenures, future affordable needs have also been assessed based on each household types' propensity to live in affordable rented housing, and applying occupancy patterns. When applying current occupancy patterns the mix is as shown in Table 6.8; under a low growth scenario all of the need would be for 1-beds, whilst under a higher scenario the need would be predominantly 1-bed with some 2-3 bed need.

Table 6.8 Projected affordable housing mix using household growth and **current** occupancy patterns

	% living in AR housing	Scenario 1 – 490 dpa					Scenario 2 – 735 dpa				
		Total	1-bed	2-bed	3-bed	4-bed	Total	1-bed	2-bed	3-bed	4-bed
Single, <65	16.2%	498	376	72	33	16	693	523	101	47	23
Single 65+	16.0%	759	586	90	73	10	829	640	98	79	11
Couple/SF age 65+	3.9%	157	81	28	42	5	174	89	31	47	6
With dep't children	11.8%	-675	-44	-289	-283	-59	-525	-34	-225	-220	-46
Other w/ 2+ adults	8.3%	273	37	91	124	20	387	53	129	176	29
		Total	1,036	-7	-11	-6	**Total**	1,271	135	129	24
		Mix	**102%**	**-1%**	**-1%**	**-1%**	**Mix**	**82%**	**9%**	**8%**	**2%**

Source: Lichfields analysis using PopGroup and 2021 Census

6.42 For the purposes of future affordable housing need, a sensitivity has also been prepared in which some adjustments are made to occupancy assumptions. This is on the basis that future affordable housing delivery could be better matched with need (than is the case with current stock), rather than building in existing patterns particularly around under-occupancy. Specifically:

- For single person households (all ages) and older couple households it is assumed that all will occupy 1-2 bed housing (either in line with their bedroom need, or to allow for some households to have an additional bedroom if required e.g. for a carer). Consequently, no households occupy 3-4 bed housing (this mix is redistributed proportionally amongst 1-2 beds); and

- For all households containing at least one dependent child it is assumed none occupy 1-bed housing. Households who would have otherwise been assumed to be living in 1-bed housing are redistributed to 2-4 beds.

6.43 For households with 2 or more adults, current occupancy patterns are assumed; there is insufficient information to know these households' composition (e.g. whether it is a couple, a family with non-dependent children or other multiple family type) to understand their needs.

6.44 Table 6.9 shows the key household types and the percent, as of 2021, of each type that live in affordable rented housing. Based on projected growth under each respective scenario, and applying occupancy patterns as described above (based on the Census) this suggests that the future needs will be predominantly for smaller housing:

- Under the lower growth scenario, future affordable housing need would be **entirely 1-bed**; this is because of projected growth in older households, due to ageing, and their higher likelihood (compared with other types) of living in affordable housing. The forecast decline in the number of households with dependent children, reflecting wider demographic changes associated with declining birth rates, results in a negative future need for family-sized housing.
- Under a higher growth scenario the decline in families would be somewhat stemmed, and when combined with growth amongst other household types still results in a need for **mostly 1-beds** and a limited need for **some 2-beds**.

Table 6.9 Projected affordable housing mix using household growth and occupancy patterns

	% living in AR housing	Scenario 1 – 490 dpa					Scenario 2 – 735 dpa				
		Total	1-bed	2-bed	3-bed	4-bed	Total	1-bed	2-bed	3-bed	4-bed
Single, <65	16%	498	417	80	0	0	693	581	112	0	0
Single 65+	16%	759	658	101	0	0	829	718	110	0	0
Couple/SF age 65+	4%	157	116	40	0	0	174	129	45	0	0
With dep't children	12%	-675	0	-309	-303	-63	-525	0	-240	-236	-49
Other w/ 2+ adults	8%	273	37	91	124	20	387	53	129	176	29
		Total	1,229	4	-179	-42	**Total**	1,481	156	-59	-20
		Mix	**121%**	**0%**	**-18%**	**-4%**	**Mix**	**95%**	**10%**	**-4%**	**-1%**

Source: Lichfields analysis using PopGroup and 2021 Census

6.45 For this specific group, other factors likely to be relevant to housing mix are:

1 Overcrowding – **very high** relevance, given rates are high (10% of households, 900 in total) and have worsened in recent years, and the current waiting list indicates a need for family-sized affordable housing; and

2 Home-working – **not relevant**, given occupancy restrictions.

6.46 Southend's affordable housing mix policies will need to carefully balance:

1 The needs of families living in overcrowded housing and those on the waiting list who need larger housing. Evidence from the last 10 years suggests that 'right sizing' has not occurred to the extent that overcrowding issues are improving; to the contrary, overcrowding in affordable housing in Southend has worsened, despite increases in significant under-occupancy at the same time; and

2 The future demographic trends of the City, which (as with many areas) suggest a strong trend towards ageing and a decline in the number of children and families. Consequently, it is feasible that over the plan period the demand for family-sized properties will decline significantly, leaving a need for predominantly 1-bed accommodation. In such a scenario, the Council will need to ensure that there is not an over-supply of family-sized accommodation, such that smaller households who only require 1-bedroom do not have to live in homes too large for their needs (and potentially face the 'bedroom tax') or otherwise be required to move elsewhere.

6.47 Table 6.10 summarises the assessed mix based on the current waiting list and future trends. In assessing schemes and overall delivery against this mix, it is suggested that the current housing waiting list carries significant weight, particularly in the short-term, owing to the clear requirement in national policy to address affordable housing needs and specifically the needs of families. This would suggest that provision of affordable housing should be at the upper end of the ranges for 2-, 3- and 4-beds where possible, in the short term. A broader range has been identified for the purposes of 1-beds, recognising that across the plan period demographic shifts are likely to significantly change demands, in favour of older households and smaller housing.

Table 6.10 Summary of affordable housing mix indicators and recommended range

		1-bed	2-bed	3-bed	4-bed
Current Waiting List		37%	35%	25%	4%
Future	Low (490dpa)	100%	0%	0%	0%
	High (735dpa)	90%	10%	0%	0%
Recommended range		**40-50%**	**30-35%**	**20-25%**	**0-5%**

Source: Lichfields analysis

6.48 It is recommended that, in the short-term, the Council:

1 Regularly monitor it's housing waiting list to ensure that the current need for family housing that is identified persists, and thus provides the evidential basis for the Council to pursue some family housing as part of affordable housing schemes being delivered in the short to medium term; and

2 Consider options to better utilise its existing stock, particularly given that there are nearly as many households living in affordable housing that have 2 or more spare bedrooms as there are families who are overcrowded.

Housing need priority - future trends suggest affordable rented need will be predominantly 1-bed in the future, however there are a significant need for 2-3 beds amongst those currently on the waiting list, and those needs should be sought to be addressed as a matter of urgency. With time, with declining demand from families (and assuming some right-sizing) the Council can consider whether new affordable rented housing should be more geared towards smaller units.

Summary

6.49 Bringing together the analysis, the recommended range for each tenure is summarised in Table 6.11. This represents the overall mix of housing that is likely to be needed across the City over the plan period, and therefore should be used for the purposes of monitoring overall delivery.

6.50 It should be acknowledged that the precise mix provided on individual sites will ultimately have regard to a wide range of other factors such as location, size/nature of the site, local context, local market conditions, viability and design. Generally speaking, it would be reasonable to expect that higher density sites located in the City centre will provide a mix skewed more in favour of smaller units, whereas sites on the edge of the urban area would be more suited to lower density schemes with larger units. For the latter, it will be important for the Council to maximise opportunities for family housing given there are likely to be limited opportunities to provide this on City centre sites. The importance lies in ensuring that the Council area *as a whole* provides the mix of housing that reflects local needs and demand over the period.

Table 6.11 Summary – recommended housing mix by tenure

	Relevance of…		Recommended range			
	Overcrowding	Home-working	1-bed	2-bed	3-bed	4-bed
Owner-occupiers	→	↑↑	10-15%	40-45%	35-40%	10-15%
Intermediate/Private Rent	↑	→↑	60-70%	20-40%	0-10%	0-5%
Affordable Rent*	↑↑	-	40-50%	30-35%	20-25%	0-5%

Source: Lichfields analysis. *Subject to review over plan period, having regard to waiting list and demographic trends.

7.0 Specific Groups

Private Renters

Context

7.1 As of 2021 there are nearly 21,000 privately renting households in Southend, an increase of 22% since 2011. As shown in Table 7.1. These reflect wider national trends towards private renting, as shown in the English Housing Survey and Censuses.

Table 7.1 Tenure trends in Southend – 2011 to 2021

Tenure	2011	2021	Change	Change (%)
Total	**74,678**	**78,337**	**3,659**	**+4.9%**
Owned or SO*	48,972	48,535	-437	-0.9%
Affordable Rent	8,597	9,004	407	+4.7%
Private Rent**	17,109	20,798	3,689	+21.6%

Source: Census 2011. Shared Ownership is included within 'ownership' in the 2011 Census, hence is included as such here. The proportion which are shared ownership is small. **Includes living rent free.

7.2 As shown in Section 6 (Table 6.1) rates of overcrowding are high amongst privately renting households with 8% of households in Southend (nearly 1,600) being overcrowded as of 2021. This is indicative of some level of backlog of need in the private rented sector, particularly amongst families.

7.3 Reasons for renting can be complex; though often cited as being linked inherently to affordability, renting is also a necessary step even for those who want to eventually buy (for example those who cannot live at home whilst saving for a house deposit). It also represents a preference for many households, for example those who prefer the flexibility offered by renting, those who need to move regularly for work, those who otherwise do not want the financial commitment of ownership, or are satisfied in their current accommodation.

The Role of Build-to-Rent

7.4 Historically, the demand for private rented housing has typically been satisfied by individual or small-scale landlords, however recent years has seen the emergence of purpose built, institutional-backed accommodation for rent, known as 'Build-to-Rent'. In its earliest forms this tended to comprise small, high density accommodation in city-centre locations, targeting young professionals seeking high quality rental accommodation, however in more recent years has expanded to include other markets, including the provision of family housing in suburban locations. Examples of recent schemes in Essex, for both types, are as follows. Like Southend, many are in urban/suburban areas with good public transport links to the City.

One Canalside, Chelmsford

7.5 One Canalside offers a more typical BtR product comprising 189 flats across 1-3 bedrooms located in the City centre, shown in Figure 7.1. The scheme is approximately a 15-20 minute walk to Chelmsford Station, where London Liverpool Street can be reached within c.30-40 minutes. It offers tenancies from 6-60 months with a deposit of 1 months' rent, with rents from £950 to £1,500[19] per month. Amenities at One Canalside include a resident's lounge, entertainment area, co-working area, social events (for example wine and cheese tastings, virtual fitness classes, summer BBQs, book clubs, cake bakes, bike club, running club, knit and natter, charity volunteering days and yoga). Facilities and features include high quality fixtures and fittings, cycle storage, concierge and on-site management. Parking is available for an additional fee.

Figure 7.1 Accommodation at One Canalside – BTR scheme in Chelmsford operated by L&G

Source: Lichfields research

Trafford House, Basildon

7.6 Trafford House is a BTR development of 384 one to two-bedroom flats in the centre of Basildon, with rents from £1,035 to £1,275 per month and managed by Dstrkt. Each flat has a contemporary design with high quality amenities (oven, a dishwasher, a washer, a dryer and a fridge-freezer), wood-style flooring throughout and bedroom spaces with built in wardrobes. The scheme benefits from a concierge, parcel collection & storage, on-site maintenance, bike storage, parking, lifts and 24-hour CCTV. London can be reached within approximately 40 minutes from Basildon Station (C2C services to London Fenchurch Street).

The Paddocks, Braintree

7.7 Located just outside Braintree, The Paddocks is a 56 unit scheme of 2-4 bed rental homes ranging from £1,600-£1,905 per month, managed by Leaf Living. Contracts range from 12-36 months and there is no deposit (however there is a one-off fee, equivalent to a weeks' rent). Facilities and features of the homes include kitchens with integrated appliances turfed gardens with patio areas, car ports, garages and electrical vehicle charging, and state-of-the-art automation technology. The scheme is also pet friendly and furniture packages are available at an additional cost. Amenities include playground, events, maintenance service and green open spaces. Direct trains from Braintree to London operate daily and take just over one hour (Greater Anglia services to London Liverpool Street).

Base at Newhall, Harlow

7.8 Located in the north of Harlow close to Harlow Mill Station, Base at Newhall is a development of 384 two to four-bedroom SFR homes ranging from £1,050 to £1,950 per month, managed by Simple Life. Properties are provided unfurnished (although furniture

[19] Rental figures given for BtR schemes are correct as of 2023.

packages are available) and provide a similar package of facilities and features to The Paddocks (above), including modern security systems and high-quality flooring and integrated kitchen appliances, as shown in Figure 7.2. The scheme offers 24/7 customer care, onsite coffee shop, car parking, annual resident events and a communal garden. Direct trains from Harlow to London take approximately 40 minutes (Greater Anglia services to London Liverpool Street).

Figure 7.2 Accommodation at Base at Newhall – SFR scheme in Harlow operated by Simple Life

Source: Lichfields research

Future Need

7.9 The level of future private rented need can be considered in a variety of ways:

1. **Trend based** - if the overall rate of private renters continues to increase at the rate seen over the 2011-21 period (21.6%, or around 2% per year), there would be expected to an **increase of around 9,900 privately renting households over the next 20 years.** Under the low supply scenario (490dpa) this would represent virtually all of net growth, however it is more likely that a significant amount of this change will arise within the existing housing stock;
2. **Income based** - Based on household income data, an estimated 16.6% of households are able to afford market rents but are unable to afford home ownership. On the basis of net household growth under the low and high supply scenarios, this would represent an **increase of around 1,600-2,400**. Whilst some of these households represent the need for affordable home ownership (which would reduce this number), there will equally be some households who can afford to own but choose not too (which would increase this number);
3. **Household tenure based** – based on the projected change by household type (shown in Table 6.2), applying the proportion of each type that lived in private rented accommodation in 2021 and aggregating this suggests an **increase of around 900-2,300** privately renting households by 2045 as shown in Table 7.2.

Table 7.2 Projected change in private rented sector households – household tenure based approach

	Total Change		of which PRS	PRS Change	
	Scenario 1	Scenario 2		Scenario 1	Scenario 2
Single, <65	3,078	4,284	40%	1,245	1,733
Single 65+	4,747	5,181	13%	637	696
Couple/SF age 65+	4,013	4,448	5%	208	231
With dep't children	-5,734	-4,457	34%	-1,923	-1,494
Other w/ 2+ adults	3,303	4,684	23%	766	1,086
			Total	**933**	**2,251**

Source: Lichfields using PopGroup and 2021 Census

Summary

7.10 The future change in the number of privately renting households is difficult to quantify given this is influenced by a wide range of factors including demographic trends, housing market factors (housing availability, to buy and to rent, housing costs), wider macroeconomic factors (e.g. interest rates, schemes to support home ownership, wages, economic uncertainty), changing cultural/personal preferences, and many other factors. However, it is reasonable to assume that the private rented sector will continue recent trends in becoming an increasingly important component of Southend's housing market.

7.11 There is some evidence of existing unmet need for private rented family housing in Southend, as evidenced by overcrowding, although this could also be linked to affordability issues (and some of these households may also be those who are on the waiting list for affordable housing). The household tenure analysis above and in Section 6.0 shows that the private rented sector is particularly important in catering to the needs of young single people, and the housing mix recommended in Section 6 reflects this.

7.12 The emergence of build-to-rent across Essex (and London/East of England more widely) could also be relevant in Southend, where such schemes could help the needs of young single people or, to a lesser degree, families with children who are currently in overcrowded rental housing. However, the significant decline the number of families projected over the next 20 years should be noted, and could lead to an ease in pressure on larger privately rented housing.

Older People

Context

7.13 The NPPF defines 'Older People' as:

"Older people: People over or approaching retirement age, including the active, newly retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs."

7.14 The PPG recognises that the need to provide housing for older people is critical; people are living longer lives and the proportion of older people in the population is increasing. The various types of housing for older people are set out in PPG at ID 63-010 and range from age-restricted market housing (no care) to retirement/sheltered care (some care), to extra care housing (increasing care) and residential/nursing care homes (highest care). It is also becoming increasingly common for developments, or 'integrated retirement communities' to offer a range of types within one location, to allow for changing needs to be catered for over time.

7.15 Extensive national and local context on the need for housing for older people is contained within the HNAOP (2022) and is therefore not repeated here.

Future Need

7.16 For the purposes of assessing future needs using demographic projections, and for planning purposes, the needs of older people can be broadly categorised into two groups:

1. Those who live in communal establishments, e.g. residential/nursing homes. Individuals tend to occupy a single room (may be en-suite) however cooking and living facilities are shared. Within demographic projections they fall within the 'not in household' or 'communal' population and are separate to the household population and general housing needs. Supply of residential/nursing home bedspaces that fall in C2 use would contribute to meeting this need for planning purposes. For the purposes of this HNA this is termed '**C2 need**'; and

2. Those who live in households, but where some element of support is provided. This can range from retirement/sheltered housing (e.g. where support is minimal or domestic only) to high level extra care housing (e.g. where support can be high and include both domestic and personal/nursing care). Because people live in households (e.g. single or couple, with their own full range of living facilities) they would fall within the household population. Supply of this type of housing would count towards the overall need for housing for planning purposes, and as such for the purposes of this HNA it is termed '**C3 need**'. It is noted that some forms of extra care housing can technically fall within C2 use for planning purposes, however they would not meet the C2 need defined in this HNA as that solely relates to individuals living in communal care environments.

7.17 However, it should be recognised that any demographic trend-based assessment of need only forms one factor determining actual demand for such housing; for example, if an authority has a specific strategy to keep residents living in their homes for longer (through the provision of more in-home support) and reduce numbers in care homes, or whether trends change as a result of new products coming to market, or the provision of retirement communities where a flexible model of care is available.

Residential/Nursing Homes (C2 Need)

7.18 As of 2021 there were an estimated 1,400 residents in care homes in Southend, with the majority being in private care homes without nursing as shown in Table 7.3. Information on age by communal establishment type is not available, however looking at age across all forms of communal establishment shows that there were 984 residents age 75+ living across communal establishments in 2021 (also shown in Table 7.3), of which we assume all were living in some form of care home.

Table 7.3 Communal establishment by type – Care Homes – Southend - 2021

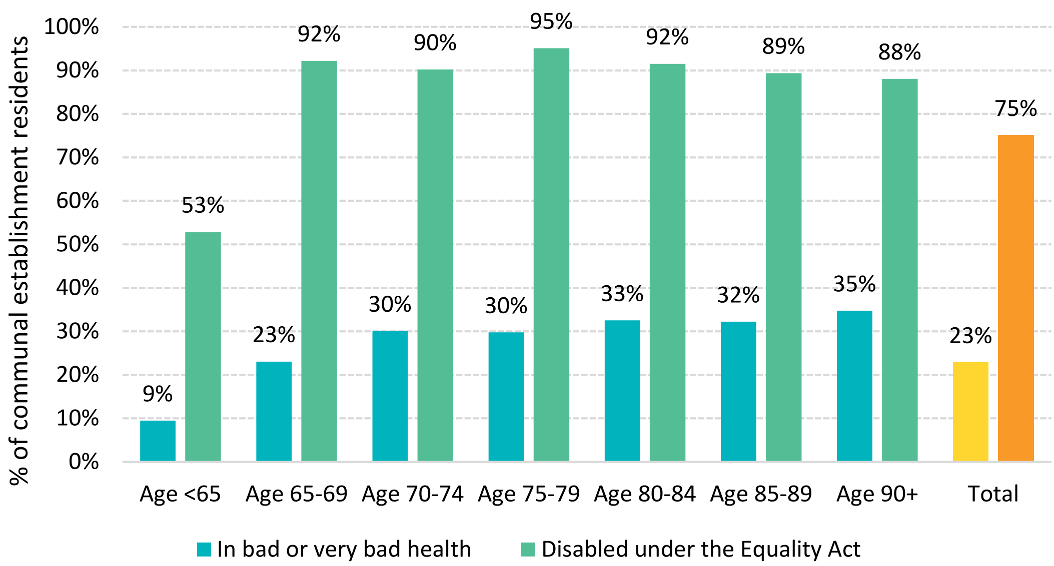
Tenure	Type	Number
Local Authority	Care home with nursing	8
	Care home without nursing	42
Private	Care home with nursing	252
	Care home without nursing	1,089
Total	**All care homes**	**1,391**
All communal establishments		
Age 75 to 84		322
Age 85+		662
Total age 75+		**984**

Source: Census 2021. Note that data on age is not available by communal establishment type, so some of these residents may be below age 75. Similarly there are small numbers of communal establishment residents in other types (e.g. Hospitals, RP Homes, Other medical establishments and other non-medical establishments) where some residents may be age 75+.

7.19 This suggests that a significant number – around 400 – residents living in care homes in Southend are below age 75. This is logical given that most older people live in private care homes without nursing, and would be generally younger with less acute needs.

7.20 Looking at the general health and disability status of communal establishment residents shows that above age 65 almost all residents are disabled; however health is generally better amongst those age 65-59 (with only 23% reportedly in 'bad or very bad health') than for those age 70 and above, where this increases to around 30-35%.

Figure 7.3 Health and Disability* of Communal Establishment residents by age – Southend - 2021



Source: Census 2021. *Disabled (self-reported) under the Equality Act 2010. This is a physical or mental impairment that has a substantial and long-term negative effect on someone's ability to do normal daily activities.

7.21 As noted, the Council's Corporate Plan has an objective to support people to remain living independently in the community for as long as possible. Whilst it is important to support this objective, in part by ensuring that there is sufficient suitable general or specialist housing available to meet the needs of older people (and that they have the means to obtain the support they require in their home, if any), the provision of C2 accommodation for older individuals will remain important part of meeting needs. This is particularly true for older people for whom living independently is no longer possible.

7.22 As outlined in **Appendix 2**, for the purposes of this HNA is it assumed that the proportion of over 75s living in communal establishments remains constant over the projection period; this is in line with ONS/MHCLG's well established approach and ensures that the projected communal population rises proportionately in line with the ageing population.

7.23 In Southend, the projected increase in the communal population in Scenarios 1 and 2 is as shown in Table 7.4. These suggest an increase over the plan period of **c.630-670 bedspaces for older people**, equivalent to c.32-33 per year.

Table 7.4 Projected change in C2 population age 75+ for Southend – Scenarios 1 and 2 – 2025-45

	2025*	2045	Change
Scenario 1	971	1,603	**+631**
Scenario 2	971	1,637	**+666**

Source: Lichfields analysis using PopGroup. *Number of residents in 2025 varies slightly from Census data due to different underlying population (2021 vs 2025), rounding and other minor methodological differences.

Relationship with HNAOP (2022)

7.24 The assessment of C2 need within this HNA is a trend-based projection that assumes a constant proportion of older people above age 75 living in communal establishments. It does not take into account factors such as whether there is a current over/under-supply of such accommodation, nor does it take into account any external factors that may affect need/demand (e.g. changing health patterns, financial factors, preferences, availability of support at home, etc).

7.25 The HNAOP estimated that there is:

1 A significant oversupply of residential care bedspaces (to 2040) with a net need for [minus]-430 spaces, noting that Southend had a particularly high prevalence of residential bedspaces compared with similar areas (and the national average, the majority of older people who have (or may develop) care needs would prefer to receive care in their home and that moves to care homes are not aspirational. This also aligns with our findings above that the majority of Southend's care home bedspaces are in homes without nursing and that there are a significant amount of <75s living in care homes; and

2 A net need for c.370 nursing bedspaces (to 2040) reflecting the growth in the 75+ household population to 2040 (47%) and the projected increase in complex care needs amongst this population, including a projected increase in the number of older people living with dementia related needs.

7.26 In the context of the Council's Corporate Plan and Housing Strategy, both of which specifically seek to enable people to live independently for as long as possible, and the findings of the HNAOP, it would be reasonable to conclude that the need for c.630-670 bedspaces identified above should be treated as a ceiling (not a minimum), that all provision should be geared towards care homes with nursing (unless they this is being provided on a replacement basis) and that the Council should carefully monitor need and supply over the plan period.

7.27 Furthermore, given the significant anticipated scale in over-supply in residential care, the Council should consider whether it can make better use of this supply, for example whether any of the existing supply of residential care can:

1 Be adapted to incorporate some elements of care, or provide flexible care as needs increase with age;

2 Whether such sites can be redeveloped/intensified to provide care homes more in line with current/future needs (e.g. if they are in disrepair and intend to be redeveloped in any event); or

3 Whether such sites could be repurposed for alternative uses altogether (as may be particularly the case for small-scale residential care homes that occupy former dwellings, which may in turn return to general housing).

Sheltered and Extra Care Accommodation (C3 Need)

7.28 Provision of sheltered and extra care housing for older people will clearly play an important role in the Council's corporate objective of supporting people to live in their homes for longer. Such settings allow individuals to continue living independently (either alone or in a couple) but with varying degrees of support available if required.

7.29 One method of assessing the need for sheltered and extra care housing is to consider current levels of provision (for example, per 1,000 residents age 75+) and apply these to future growth. Adjustments can also be made depending on whether it is considered that current levels of provision are particularly high or low, and what future standard might be appropriate.

7.30 Statistics published by the Elderly Accommodation Council (EAC) show that the supply of specialist housing in Southend sits somewhere between the regional and national average, as shown in Table 7.5. Although the wider context suggests that historically delivery of specialist housing has not met demand, and therefore there may be a case for high levels of provision across the board (including in Southend), there is currently no indication that levels of provision are particularly low or high in Southend when set against wider averages. In terms of the mix of specialist housing, the data does however suggest that supply in Southend is slightly more skewed towards housing with *support* and less towards housing with *care* than wider averages; this may need to be considered if the Council were to seek to rebalance supply to give greater choice to those needing housing with care. This also aligns with the findings of the 2021 Census which suggest that most of Southend's care homes cater for those without nursing needs.

Table 7.5 Supply of elderly accommodation (2015) – units per 1,000 residents age 75+

	Housing with support	Housing with care	All specialist units
Southend-on-Sea	**138.5**	**6.4**	**144.9**
East	136.2	15.3	151.5
England	123.0	16.2	139.2

Source: Elderly Accommodation Council (2015)

7.31 Scenarios 1 and 2 project the number of residents age 75+ in Southend to increase by c.9,200 to c.9,800. Depending on which standards are applied, the overall need is broadly in the range of **c.1,300 to c.1,500 specialist homes over the plan period**.

Table 7.6 Projected need for specialist housing for Southend – 2025-45

	Scenario 1 (+9,190 residents age 75+)			Scenario 2 (+9,826 residents age 75+)		
Standard	Housing with support	Housing with care	**All specialist units**	Housing with support	Housing with care	**All specialist units**
Southend	1,273	59	**1,332**	1,361	63	**1,424**
East	1,252	141	**1,392**	1,338	150	**1,489**
England	1,130	149	**1,279**	1,209	159	**1,368**

Source: Lichfields based on PopGroup/EAC Statistics

Relationship with HNAOP (2022)

7.32 The HNAOP identifies the needs of housing for older people, including that for specialist housing, taking into account a range of factors including preferences and health trends. It identifies a need (to 2040) for:

- c.930 'retirement' units, of which 280 are affordable rent and 650 are owner-occupier; and
- c.450 'extra care' units, of which 140 rented/310 owned.

7.33 In total this equates to c.1,300-1,400 units, which broadly aligns with the totals within this HNA (albeit this HNA looks over a slightly longer time horizon). As such this HNA validates the findings of the HNAOP in overall terms, however the HNAOP should be referred to when considering the more specific needs given the additional detail it provides.

7.34 The needs of older people who live in general housing but that may require adaptable/accessible housing in order to live independently are set out below.

Housing need priority – given projected ageing, the scale of potential demand and wider priorities to support independent living for longer, the Council should support the delivery of specialist housing across all tenures, particularly those that offer flexible care options which can adapt with changing needs.

Summary

7.35 In line with wider trends, Southend will see ageing of its population over the plan period, and therefore the housing needs of older people are an important consideration for overall needs. It is also important to note that the Council has a clear strategy to enable people to live in their homes for as long as possible, and that the existing HNAOP has considered the detailed needs of older people in Southend having regard to a range of factors including health, tenure and changing preferences.

7.36 Based on the findings of this HNA, read in conjunction with the HNAOP (2022), it is concluded that:

1 There is a need for **c.400 nursing home bedspaces** to 2045, with limited/no need for residential bedspaces;

2 There is a need for **c.1,400 specialist housing units** for older people to 2045, of which around two-thirds is for 'retirement' housing and one-third for 'extra care'. Such housing will increase the choice of housing on offer in Southend and allow older people to live independently for longer, in line with the Council's wider aspirations. Around a third of this need is affordable, with the remaining being owner-occupier.

People with Disabilities

7.37 Building Regulations Part M sets out requirements and optional requirements for the access and use of buildings. Some optional requirements are only enacted where set out and required by planning policies, including:

- M4(2) Accessible and adaptable dwellings;
- M4(3)(2)(a) Wheelchair adaptable dwellings; and
- M4(3)(2)(b) Wheelchair accessible dwellings.

Market Housing

7.38 The majority of households in market housing in Southend – 71% - do not contain anyone with a disability, as shown in Table 7.7. More than 12% of households contain at least one person whose day-to-day activities are limited 'a lot'; this could relate to a variety of reasons including mobility issues, cognitive or communicative impairments, learning difficulties, physical dexterity, limb loss, etc. Not all will therefore be in need of specifically adaptable/accessible housing, however given the projected demographic change in Southend where older households will make up the majority of growth in the future and given objectives in the Corporate Plan and Housing Strategy to support people to live independently for as long as possible, the Council will need to consider whether it would be prudent for there to be at minimum requirement for M4(2) housing in the future.

Table 7.7 Market* households by number of people with disability (based on limits to day-to-day activities) – Southend - 2021

Persons in HH limited: 'A lot': / 'A little':	None	1 limited 'a lot'	2+ limited 'a lot'	Total
None	49,178 / 71%	5,966 / 9%	696 / 1%	55,840
1 limited 'a little'	10,143 / 15%	1,407 / 2.0%	135 / 0.2%	11,685
2+ limited 'a little'	1,592 / 2.3%	190 / 0.3%	15 / 0.02%	1,797
Total	60,913	7,563	846	69,322

Source: Census 2021. *Includes owner-occupiers, shared ownership and private rented.

7.39 As well as more than 12% of households containing 1+ person limited 'a lot', a further c.17% of households contain no persons limited 'a lot' but contain at least one person limited 'a little'. On balance, this suggest that there is a need for a minimum of around **20% of all new market housing to be built to M4(2) standards** and **10% to be built to M4(3)(2)(a) standards** (i.e. 30% in total built to these standards). It should be noted that the Disabled Facilities Grant represents one way in which owner-occupiers can adapt their home to meet their needs and it is reasonable to assume this will play an ongoing role in helping support owner-occupiers to remain in their home.

Housing need priority – within market housing overall, there is a clear need, and benefit, to a proportion of homes being built as adaptable and accessible dwellings, recognising that the ageing population is likely to increase demand for such homes and given wider objectives to support independent living. With the population projected to age significantly, it is important that future housing delivery provides homes which are at minimum M4(2) standards, with a proportion also being wheelchair adaptable (M4(3)(2)(a)).

Affordable Housing

Context

7.40 The Census shows that 57% of affordable renting households contain at least one person whose day-to-day activities are somewhat limited by disability, and 35% contain at least one person whose day-to-day activities are limited 'a lot' by disability. As shown in Table 7.8 this is significantly higher than the overall average, and is likely to be – at least in part – reflective of the prevalence of older single person households in affordable housing.

Table 7.8 Affordable households by number of people with disability (based on limits to day-to-day activities) – Southend - 2021

Persons in HH limited: **'A lot'**: **'A little'**:	None	1 limited 'a lot'	2+ limited 'a lot'	Total
None	**3,863 / 43%**	**2,245 / 35%**	**301 / 3%**	55,840
1 limited 'a little'	**1,740 / 19%**	**405 / 5%**	**83 / 1%**	11,685
2+ limited 'a little'	**278 / 3%**	**79 / 1%**	**27 / 0.3%**	1,797
Total	5,881	2,729	411	9,021

Source: Census 2021

7.41 The Council has also provided information on the mobility needs of households on the waiting list, as assessed under its allocations policy. These are shown in Table 7.9 with the following definitions:

- A1 - accessible/adaptable - non wheelchair dwellings but include, for example, shallow steps, level access shower, space for stairlift. For building regulations purposes these could fall under M4(2) (which meets the needs of some disabled people and is adaptable over time), M4(3)(1) (enabling reasonable access to a dwelling by a wheelchair user) or M4(3)(2)(a) (allow simple adaptation to meet the needs of an occupant who is a wheelchair user); and
- A2 - fully wheelchair accessible property – i.e. M4(3)(2)(b), meaning dwellings which meet the needs of wheelchair users.

Table 7.9 Need for accessible/adaptable housing (current) – Southend – Housing Waiting List

	A1 Accessible/Adaptable		A2 Fully Wheelchair Accessible	
	Households	As % of total	Households	As % of total
1 bed	58	11%	5	1%
2 bed	38	8%	10	2%
3 bed	16	4%	5	1%
4+ bed	5	10%	1	2%
Total	**117**	**11%**	**21**	**1%**

Source: Southend-on-Sea City Council

7.42 On the basis of the above, and taking into account the future change in demographic profile in Southend (which projects significant ageing, which includes older single people who will be accommodated in the affordable rented sector) it would be reasonable to conclude that:

1. At least **60% of all new affordable rented should be built to M4(2) standards**, recognising that the majority of households in this sector currently have some form of disability and given projected growth in this sector is likely to be significantly driven by older households;
2. **10% of all affordable homes should be built to M4(3)(2)(a)** standards, to allow them to become wheelchair accessible easily in the future, in recognition of the needs that currently existing on the housing waiting list; and
3. Requirements for **M4(3)(2)(b) should be only applicable** where a **specific tenant** has been identified for occupation of that dwelling. This recognises that there are significant costs associated with the latter, however there is only a relatively small need for these types of dwellings based on the waiting list.

7.43 The increased supply of adaptable and accessible housing within the affordable sector will directly contribute to the objectives of the Corporate Plan and Housing Strategy to allow residents to live as independently as possible.

Housing need priority – homes that can be adapted over time to a variety of needs, rather than provision of wheelchair ready dwellings, should form a key priority for the Council in its affordable housing policy (this is M4(3)(2)(a) requirements). Specific wheelchair user dwellings (2)(b) should only be sought where a specific tenant has been identified for that dwelling, but will still form a key element of the overall housing strategy given Southend's ageing population.

Self-Build

Context

7.44 The Government is keen to encourage more people to build their own homes and wants to make this form of housing a mainstream development option. A self or custom-build project is defined as housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either market or affordable housing and is intended to help diversify the housing market and increase consumer choice. PPG states that "*self-build or custom build helps to diversify the housing market and increase consumer choice*" (ID 57-016a).

7.45 Councils are required to maintain a 'Self-Build and Custom Build Register' for their area, as set out in the section 1 of the Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016), which can include local eligibility tests for the Register. They are also subject to duties under sections 2 and 2A of the Act to have regard to this and to give enough suitable development permissions to meet the identified demand. As set out in PPG, authorities "*must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area*", ensuring that over a three year period enough plots are made available to meet demand (ID 57-023).

Future Need

7.46 Information provided by the Council shows that on average since 2015, **13 households per year** have added themselves to the self-build register, the vast majority of which have some connection to Southend. This peaked in the late 2010s and has been falling generally since.

7.47 If the long-term average level were to continue, this could equate to demand for around **250 self-build plots over a 20-year period** (representing around 2-3% of all need, based on supply of 9,800-14,700). If, however, more recent trends persisted (e.g. those seen over the last 2-5 years), the demand could be lower at **c.100-200 plots** (representing around 1-2% of all need). The demand would be marginally less if it excluded households that did not have a local connection to Southend.

Table 7.10 Number of households registering on for self-build in Southend since 2015

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Live in Southend	0	14	8	13	14	7	11	4	12	4	4
Family connection	0	2	6	4	4	3	2	1	1	0	0
Work in Southend	1	1	1	1	0	2	0	0	1	0	0
Connection	**1**	**17**	**15**	**18**	**18**	**12**	**13**	**5**	**14**	**4**	**4**
No connection	0	1	1	2	3	1	3	1	3	1	1
Total	**1**	**18**	**16**	**20**	**21**	**13**	**16**	**6**	**17**	**5**	**5**
Rolling 3 year average			12	18	19	18	17	12	13	9	9

Source: Southend-on-Sea Council

7.48 It has been noted by the Council that none of the data that users provide for the Register is verified, so relevant caution should be applied when interpreting these figures. However, we note that the overall demand is fairly small in the context of overall housing needs, so even if this estimate is a slight over-estimate (e.g. if not all households who registered would actually take up, or be able to take up, a self-build plot if one became available) then it would unlikely make a material difference to the overall scale of self-build needs.

Summary

7.49 The Council has a statutory duty to have regard to self-build demand within its area. If past trends continue, the Council could see demand for between **c.100 and c.250** self-build plots over the plan period, representing 1-3% of all need. Because demand is relatively low, and that it will not be feasible for all sites to provide self-build housing, it is recommended that any self-build or custom-build policy requirements be considered on a site-by-site basis, taking into account the most up-to-date position on demand at that point in time. This will ensure that self-build and/or custom-build plots are not provided where there is no demand, no practical means of delivering them, or where they will be unlikely to be taken up, resulting in potential delays whilst those sites revert to open market housing.

Separately, it is recommended that the Council seek to refine the information it holds on self-build, particularly to a) confirm that the overall number on the register is correct (i.e. that they are eligible and have sufficient financial means); and b) to gather information on housing preferences, e.g. plot size/number of bedrooms. This will aid the Council in understanding how its housing supply can best meet demand.

Appendix 1 Note on Students

A1.1 Population Impacts

A1.2 It is difficult to ascertain the precise impacts the closure of the Southend Campus could have on the overall population of Southend given that;

A1.3 [1] Some students, particularly those attending the University who were from the local area, may temporarily relocate to Colchester (or elsewhere) before returning to Southend once their studies conclude, in which case they would temporarily reduce overall population growth (compared with the status quo), however by returning to Southend this impact will be negated in c.2-4 years' time. In the long-term, if all students followed this route there would be a net-zero impact of the closure of the University;

A1.4 [2] Some students may transfer to another HE/FE provider in or near to Southend and will remain living in Southend under their current living circumstances (including those who choose to commute to Colchester under the compensation scheme), and thus will have no impact on population growth compared with the status quo;

A1.5 [3] Some students living locally may relocate to HE/FE institutions elsewhere and if they remain in that area after study there would be a net reduction in overall population growth in Southend; and

A1.6 [4] Some students from outside the local area may choose not to move to Southend to begin with, in which case there would be temporary reduction in population growth, however the long-term net impact would depend on whether those students still chose to move to Southend post-completion of their studies.

A1.7 In any event, the number of students in question is relatively small - c.800, representing 0.4% of Southend's population - of which any falling in categories [1], [2] and potentially some of [4] will have no long-term impact on population growth. Only those falling into [3] and potentially some of those in [4] would reduce long-term net population growth compared with the status quo, however this will only represent a portion of the 800 students in question. On the basis any adjustment would have minimal impact on population growth and housing need projections (nor would it have any evidential basis), it is not considered proportionate to make specific population adjustments within this study to account for this.

A1.8 Labour Supply Impacts

A1.9 Similarly, it is difficult to ascertain the impact that the closure of the Southend Campus would have on labour supply in Southend. At the time of the 2021 Census 42% of all full-time students living in Southend who were age 19 and above were economically active (1,288 out of 1,796), and of these 86% (1,106) were in employment. Given there are around 800 students at the Southend Campus at the time of closure, we can therefore estimate that 334 were economically active and would form part of the labour supply living in Southend.

A1.10 If all of these students relocated elsewhere and ceased working in Southend, they would result in a net reduction of c.300 in the labour supply compared with the status quo. However, this is a worst-case scenario. As noted above, some students are likely to transfer to another HE/FE provider within or near to Southend (or temporarily relocate before moving back) thus having no long-term net impact on the labour supply; in these cases, they would likely continue to work in Southend, particularly given its status as a key regional employment centre.

A1.11 Given the number of potential workers in question – c.300 at the very most (likely less) – relative to Southend's overall working age population (c.110,000 age 18-64, as of 2024), no specific adjustments are made within the INA to account for the potential impact of the closure of the Southend Campus on labour supply projections for Southend.

Appendix 2 Modelling Assumptions

A2.1 Approach to communal populations

A2.2 To derive a household projection from a given population forecast, it is first necessary to remove any population 'not in households', i.e. living in communal establishments (such as university halls of residence, prisons or care homes). The remaining population is the 'household population' to which household formation rates are applied to derive the number of households.

A2.3 Prior to the 2022-based household projections, it had been ONS's assumption (and prior to ONS, that of MHCLG) that below age 75 the number of people living in communal establishments remained constant over time. For those above age 75, the percentage of people living in communal establishments remained constant. This ensured that as the number of older people increased, the number assumed to be living in residential/nursing homes also increased.

A2.4 However, in the 2022-based projections, ONS has moved away from this approach and now keeps the number of people living in communal establishments constant for all ages across the projection period. This means that over time, the percentage of over 75s living in communal establishments implicitly declines.

A2.5 Decisions around whether older individuals move from their home into care are highly complex and depend on a range of factors including their health and suitability of their current home to meet their needs, ability to afford or access care in the home, financial factors, and more. Furthermore, with new types of housing the 'line' between independent living and care is becoming increasingly blurred, meaning those who might previously have moved into a residential home (e.g. because it was the only option available) might instead be able to live independently within a supported environment, e.g. extra care housing within a wider care village. Therefore it is not possible to precisely forecast the number of older people living in communal establishments vs care homes. However, to hold the number constant would imply that a reducing percentage of older people lived in communal establishments in the future, which is unlikely to be realistic. For this reason, the modelling adopted within this HNA adopts ONS/MHCLG's prior approach to over 75s in communal establishments, assuming that the percentage remains constant at the current rate.

A2.6 Table of assumptions

A2.7 [See overleaf]

Item	Value	Assumption	Source
Base assumptions			
Base Population	2022 SNPP: 182,948 in 2025	2022-based Subnational Population Projections (SNPP) and 2024 mid-year estimates (MYEs) for Southend	ONS (2025) Subnational population projections, 2022-based: migration category variant ONS (2025) Population estimates for England and Wales: mid-2024
Total Fertility Rate (TFR)	TFR for each year 2025-2045	Calculated using POPGROUP from the 2022-based projected births by age of mother in Southend from 2025 to 2045	ONS (2025) Subnational population projections for England: 2022-based - migration category variant
Standardised Mortality Rate (SMR)	SMR for males and females for each year 2025-2045	Calculated using POPGROUP from the 2022 SNPP from 2022-based projected deaths by gender and single year of age for 2025 to 2045. This is standardised against the UK age-standardised mortality rates for males and females by single year of age from the 2022-based national projections.	ONS (2025) Subnational population projections for England: 2022-based - migration category variant
Migration	Total migrants by direction, sex and five-year age band for each year 2025-2045	Total number of migrants by direction (in from the rest of the UK, in from overseas, out to the rest of the UK, and out to overseas) from the 2022-based projections for Southend per year between 2025 and 2045.	ONS (2025) Subnational population projections for England: 2022-based - migration category variant
Derived forecast: households and dwellings			
Population Adjustment: Not in Households	Males and females by five-year age band	Projected institutional population (i.e. not in households) from 2022-based household projections for Southend. This is inputted as an absolute number held constants across the projection period for ages 0-74 and as a constant proportion of the population for ages 75+.	ONS (2025) Household projections for England: 2022-based, migration category variant
Household Representative Rates (HRR)	HRR for by sex and five-year age band	Projected proportion of population of Southend within each sex-age group who are the household representative person (HRP) of their household from 2025 to 2045. The ONS holds these rates broadly constant over the period based on the 2021 Census.	ONS (2025) Household projections for England: 2022-based, migration category variant
Headship Rates *Type of household by five-year age band*	Headship by composition of household by five-year age band of HRP	Headship rates for household types (one-person males, one-person females, households with one child, households with two children, households with three or more children, and other households formed of two or more adults) for Southend over the period 2025-2045. The ONS holds these rates broadly constant over the period based on the 2021 Census.	ONS (2025) Household projections for England: 2022-based, migration category variant
Dwellings vacancy rate and proportion of second homes	Held at 3.7% over the duration of the projection period.	Proportion of vacant dwellings and second homes from Council Taxbase records for 2025. This includes both exempt and chargeable dwellings classed as empty, and all dwellings classed as second homes regardless of discount/exemption status. This proportion is held constant over the projection period.	MHCLG (2026) Council Taxbase 2025 in England
Derived forecast: labour force			
Economic activity rate/Labour force participation	Activity rate sex and age band for population aged 16+ for each year 2025-2045	Base data is taken from the 2021 Census and 2022-2025 Annual Population Survey (APS). These rates are forecast forward using the national trajectory implied by the Office for Budget Responsibility's (OBR) Cohort Model	ONS (2022) Census 2021 ONS (2025) Annual Population Survey OBR (2025) Forecasting participation trends: the cohort model
Unemployment rate	Total unemployment rate for each year 2025-2045	The ONS model-based estimate of unemployment for Southend in 2024 was 4.7%. The trajectory implied by the OBR forecasts from March 2026 is applied to provide projected unemployment between 2025 and 2030, after which the unemployment rate is held constant from 2030 onwards at 4.5%.	ONS (2025) Model-based estimates of unemployment, January 2024-December 2024
Commuting rate	Held at 1.21 over the duration of the projection period.	Calculated as the ratio of residents in employment to the number of jobs in Southend in 2023. Figures are taken from ONS jobs density data and the Annual Population Survey	ONS (2025) Annual Population Survey ONS (2025) Jobs Density

Appendix 3 Affordability Threshold Research

A3.1 Renting

A3.2 To understand what income would be required to sustain ownership or occupation of such properties, it is necessary to consider how much households can afford to spend on their housing. In respect of renting, there is no official, or definitive, threshold for how much a household can spend on rent before it is unaffordable. This will also likely vary be area, depending on other factors such as absolute income/rents, and other living costs.

A3.3 The former SHMA Guidance (2007) set out that a household can be considered able to afford renting on the private market in cases where the rent payable was up to 25% of their gross household income. However, there is more up to date evidence which suggests that the proportion of gross household income spend on rent may be higher than 25%.

A3.4 For example, data released more recently estimates that nationally, private renters spent 32.3% of their income on rent (inclusive of housing support), higher than the proportion spent by social renters (26.5%) and higher than mortgagors paid for their mortgage (17.8%). Over the past ten years, the proportion of household income that private renters spent remained similar (34% in 2012-13 and 32% in 2022-23)[20].

A3.5 For the purposes of this assessment, we have assumed that households in the private rented sector in Southend can reasonably be expected to spend up to 32% of their annual income on rent.

A3.6 Buying

A3.7 The former SHMA Guidance from 2007 (superseded by the NPPF and PPG but still containing useful context where the PPG is silent) sets out that a household can be considered able to afford to buy a home if it costs 3.5-times the gross household income for a single earner or 2.9-times the gross household income for a dual-income household. However, the PPG does not prescribe exactly how affordability calculations should be undertaken other than to say that access to lower quartile (entry level) market housing is the relevant barometer.

A3.8 The household income data utilised for Southend does not differentiate between single earners and dual earners, whilst the former SHMA Guidance is now over 15 years old and the loan to income mortgage ratios do not reflect current lending practices.

A3.9 In 2014 the Bank of England's Financial Policy Committee said that it would only allow 15% percent of new mortgages to be at multiples higher than 4.5 times a borrower's income, in effect 4.5-times as a maximum. There are therefore 15% of cases where this can be exceeded; for example, Halifax will allow couples with a combined income of £50,000 to £75,000 to borrow 5-times their income at up to 75% LTV[21]. More generally, income

[20] DLUHC English Housing Survey 2022/23 – Headline Report Chapter 2: Housing costs and affordability, Annex Table 2.5: Mortgage/rent as a proportion of household income (including and excluding housing support), by tenure, 2010-11 to 2022-23
[21] Which? Available here

multipliers of between 4 and 4.5-times a borrower's income are fairly standard in the industry.

A3.10 Evidence from the Council of Mortgage Lenders[22] identified that in Q3 2018, average loan-to-value ratio for first time buyers in England was 85%, whilst according to the English Housing Survey [EHS], the median deposit for first time buyers was also around 15.5% in 2021/22. Although there may be difficulties in newly forming households in being able to secure a 15% deposit, there are options available as well as traditional sources of deposits such as parents.

A3.11 More recently, and according to the EHS 2023/24 (November 2024), the average (mean) deposit of a first time buyer in 2023-24 was £55,372 (£32,700 median). In 2023-24, most first-time buyers (40%) paid a deposit between 10-19% of the property price and 22% paid a deposit between 20-29%. able 7.5 indicates that the median first-time buyer deposit was somewhere between 10% and 19%, and in all likelihood, around 16-17%.

A3.12 Furthermore, Halifax released a press release in February 2025 regarding the recovery of the first-time buyers' market[23]. It stated that:

A3.13 "In 2024, the average cost of a first-time buyer home was £311,034 (up +8% vs 2023), with deposits averaging 20% of the purchase price. This means a typical new buyer is putting down a deposit of £61,090, around £7,500 (+14%) more than in 2023."

A3.14 This suggests that the average deposit placed by a first-time buyer has gradually crept up in recent years and is likely to sit somewhere between 15% and 20%, no doubt in response to the ever-increasing growth in house prices.

A3.15 For the purposes of this modelling exercise, and to ensure the findings are as robust as possible to reflect the fact that finding a 20% deposit remains highly challenging for most first time buyers with external assistance (such as the bank of Mum and Dad), we have retained the 15% deposit assumption.

A3.16 As for the loan to income multiple, most lenders typically allow households to borrow between 4 to 4.5 times their household income for a mortgage, although they may be eligible for a smaller or larger mortgage than this. There are examples, however, of the loan to income multiple increasing from this range.

A3.17 To take a high-profile example, in August 2024, Lloyds Banking Group launched a new proposition called First-time Buyer Boost. This enhanced the maximum loan to income multiple to 5.5 times for eligible first-time buyers who take out a mortgage with Halifax or Lloyds Bank with a loan-to-value of 90% or less. Previously, the maximum amount Lloyds Banking Group lent to these customers was 4.49 times their income. First-time Buyer Boost enables them to lend eligible customers up to 22% more[24]. Another example is Nationwide, which stated in September 2024 that new borrowers could request a mortgage up to six times their income with a 5% deposit, although this would only be available for those taking out a five or 10-year fixed-rate deal[25].

[22] Median loan to value ratio for first time buyers - data.gov.uk
[23] Available here
[24] Available here
[25] Available here

A3.18 On balance, and given that for now the higher income multiples remain the exception rather than the rule, this assessment assumes that households can borrow up to 4.5x their annual income when buying housing, with a 15% deposit secured.

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