

EAST HERTS COUNCIL

DISTRICT PLANNING EXECUTIVE PANEL - 26 JULY 2012

REPORT BY EXECUTIVE MEMBER FOR STRATEGIC PLANNING
AND TRANSPORT

SUB-DISTRICT POPULATION AND HOUSEHOLD FORECASTS -
PARISH GROUPINGS AND TOWNS: PHASE 1 (MAY 2012)

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report sets out the findings of Phase 1 of the Sub-District Population and Household Forecasts technical work that will form part of the evidence base for generating an appropriate district-wide housing target for East Herts to 2031, and to inform the preparation of the District Plan. It provides demographic information at parish grouping and town level.

**RECOMMENDATIONS FOR DISTRICT PLANNING EXECUTIVE
PANEL AND EXECUTIVE: That:**

(A)	the Sub-District 'Population and Household Forecasts - Parish Groupings and Towns: Phase 1' (May 2012) technical study at Essential Reference Paper 'C' to this report, be supported as part of the evidence base for the preparation of the East Herts District Plan.
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RECOMMENDATIONS FOR COUNCIL: That:

(A)	the Sub-District 'Population and Household Forecasts - Parish Groupings and Towns: Phase 1' (May 2012) technical study at Essential Reference Paper 'C' to this report, be agreed as part of the evidence base for the preparation of the East Herts District Plan.
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1.0 Background

- 1.1 In line with the Government's Localism agenda and the impending abolition of regional strategies (expected Summer 2012), local authorities are solely responsible for setting their district-wide housing target, based on objectively assessed needs for market and affordable housing.
- 1.2 In July 2011, East Herts Council joined with the Greater Essex grouping of local authorities to commission Edge Analytics Ltd to undertake technical work in respect of population and household forecasting to provide robust evidence to support setting its own district-wide housing target. This work is being undertaken in stages and the preliminary results formed the basis of the Population and Household Topic Paper presented to the LDF Executive Panel on 29th March 2012.
- 1.3 However, given the dispersed settlement pattern of East Herts district it was considered appropriate to investigate whether demographic information and household projections could be obtained at a sub-district level. To this end, the Project Brief for the Greater Essex Work included the potential for the successful consultants to be further engaged by individual local authorities to undertake additional sub-district demographic forecasting technical work by separate commission.
- 1.4 As such, East Herts Council appointed Edge Analytics Ltd in March 2012 to undertake population and household forecasting technical work at the sub-district level. This technical work is being undertaken in two phases: Phase 1 provides 'trend-led' demographic information (i.e. projecting forward existing demographic data such as existing population statistics), whilst Phase 2 will test a range of alternative dwelling-based scenarios at the sub-district level. This will enable comparison of the possible housing targets against the 'trend-led' scenarios to understand the potential demographic and housing implications of meeting those housing targets.
- 1.5 This report presents Members with the findings of Phase 1 of the sub-district work. Phase 2 is expected to be undertaken in August 2012.

2.0 Report

2.1 In order to run the population and household forecasts at the sub-district level, small area geographies need to be established. The study tests two small area geographies: the first based on parish groupings of the five towns and their rural hinterland; and the second, based on the administrative areas of the five towns with a residual rural area. These are listed below:

Parish Groupings

- Bishop's Stortford and Northeastern Parishes
- Buntingford and Central Northern Parishes
- Hertford and Central Southwestern Parishes
- Sawbridgeworth and Southeastern Parishes
- Ware and Central Southern parishes
- Western Parishes

Towns

- Bishop's Stortford
- Buntingford
- Hertford
- Sawbridgeworth
- Ware
- Rural (Residual)

2.2 The Parish Groupings can also be aggregated up to form the housing market areas as identified in the Strategic Housing Market Assessment (SHMA) technical work (January 2010). It should be noted, however, that undertaking this work at single parish level has not been possible owing to the lack of robustness of using small data sets.

2.3 The study runs the following five 'trend-led' scenarios to provide population and household forecasts at the sub-district level:

- Sub-National Population Projections (SNPP) 2010 - based on the latest ONS population and household projections
- Migration-led - based on the 5-year average projections from 2006-2010 (which showed an increasing rate of migration)
- Natural Change - constrained by zero migration and driven by births and deaths only
- Nil-Net Migration - assumes that the balance between in and out migration is zero

- 10 Year Completion Rates - constrained dwelling-led scenario based on East Herts housing completion rates 2002-2011
- 2.4 Paragraph 47 of the National Planning Policy Framework (NPPF) states that *'local planning authorities should use their evidence base to ensure that their local plan meets the full, objectively assessed needs for market and affordable housing'*. In addition, Paragraph 159 of the NPPF states that local planning authorities should *'meet household and population projections, taking account of migration and demographic change [...and cater...] for housing demand and the scale of housing supply necessary to meet this demand'*.
- 2.5 There are two components to demographic data: natural change (the difference between the birth and death rates) and migration (the movement of people in and out of the district).
- 2.6 For comparison purposes, the table in **Essential Reference Paper 'B'** sets out the resultant housing figures, taken from the study, on the basis of 'Average Dwellings Per Year' and '20 Year Dwelling Total' for all scenarios and sub-district areas.
- 2.7 The full range of findings for all scenarios are included in the Sub-District Population and Household Forecasts - Parish Groupings and Towns: Phase 1 (May 2012) technical study itself which is attached at **Essential Reference Paper 'C'** to this report. (Parish Grouping forecasts are at pages 27 to 32 and Town forecasts at pages 33 to 38).
- 2.8 It is also interesting to note from the findings presented in **Essential Reference Paper 'C'**, that for the Bishop's Stortford and Northeastern Parishes, Sawbridgeworth and Southeastern Parishes, Bishop's Stortford, and Rural (Residual) small area geographies, the Natural Change scenario results in a higher annual dwelling average than the equivalent Nil-Net Migration scenario. This emphasises the impact that migration can play in demographics in altering the population structure and the subsequent effect structural change has on household requirements.
- 2.9 It must be stressed that the findings presented in this technical work do not provide the 'answer' to the level of housing growth in a particular area. They are simply the starting point for plan-making purposes that provide an indication of the level of housing

required that then needs to be tested against planning policy, physical and environmental considerations. It may be the case that, in planning terms, a particular location cannot accommodate the level of development required to meet its housing needs. Equally, there may be valid planning reasons why a particular location should accommodate more than its forecasted growth.

- 2.10 This study, along with the findings from Phase 2, that will test the demographic implications of different levels of housing growth, will inform those strategic planning decisions made through the preparation of the District Plan.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Report to LDF Executive Panel - 29 March 2012 Agenda Item 7:
Population and Household Forecasts and the East Herts Housing Requirement

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