



Greater Essex

Demographic Forecasts 2012-2037

Phase 5 Main Report

Commissioned by the Essex Planning Officers Association (EPOA)

April 2014

edge analytics
www.edgeanalytics.co.uk

1. Introduction

Context

- 1.1 With the revocation of the Regional Spatial Strategy (RSS), the development of housing requirements for Local Plans is now very much the responsibility of individual local authorities. The National Planning Policy Framework (NPPF)¹ and the draft National Planning Practice Guidance (NPPG)² provide detailed guidance on the objective assessment of housing need and the Planning Advisory Service (PAS) and Local Government Association (LGA) have together published their own 'ten key principles' for achieving the same objective³.
- 1.2 The Essex Planning Officers Association (EPOA) has maintained its commitment for continued collaboration between authorities in the preparation and use of demographic information to support Local Plan development. EPOA views the availability of robust and consistent demographic information and forecasts across a wide area as a vital component in any local planning authority evidence base; facilitating more informed discussion regarding future development with local communities, neighbouring authorities, infrastructure and service providers, developers and others. In particular, demographic data is a key component to inform and mobilise the 'duty to cooperate' which the Localism Act places on authorities, their neighbours and other organisations when engaged in policy development and Local Plan preparation.
- 1.3 During 2010-12, EPOA commissioned a programme of work which delivered a range of demographic forecasts for its member authorities, providing a suite of scenarios from which future growth trajectories might be evaluated. This project was conducted in four phases and concluded in summer 2012.
- 1.4 EPOA has now extended this commission to provide an annual update to the demographic forecasting evidence for its member authorities. This new evidence continues to include a variety of scenarios, including migration-led, dwelling-led and economic-led approaches to demographic forecasts.

¹ CLG. March 2012. *National Planning Policy Framework*

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf.

² CLG. *National Planning Practice Guidance*. <http://planningguidance.planningportal.gov.uk/blog/guidance/>.

³ PAS and LGA. April 2013. *Ten Principles for Owning Your Housing Number: Finding Your Objectively Assessed Needs*. http://www.pas.gov.uk/4-plan-making/-/journal_content/56/332612/4077684/ARTICLE#sthash.BXIPgyB7.dpuf.

Work programme

- 1.5 This new commission is organised into three phases, continuing from the original programme of work, as follows:
- 1.6 Phase 5: December 2013 – February 2014
- This phase will include an update to the previous EPOA demographic forecasts and evidence to take account of: 2011 Census statistics; revisions to mid-year population estimates for 2002-10; the new 2011-based household projections; 2012 mid-year estimates; and the latest forecasts of economic growth.
- 1.7 Phase 6: June 2014 – July 2014
- This phase will incorporate the latest evidence from: the Office for National Statistics (ONS) 2012-based sub-national population projections; the latest forecasts of economic growth and will include a number of changes to the POPGROUP methodology that have been implemented during Q1 2014.
- 1.8 Phase 7: to be confirmed but likely to be Q1 2015
- Timing on the third phase of work has yet to be confirmed but will include updates to take account of new household projections (scheduled for Q4 2014), the latest mid-year population estimates and the latest forecasts of economic growth.
- 1.9 This document provides a summary of the Phase 5 analysis and forecasts.

Forecasting methodology

- 1.10 Demographic forecasts have been developed using the POPGROUP suite of products. POPGROUP is a family of demographic models that enables forecasts to be derived for population, households and the labour force, for areas and social groups. The main POPGROUP model (Figure 1) is a cohort component model, which enables the development of population forecasts based on births, deaths and migration inputs and assumptions.
- 1.11 The Derived Forecast model (Figure 2) sits alongside the population model, providing a headship rate model for household projections and an economic activity rate model for labour-force projections.

- 1.12 POPGROUP models are used extensively by local authorities across the UK, providing a desktop utility for the evaluation of alternative growth scenarios to support local planning. Under licence to the Local Government Association (LGA), Edge Analytics provides product development and technical support to the product suite and its user base.
- 1.13 For a more complete review of the functionality and methodology which underpin POPGROUP and the Derived Forecast model, users are referred to the respective user manuals, available from the POPGROUP website: <http://www.popgroup.org.uk/>.

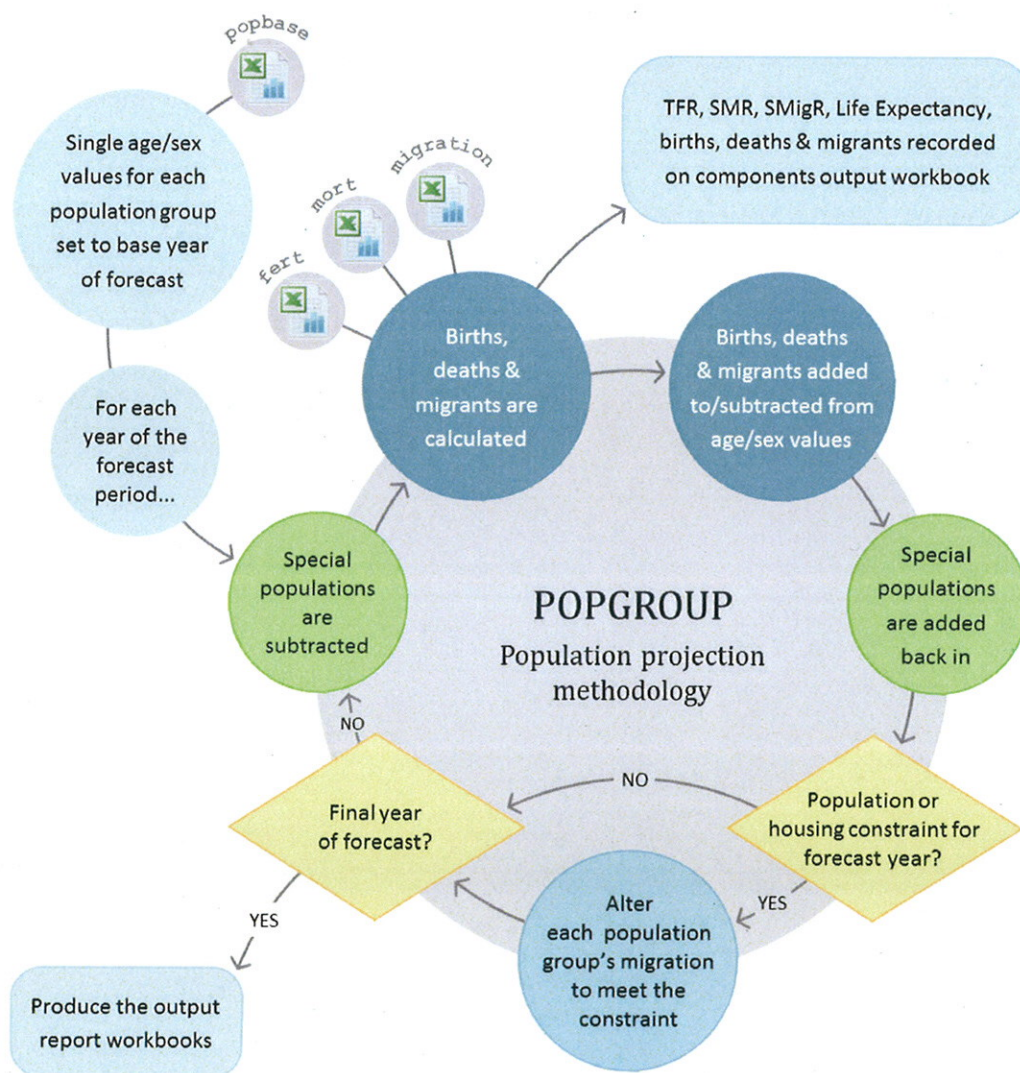
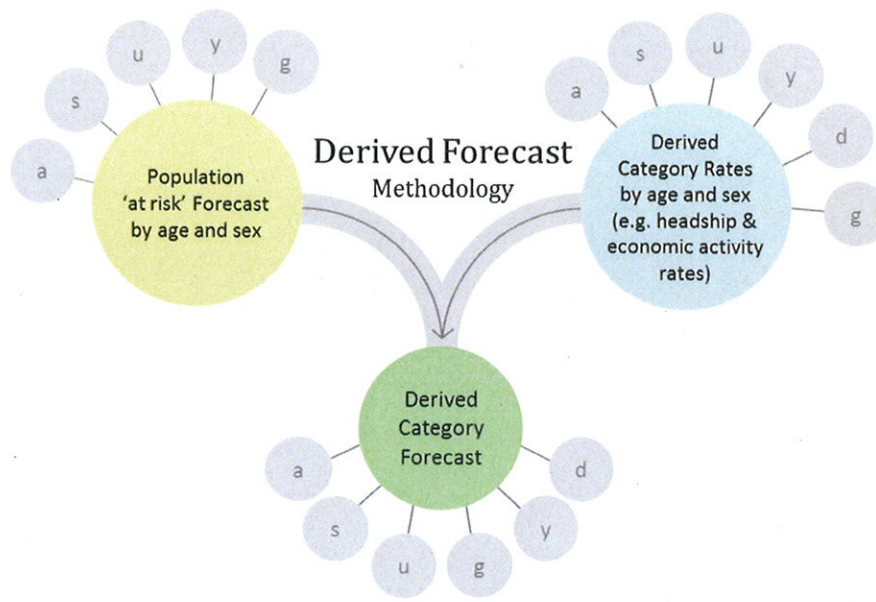


Figure 1: POPGROUP population projection methodology



$$D_{a,s,u,y,d,g} = \frac{P_{a,s,u,y,g} R_{a,s,u,y,d,g}}{100}$$

- D* Derived Category Forecast
- P* Population 'at risk' Forecast
- R* Derived Category Rates
- a* Age-group
- s* Sex
- u* Sub-population
- y* Year
- d* Derived category
- g* Group (usually an area, but can be an ethnic group or social group)

Figure 2: Derived Forecast (DF) methodology

EPOA geography

- 1.14 The EPOA geographical area of interest encompasses a total of 24 local authority districts and unitary authorities plus a number of 'macro' areas, created as aggregates of these (Figure 3). Analysis, forecasting and reporting has been undertaken for each of these defined geographical areas.

| Districts & Unitary Authorities | | | | |
|--|--------------------|-------------------|---------------------------|-------------|
| ID | ONS old Area Code | ONS new Area Code | Area | Short label |
| 1 | 22UB | E07000066 | Basildon | BAS |
| 2 | 22UC | E07000067 | Braintree | BTE |
| 3 | 22UD | E07000068 | Brentwood | BRW |
| 4 | 22UE | E07000069 | Castle Point | CPT |
| 5 | 22UF | E07000070 | Chelmsford | CHL |
| 6 | 22UG | E07000071 | Colchester | COL |
| 7 | 22UH | E07000072 | Epping Forest | EPF |
| 8 | 22UJ | E07000073 | Harlow | HLW |
| 9 | 22UK | E07000074 | Maldon | MAL |
| 10 | 22UL | E07000075 | Rochford | ROC |
| 11 | 22UN | E07000076 | Tendring | TEN |
| 12 | 22UQ | E07000077 | Uttlesford | UTT |
| 13 | 00KF | E06000033 | Southend-on-Sea | SOS |
| 14 | 00KG | E06000034 | Thurrock | THU |
| 15 | 12UB | E07000008 | Cambridge | CamCity |
| 16 | 12UG | E07000012 | South Cambridgeshire | SCambs |
| 17 | 26UB | E07000095 | Broxbourne | Brox |
| 18 | 26UD | E07000097 | East Hertfordshire | EHerts |
| 19 | 26UL | E07000104 | Welwyn Hatfield | WelHat |
| 20 | 42UB | E07000200 | Babergh | Babergh |
| 21 | 42UD | E07000202 | Ipswich | Ipswich |
| 22 | 42UE | E07000203 | Mid Suffolk | MidSuff |
| 23 | 42UG | E07000205 | Suffolk Coastal | SufCoast |
| 24 | 42UF | E07000204 | St. Edmundsbury | StEdmun |
| Macro Areas | | | | |
| ID | Definition | | Area | Short label |
| 25 | 1-12 | | Essex CC | EssexCC |
| 26 | 1-14 | | Greater Essex | GtrEssex |
| 27 | 1, 4, 10, 13, 14 | | Essex Thames Gateway | EsxTham |
| 28 | 3, 5, 9 | | Heart of Essex | HrtEssex |
| 29 | 2, 6, 9, 11 | | Essex Haven Gateway | EssexHG |
| 30 | 20-23 | | Suffolk Haven Gateway | SufflkHG |
| 31 | 2, 6, 9, 11, 20-23 | | Haven Gateway | HG |
| 32 | 7, 8, 12 | | West Essex | Wessex |
| 33 | 17, 18 | | Hertfordshire (East) | EastHert |
| 34 | 7, 8, 12, 17, 18 | | Stansted/M11 Corridor | StansM11 |
| 35 | 7, 8, 18 | | Harlow Joint Working Area | Harlow |

Figure 3: EPOA study area definition