

Appendix 1

Assessment of Housing
Requirements East Dorset

Bellway Homes

August 2013

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Appendix 1: List of Documents Referenced within the Report

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Executive Summary

1. This report has been prepared by Turley Associates for and on behalf of Bellway Homes with additional specialist demographic modelling advice provided by Edge Analytics. The purpose of this report is to establish an analysis of the requirement for housing in East Dorset District in accordance with the National Planning Policy Framework (NPPF) in particular evidencing the balance and linkages between workforce projections and housing growth in the authority.
2. The analysis and conclusions presented within this report are intended to directly respond to a number of the matters and issues published by the Inspector in July 2013 in relation to the overall strategy (MI 1)¹ of the Core Strategy. Consideration is also given to the Inspector's request for information (ID 1)² issued to the Council's in July 2013.
3. A review of the national policy context and its interpretation by Local Plan Inspectors as well as a detailed examination of the latest datasets which should be used to inform the calculation of the objectively assessed housing needs of the area has been presented within this report. In addition the analysis has presented a series of population and household projections built using the POPGROUP suite of software.
4. The analysis has been undertaken in the context of the evidence prepared to date by the Local Planning Authority. This includes the 2011 SHMA which included a detailed examination of demographic trend population and household projections built using the latest data at the time. The SHMA, did not however seek to factor in economic data to the objective assessment of housing need and this is considered to be a limitation of the research undertaken and its robustness as a basis for informing policy.
5. The Inspector has identified a series of Issues and Matters to be considered at the EIP. This includes understanding as to how the draft policies have sought to balance workforce projections and housing growth. In the absence of robust evidence from the Councils examining this issue the POPGROUP modelling has focussed on a number of alternative scenarios linking these two important drivers of housing demand and need. Evaluating the projections presented within this report the conclusion is drawn that the latest economic, demographic and housing market indicators demonstrate that the level of housing planned for within the Draft Core Strategy is insufficient to meet the housing requirements of East Dorset assuming a comparable split of requirements as evidenced in the earlier iteration of the Strategy (noting a separate target is no longer defined).
6. Examination of the latest demographic evidence shows that the authority has seen, over recent years, an ageing of the population with this projected to continue under trend-based demographic projections. Historically higher levels of migration have been seen within the authority than have been evidenced over recent years and these have predominantly been made up of working age persons and their families.
7. The Draft Core Strategy sets an objective to enable the economy of Christchurch and East Dorset to grow with significant new zones of employment development to be located at Bournemouth Airport and on key sites in East Dorset, serving the economy of the housing market area.
8. Examination of the evidence base underpinning the economic policy components of the Draft Core Strategy shows an assumed growth in employment opportunities (6,500 FTE jobs in East Dorset and 4,900 FTE jobs in Christchurch between 2011 and 2031) in the

¹ 'Matters and issues 1 – overall strategy', PINS, 16th July 2013

² 'Inspector's request for information', PINS, July 2013

future and within the plan period. Consideration of the latest Experian (May 2013) forecasts shows a considerably more muted picture of growth but these do not appear to take account of investment plans (including Bournemouth Airport) and/or policy aspirations set out in the Draft Core Strategy.

9. It is evident that the effect of the ageing population will act as a constraint on the future resident labour force. This in turn will make it difficult to realise the full job potential within the area without an uplift in levels of net in-migration from those seen over recent years. Coupled with this the authority, as evidenced within the 2011 SHMA, has significant affordability issues which have continued to form a barrier to younger households forming and remaining within the authority. This represents a challenge for the creation of balanced communities and in retaining and attracting business and employment investment.
10. Considering the two employment-led scenarios modelled provides a range of between 340 and 615 dwellings required per annum within East Dorset. This translates into a requirement of between 5,100 and 9,225 houses over the plan period with the lower end of this range essentially equating to a static level of employment over (or zero employment growth) over the full plan period. This position is misaligned with the Council's stated economic growth ambition.
11. Given the aspiration of the Draft Core Strategy to facilitate job growth it is considered that in order for the authority to accommodate a growth in its employment base and the associated expansion of its labour-force policy should plan for a requirement of between 6,000 – 7,000 units in East Dorset over the plan period. This level of growth would enable a level of employment growth to occur over the plan period, the labour force to increase, the commuting rate out of the authority to reduce³ and would also serve to make a greater contribution to addressing the significant affordable housing need in the authority. Planning for this level of housing supply would therefore be better aligned with the Council's economic ambitions. This requirement would need to be closely monitored. If the higher levels of job growth identified in the Councils' evidence base are realised this would serve to increase the requirement for new housing.
12. The evidence within this report has highlighted the importance of enabling housing development within East Dorset in order to support and attract local business investment and continued job generation through the provision of the appropriate housing infrastructure. The current Draft Core Strategy fails to recognise these needs in its setting of the housing requirement and therefore fails to take full account of the positive planning stance maintained through the NPPF.

³ Note: It is not assumed that existing residents commuting choices can be altered by policy but that new jobs do not require additional commuting trips from outside of the authority

1 Introduction

- 1.1 This report has been prepared by Turley Associates for and on behalf of Bellway Homes with additional specialist demographic modelling advice provided by Edge Analytics. The purpose of this report is to establish an analysis of the requirement for housing in East Dorset District in accordance with the National Planning Policy Framework (NPPF) in particular evidencing the balance and linkages between workforce projections and housing growth in the authority.
- 1.2 The analysis and conclusions presented within this report are intended to directly respond to a number of the matters and issues published by the Inspector in July 2013 in relation to the overall strategy (MI 1)⁴ of the Core Strategy. Consideration is also given to the Inspector's request for information (ID 1)⁵ issued to the Council's in July 2013.
- 1.3 This report presents Turley Associates / Edge Analytics analysis from the TArget Toolkit. The TArget Toolkit provides an evidence based approach to establish, test and evaluate current and future levels of housing need in a particular area. The TArget Toolkit uses a quantitative, scenario based approach to test a range of demographic, economic and policy-led outcomes from which a range of future local demand based housing requirements are derived.
- 1.4 The last eighteen months has seen the release of a number of important datasets as well as changes in the housing market and economic context. The Toolkit utilises the most up-to-date and robust data at the time at which modelling is undertaken and is fully compliant in its approach with the NPPF. The team at Turley Associates / Edge Analytics have applied this approach on behalf of a significant number of local authorities and private sector clients across England. Further detail on the methodology is provided within section 4.
- 1.5 The conclusion is drawn that the level of housing planned for within the Christchurch and East Dorset Core Strategy Consolidated Version for Council, hereafter the Draft Core Strategy, (2013) does not align with the wider policy agenda regarding the growth of the local economy and therefore fails to present a fully evidenced objectively assessed housing need for East Dorset District.
- 1.6 In drawing this conclusion, we highlight that the current planning policy provision for housing will have a constraining effect rather than facilitating the economic growth of the area. A review of demographic and economic projections demonstrates that the housing requirement policy as currently drafted will not support the employment creation objectives of the Draft Core Strategy. Furthermore the failure to plan to accommodate a sufficient level of housing to match housing needs will exacerbate current affordability issues within the District representing a significant challenge for many local households seeking to remain within the area.

⁴ 'Matters and issues 1 – overall strategy', PINS, 16th July 2013

⁵ 'Inspector's request for information', PINS, July 2013

Report Structure

1.7 Following the introductory section, the report is structured as follows:

- Section 2: Context: Policy and Guidance – The publication of the NPPF alongside other Government Strategies and statements form an important context for evaluating housing requirements and in particular the important linkage between housing and economic change. A summary of key policy requirements as well as the interpretation of policy by Inspectors is included in order to provide context to the analysis and conclusions reached within this report in relation to the Draft Core Strategy;
- Section 3: The Draft Core Strategy and Informing Evidence – A short summary of the policy position set out within the Draft Core Strategy with a particular focus on those relating to East Dorset District is included alongside a short review and critique of the evidence base cited within the latest iteration of the Draft Core Strategy;
- Section 4: Methodology – The methodology adopted within this report for projecting population and household change and conducting an objective assessment of housing needs within East Dorset is set out within this section;
- Section 5: Assessing the latest Drivers of Change datasets – Analysis of a range of drivers which will influence future needs for housing within the District. This analysis provides a summary of the key assumptions which are made within the modelling of future objectively assessed housing need;
- Section 6: East Dorset Population and Household Projections: The outputs of the modelling of housing requirements associated with economic and demographic factors is presented;
- Section 7: Housing Market Geographies. The analysis in the report has focussed on East Dorset with additional contextual analysis of Christchurch. It is evident, however, from previous SHMA research in the area that market linkages extend to a larger geography. This section considers these linkages and the implications for the development of policy; and
- Section 8: Summary and Conclusions – The final section draws together the conclusions with regard to the appropriateness of the evidence base informing the level of housing accommodated within the Draft Core Strategy and its accordance with the NPPF. This conclusion addresses a number of the matters and issues raised by the Planning Inspector in advance of the public hearings.

2 Context: Policy and Guidance

- 2.1 The changing policy context and its interpretation both through examination and appeal processes and the publication of guidance represents an important point of consideration in the preparation of informing evidence from which to identify an appropriate objectively assessed need for housing.
- 2.2 Prior to considering the policy framework it is important to consider in high level terms the Government's wider strategic aspirations in relation to housing and the economy.

Addressing the 'housing crisis'

- 2.3 Recent years have seen increasing numbers of headlines and strategies reporting the need to increase the supply of housing in order to overcome longstanding challenges in the housing market and potential increasing imbalances in the future.
- 2.4 This is illustrated for example recently by the Commons Communities & Local Government Select Committee which was tasked with looking at the measures needed to tackle what is referred to as the country's "housing crisis". The Select Committee concluded:

*"there is no one 'silver bullet' with which the housing deficit can be removed. Many of the measures in the Government's housing strategy will provide a welcome boost in the short to medium term. However, further action and a longer term approach will be needed if we are to see a sustainable change in housing supply. The country has not come close to delivering the number of homes it needs for many years, and this has been exacerbated by the recent financial crisis."*⁶ (p.3)

- 2.5 The importance of stimulating an increase in the supply of housing is not a post-recession credit crunch priority. The publication of the 2004 Barker Review⁷ brought the issue into sharp focus and provided an important informing component of the 2007 Housing Green Paper⁸. The Green Paper set a clear target for the of delivering 240,000 homes a year by 2016, therefore delivering a total of 2 million new homes by 2016 and 3 million new homes by 2020. Examining the latest DCLG housebuilding statistics⁹ on average between 2008/09 and 2012/13 only 119,000 dwellings have been completed per annum in England. This clearly represents a significant undersupply against this evidenced level of need.
- 2.6 In considering the continued emphasis on addressing the housing supply challenge by the current Government it is impossible to separate it from the wider focus on stimulating and sustaining the economic recovery of the UK. Whilst the wider health of the UK economy is linked to global shifts, as illustrated through both the sub-prime crisis in the US and the on-going Eurozone challenges, the UK Government, has through a range of

⁶ House of Commons Communities and Local Government Committee, 'Financing of new housing supply', HC 1652, 7 May 2012

⁷ 'Barker Review of Housing Supply' (March 2004), Kate Barker

⁸ 'Homes for the future: more affordable, more sustainable' (July 2007), DCLG

⁹ Table 209 House building: permanent dwellings completed, by tenure¹ and country, DCLG (accessed 25/07/13)

emerging and published policies set out its ambitions to reduce the deficit and maintain a course of austerity. The intention is over the longer-term to ensure a sound footing from which to achieve economic growth, which in summer 2013 appears to be being realised based on the release of ONS datasets reporting a sustained period of GVA growth¹⁰.

2.7 To this aim the Government issued 'The Plan for Growth' in March 2011 which set out the economic plan for the UK to recover its position as a globally recognised resilient and growing economy. The importance of retaining and encouraging the investment of businesses within the UK is also highlighted. The Plan includes the promotion of "*labour mobility by boosting the supply of housing through support for the house building industry*" and stresses the concern that "*Low levels of housing completions and limits on land supply also create barriers to mobility and high costs of entry for firms coming to the country*". These general principles signify the intention of the Government to enable a supply of new housing which meets current and future needs to support the economic growth of the country.

2.8 In November 2011 'Laying the Foundations: A Housing Strategy for England' was published. The Strategy acknowledged the evidence, in the form of the then latest official government household projections, released in 2010, that demand for housing driven by household growth was set to continue (these forecasts anticipated average household formation running at an average of 232,000 a year in England from 2008 to 2033¹¹). The foreword of the Strategy clearly set out the Prime Minister and Deputy Prime Minister's acknowledgement of the long-term failure of Governments to build enough housing to meet growing need:

"One of the most important things each generation can do for the next is to build high quality homes that will stand the test of time. But for decades in Britain we have under-built. By the time we came to office, house building rates had reached lows not seen in peace-time since the 1920s. The economic and social consequences of this failure have affected millions: costing jobs; forcing growing families to live in cramped conditions; leaving young people without much hope that they will ever own a home of their own." (Laying the Foundations, November 2011)

2.9 Recently in the March 2013 Budget (20th March 2013), the Chancellor of the Exchequer, Right Hon George Osborne MP provided a further clear signal of the Government's intention to stimulate housing delivery and meet demand. The Budget Report¹² stated at paragraph 1.100:

"Budget 2013 therefore announces Help to Buy, a package of measures that will increase the supply of low-deposit mortgages for credit-worthy households, increase the supply of new housing and contribute to economic growth".

2.10 The Budget Report continues at paragraph 1.107:

¹⁰ 'UK GDP growth of 0.6% shows 'Britain is on the mend,' says George Osborne', The Guardian Newspaper (theguardian.com), Thursday 25 July 2013

¹¹ Cited in 'The Numbers Game: Increased housing supply and funding in hard times', PWC & L&Q, 2012

¹² HM Treasury Budget Report', 20th March 2013

“The Government wants to ensure that there is a long-term supply of housing that is better matched to demand.”

- 2.11 Alongside funding packages the Government has also seen the reform of the planning system as representing an important component of assisting in the increasing of the supply of housing. This is considered in more detail in the remainder of this section.

NPPF guidance on planning policies

- 2.12 An important implication of the revocation of the regional tier of planning is that the responsibility for establishing housing requirements for Local Plans now falls with individual Local Authorities.

- 2.13 Looking specifically at the Framework in relation to the guidance it sets for preparing this evidence, firstly it is important to recognise that the NPPF is built around a policy commitment to the achievement of sustainable development. At the heart of the NPPF is a *“presumption in favour of sustainable development”*, which requires local authorities in the development of their Local Plans to adopt a positive approach in order to *“seek opportunities to meet the development needs of an area”* (DCLG, 2012, para 14 first bullet).

- 2.14 Further clarification is provided through the core planning principles set out at Paragraph 17 of the Framework. Importantly, this includes the following requirement that planning should:

“Proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities” (DCLG, 2012, para 17, 3rd bullet).

- 2.15 With regards housing, the Framework states (Paragraph 47) that in order to boost the supply of housing, 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 the housing market area, as far as is consistent with the policies set out in this Framework” (DCLG, 2012, para 47 bullet point 1).

- 2.16 The Framework provides further guidance on the use of a ‘proportionate evidence base’. At paragraph 158 it states that:

“Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. Local planning authorities should ensure that their assessment of and strategies for housing, employment

and other uses are integrated, and that they take full account of relevant market and economic signals.” (DCLG, 2012, para 158)

2.17 Further guidance as to the informing data and drivers which should be considered in establishing this estimate of the objectively assessed need facing the authority for housing is set out within paragraph 159 of the NPPF:

“Local planning authorities should have a clear understanding of housing needs in their area. They should:

- Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Market Assessment should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:*
- Meets household and population projections, taking account of migration and demographic change¹³;*
- Addresses the need for all types of housing, including affordable housing and the needs of different groups...; and*
- Caters for housing demand and the scale of housing supply necessary to meet this demand”. (DCLG, 2012, para 159)*

2.18 In October 2012 the Government requested a Review of the 7,000 plus pages of Government Planning guidance which supports the implementation of national planning policy (DCLG, 2012b). This review was led by Lord Taylor and reported on the 21st December 2012. The review concluded that the system of guidance was “no longer fit for purpose” and classified documents for retention, cancellation and update as well as identifying current gaps in guidance.

2.19 Significantly, the report identified the Strategic Housing Market Assessment (SHMA) guidance¹⁴ as well as the Strategic Housing Land Availability Assessment (SHLAA) guidance as urgently in need of update. The following additional advice was provided regarding the updating of the SHMA Guidance:

“Current guidance is out-of-date. Important to have a standardised approach. Closer linkages between the SHMA and Employment Land Reviews/Economic

¹³ Note: In response to a question asked by Lord Hodgson of Astley Abbots on the 25th October 2011 in the House of Lords around the source of total population to be used in assessing housing requirements as set out in the draft National Planning Policy Framework Baroness Hanham replied: “When assessing their housing requirements in future years as part of a strategic housing market assessment, authorities should use the most recently released sub-national population projections (published by the Office for National Statistics) and household projections (published by the Department for Communities and Local Government). (<http://www.publications.parliament.uk/pa/ld201011/ldhansrd/text/111025w0001.htm#11102553000508>)

¹⁴ The latest guidance is the DCLG published ‘Strategic Housing Market Assessments Practice Guidance Version 2 (2007)

Assessments. Priority to be updated. Consider whether SHLAA and SHMA guidance can be combined” (Lord Taylor Review DCLG, 2012, Annex C).

- 2.20 In advance of the publication of updated Guidance following the Taylor Review the Planning Advisory Service (PAS) / Local Government Association (LGA) published a guide to assist local authorities in assessing their objectively assessed needs and translating these into policy (July 2013). This reinforces a number of important principles in terms of the interpretation of the NPPF. These are summarised in the following paragraphs:

“Corroboration, consistency and integration will ensure a joined up strategy and be more likely to deliver a good and sound plan. For example consideration of the long term demographic and economic led projections may reveal that they are producing a similar level of housing requirement. If this will ensure you meet your objective of achieving x jobs over the plan period as well as addressing the high level of affordable need that exists, then there is a consistent set of evidence which integrates your strategy together and can be justified.

Conversely it is inappropriate and perverse for a strategy which seeks to increase jobs across the district to be accompanied by a low level of housing based on demographic projections with low migration trends. This is because the ambition for new jobs is only likely to be achieved by the in-migration of economically active people. Likewise a corporate strategy which seeks to address the high affordable housing need is unlikely to be delivered by a very low level of housing provision.” (pg. 10, 2013¹⁵)

- 2.21 The above synopsis of the latest policy guidance provides an important context against which to assess the compliance of any evidence prepared with the intention of informing a statutory Local Plan/ Core Strategy under the new planning policy framework. This forms an important context for considering the analysis in the following sections and in particular the conclusions presented in section 7.

Inspectors’ interpretation of NPPF Guidance

- 2.22 It is now over a year since the publication of the NPPF and the establishment of housing requirements through Local Plans has received an increasing amount of attention as they are submitted for Examination under the new framework. The following provides a summary of the key points which have emerged from a number of Local Plan/Core Strategy Examination hearings, drawing in particular from the Local Inspector reports. This provides further clarification as to how the new planning framework is being interpreted and the areas against which policy and evidence is being found unsound.
- 2.23 In the lead up to, and following, the formal revocation of the Regional Plans it is evident that Inspectors have placed a significant emphasis on the responsibility of authorities to evidence the ‘full, objectively assessed needs for market and affordable housing’. This

¹⁵ ‘Ten key principles for owning your housing number – finding your objectively assessed needs’, PAS / LGA, July 2013

was highlighted with regards the Hart District Local Plan Examination where the Inspector stated:

“Put simply, for a local plan to be considered sound in terms of overall housing provision it is first of all necessary to have identified the full, objectively assessed needs for housing in the HMA. Having done this it is necessary, working collaboratively and through co-operation with other authorities where appropriate, to seek to meet these needs in full and to demonstrate how they will be met or alternatively to provide robust evidence that they can’t.” (The Planning Inspectorate, 2013¹⁶)

2.24 The Inspector considering the Rother Local Plan reinforced this position linking it to other important national policies: *“The Framework (paragraph 47) requires local planning authorities to boost significantly the supply of housing by using their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the Framework”* (Rother District Council, 2012¹⁷).

2.25 The Inspector examining the Waverley Core Strategy concluded following the initial hearing that the Plan was likely to be found unsound on the basis of its reliance on an ‘out-of-date’ SHMA (2009) and the retention of the SEP housing figure. He suggested that updated evidence was required to comply with paragraph 47, stating:

“Such an assessment should properly be undertaken within the context of a SHMA, the preparation of which is itself a requirement of the Framework (paragraph 159). This requires a more considered assessment of housing needs than a simple reliance on demographic and household data and, importantly, requires such consideration to take place within the context of the housing market area. As I explained at the hearing, an evidence base that solely refers to demographic and other changes within Waverley Borough, without consideration of the market area as a whole, is unlikely to be sufficient. For these reasons, I can give little weight to the housing needs figure that you quoted at the hearing.” (The Planning Inspectorate, 2013¹⁸)

2.26 The North Somerset Core Strategy provides another useful point of reference for understanding the assessment of objectively assessed needs in line with the NPPF. In April 2012 the Council adopted its Core Strategy which included a housing requirement for 14,000 dwellings, considerably fewer than the former RSS target of 26,750. Part of the evidenced rationale for the identification of this revised level of need was a focus on considering the implication of focusing on locally generated needs linked to employment uses and a move away from historic trend based projections of growth which factored in sustained movements of people from Bristol in particular. A legal challenge by Bristol

¹⁶ Paragraph 20, Inspector’s Letter ‘Hart District Local Plan (Core Strategy) Examination’, 26th July 2013

¹⁷ Page 2, final paragraph, Inspector’s Report ‘Rother District Council Local Plan (2011 – 2028) Strategy Examination, 13th December 2012

¹⁸ Paragraph 12; Waverley Core Strategy Examination Inspector’s Preliminary Conclusions, 13th June 2013

University in 2013 resulted in the scale of new housing policy being found unlawful. The Approved Judgement stated:

“the Inspector gave clear reasons for rejecting the 26,750 new homes figure in the dRSS and concluding that there should be a fresh appraisal of housing need. He also had regard to the advice in PPS3 as to the use of up to date ONS household forecasts and explained why he declined to follow that advice. However, in his appraisal of the Council’s housing requirement figure of 14,000 he failed to give adequate or intelligible reasons for his conclusion that the figure made sufficient allowance for latent demand i.e. demand unrelated to the creation of new jobs.” (Approved Judgement letter, 2013¹⁹)

- 2.27 The importance of examining population and household projections as a starting point for assessing need was highlighted through the examination of the Eastbourne Core Strategy Local Plan. The Inspector noted that the Plan retained the Regional Strategy requirement for the authority but also referenced the draft Eastbourne Strategic Housing Market Assessment (2012), noting that this: *“analyses up-to-date evidence of housing need based on government household projections”*. The following recommendation was made by the Inspector based on his review of the evidence:

“The draft 2012 SHMA indicates that the 2010 household projections are expected to show a lower rate of increase than previously anticipated. However, based on past trends and 2010 population data it still predicts that the rate of household growth from 2010 to 2035 is likely to be 400 units each year. This suggests that the housing target would need to be increased to comply with paragraph 47 of the NPPF, which requires Local Plans to meet the full, objectively assessed needs for market and affordable housing in the area” (Eastbourne Borough Council, 2012²⁰).

- 2.28 Whilst the above was noted the Inspector did conclude that whilst the Plan will fall short of meeting the full need for housing in the area that the approach was justified in relation to the assessment of physical and environmental constraints. The balance between other factors (i.e. policy or physical constraints) and addressing needs in full is another area where recent decisions provide important points of clarification.

- 2.29 The Inspector considering the Hart Local Plan reinforced the importance of understanding the levels of demand indicated through household projections in context. In his response to the pre-hearing sessions he noted that the Council’s SHMA identified a need based on a zero net migration scenario with the Council augmenting this analysis with a short Addendum considering the latest DCLG published household projections. He concluded:

“other than with reference to the Government’s household projections as a benchmark, the Council has not clearly identified the full, objectively assessed needs for housing within the District. There is no up to date and reliable SHMA covering this HMA and again other than with reference to the Government’s

¹⁹ Paragraph 133, Approved Judgement ‘University of Bristol vs North Somerset Council’. Case No: CO/5253/2012, 14th February 2013

²⁰ Paragraph 25, Eastbourne Core Strategy Local Plan – Inspector’s Report, November 2012

household projections there is no assessment of the full, objectively assessed needs for housing in the HMA.” (The Planning Inspectorate, 2013²¹)

- 2.30 The Rother Local Plan referenced above proposed a reduction in the housing requirement of *“between 77% and 85% of the SEP requirement”* (Rother District Council, 2012²²). The Inspector concluded that the reasons for this proposed reduction were unsound, importantly one of the areas argued by the authority as having an impact on future demand was the health of the economy and in particular the economic downturn within which the plan was being prepared. This is important as it shows the importance of the link between the economy and housing demand with the Inspector concluding: *“Although the economic recovery may be taking longer than originally hoped, it is still a reasonable assumption that the economy will return to more normal levels of growth over the 17 year plan period. Accordingly, this is another factor which may affect the trajectory for delivery of housing and jobs, but is not a credible reason for reducing the overall target”* (Rother District Council, 2012²³). Overall, the Inspector concluded on the point that: *“There is no suggestion within the Framework that the level of ‘need’ should be reduced having regard to identified constraints or policy assumptions, which appears to be the methodology underpinning the ‘Assessment of Housing Need’ May 2012”* (Rother District Council, 2012²⁴).
- 2.31 This was further reinforced by a further letter from the Inspector in April 2013 which stated: *“I also wish to emphasise the point that the independent assessment of need should be made without regard to the District/Borough’s capacity to meet it. If convincing arguments can be made for why the assessed need cannot be met, that triggers the requirement to seek help from other authorities in accordance with the duty to cooperate. Capacity constraints cannot be used as a reason to reduce the independently assessed need. (2012²⁵)*
- 2.32 The importance of aligning policies built around an objective assessment of need and economic growth was also stressed by the Inspector considering the East Hampshire Core Strategy. The Inspector’s report stated: *“The plan period runs to 2028 and it is hoped that we will achieve pre-recession projected levels of economic growth well before then. The JCS [Joint Core Strategy] at paragraph 3.4 states that the ‘District’s economy will meet the employment needs of both residents and businesses’. I am concerned that the level of housing proposed in the JCS (added to an ageing population) would limit the supply of local workers, prejudicing existing businesses and making the District less attractive to new employers. It could also lead to increased levels of in-commuting”* (East Hampshire District Council, 2012²⁶).

²¹ Paragraph 5, Inspector’s Letter ‘ Hart District Local Plan (Core Strategy) Examination’, 26th July 2013

²² Paragraph 3 Inspector’s Report ‘Rother District Council Local Plan (2011 – 2028) Strategy Examination’, 13th December 2012

²³ Ibid Page 2, 1st paragraph

²⁴ Ibid Page 3, 3rd Paragraph

²⁵ Paragraph 3 Inspector’s letter ‘Rother District Council Local Plan (2011 – 2028) Strategy Examination’, 12th April 2012

²⁶ Paragraph 9 Inspector’s Report ‘ Examination of the East Hampshire District Local Plan: Joint Core Strategy’. 23rd November 2012

2.33 This assessment of the link between housing supply and the economy highlights the importance of considering both demographic and business/employment drivers in the development of aligned and mutually supportive policies. The Planning Inspector's reference to the ageing of the population also highlights an issue which often arises in the balancing of policy to ensure that there are sufficient people of working age to fill job spaces.

2.34 The NPPF identifies the need to balance growth and demand with an appreciation of sustainability and potential constraints on the availability of land linked to, for example, environmental factors. The separation of the objectively assessed need from this capacity factor was clearly referenced by the Inspector considering the Waverley Core Strategy:

"I would expect your Council to take a positive approach to providing the scale and mix of housing identified in any updated housing needs assessment – consistent with other policies of the National Planning Policy Framework. In the latter context, I do not under-estimate the significance of the Borough's environmental assets and designations. However, any failure to meet the full, objectively assessed housing needs as a result of constraints arising from these designations would have to be clearly and specifically justified in the terms of the Framework's policies. As discussed in the hearing, and contrary to the views of some representors, these policies do not set out 'blanket bans' on housing development: they should however be read carefully and within the context of the Framework as a whole". (The Planning Inspectorate, 2013²⁷)

2.35 Finally, one of the other areas considered by Inspectors as having a bearing on their assessment of the setting of alternative locally evidenced housing requirements relates to 'market signals' and in particular the need for 'affordable housing'. This was an issue referenced within the Inspector's report on the East Hampshire Local Plan. In considering the evidence presented within the Council's 'Housing Needs Assessment Update 2012', which identified a shortfall of affordable housing at around 439 dpa each year, he concluded: *"In my view, the undisputed and urgent need for affordable housing in the district weighs heavily in favour of increased levels of housing provision"* (East Hampshire District Council, 2012²⁸).

Duty to Co-operate - The Policy & Legislative Framework

2.36 The NPPF sets out that local authorities have a 'duty to cooperate' on planning issues that cross administrative boundaries. The Planning and Compulsory Purchase Act (2004) also requires that the local authority engage constructively with its neighbours.

2.37 Particular reference within the NPPF is made to the importance of effectively fulfilling this duty when considering, and presenting, the strategic policies to deliver new homes and jobs within Local Plan preparation.

²⁷ Paragraph 17; Waverley Core Strategy Examination Inspector's Preliminary Conclusions, 13th June 2013

²⁸ Ibid Paragraph 10

2.38 The NPPF provides guidance to local authorities regarding the appropriate measures to undertake in order to fulfil the duty:

- Joint working on areas of common interest is to be diligently undertaken to the mutual benefit of neighbouring local authorities.
- Collaborative working is to undertaken between local authorities and other bodies such as Local Enterprise Partnerships (LEPs).
- Consideration of the preparation of joint planning policies on strategic matters.

2.39 The duty to cooperate therefore acts as the mechanism by which local planning authorities can effectively:

“...ensure that strategic priorities across local boundaries are properly coordinated and clearly reflected clearly in Local Plans” (DCLG, 2012 para 179²⁹).

2.40 The NPPF states that the required outcome of the duty to cooperate is that, through this constructive process, it should enable:

“...local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas...” (DCLG, 2012 para 179³⁰)

2.41 The importance of fulfilling the duty to cooperate is emphasised by the severity of the implications of failure to discharge this duty. Failure to discharge will result in the Local Plan being found unlawful, with no remedy to resolve this.

2.42 Following Examination of the Coventry City Core Strategy DPD, the Inspector concluded:

“the Plan does not meet the legal requirements of the 2004 Act in that the Council has not engaged constructively with neighbouring local planning authorities on the strategic matter of the number of houses proposed in the Plan and consequently it has not sought to maximise the effectiveness of the plan making process.” (2013, para 54³¹)

2.43 In reporting, the Inspector cited the shortcomings of the Council’s approach to discharging the duty to cooperative as pivotal in the unlawfulness of the Plan. In particular, the Inspector cited:

- It is not sufficient to prepare an agreement with neighbouring local authorities to resolve issues in shortfall in the future without clearly citing how this would be achieved.
- The methodologies and assumptions in SHMA, and other, evidence utilised to inform housing requirements across local authorities within a shared functional

²⁹ NPPF (2012) – CLG (p42, para 179)

³⁰ Ibid

³¹ Coventry City Core Strategy DPD Examination – Preliminary Hearing Session Concerning the Duty to Cooperate – Annex (Para 54)

housing market area should be consistent. A sub-regional / multi-authority SHMA is recommended to align evidence.

2.44 In failing to effectively discharge the duty to cooperate, the Inspector concluded that it was impossible to effectively judge:

“...whether the full and objectively assessed need for market and affordable housing in the housing market area is being met as paragraph 47 of the Framework makes clear should be done.” (2013, para 31)³²

2.45 The summation of the key points raised by Inspectors through their assessment of submitted Local Plans/Core Strategies highlights relatively rigid interpretation of the NPPF being applied and the importance of the assembled evidence base being relied on to justify any departure from regionally established housing targets. The implications of this for considering the evidence base underpinning the Draft Core Strategy is considered below.

Evidencing the objectively assessed need for housing

2.46 The outputs of the above interpretation of policy and Inspectors' application of the new Framework indicates that any approach to evidencing the objectively assessed need for housing needs to consider the following:

- Reference the latest Sub-National Population Projection (ONS) and Sub-National Household Projection (DCLG) datasets and provide a clear evidenced rationale for any improvement/correction of the levels of change projected from these datasets. The integration of local data or more up-to-date information needs to be robustly integrated into any projection methodology to demonstrate consistency with the approach taken by these 'official' statistics. This needs to take account of fertility and mortality assumptions, migration (internal and international) and headship rates;
- Reference the scale of the departure from the regional strategy requirement and provide a clear evidenced rationale for the use of more up-to-date information and data;
- Clearly evidence the alignment between Local Plan policies around employment and economic growth and the capacity of the planned level of housing to facilitate the achievement of these aims;
- Provide an understanding of the implications of strategic housing market linkages with particular reference to the functional housing market area. This has a bearing in relation to evidencing a Duty to Co-operate and any potential future requirement to agree the meeting of housing need beyond the authority boundary; and

³² Ibid (Para 31)

- Provide evidence of a considered link between an assessment of the need for affordable housing and the objectively assessed need for housing. The Strategic Housing Market Assessment analysis represents an important location for these areas of analysis to be aligned.

2.47 In order to arrive at an 'objectively assessed' and justified housing requirement (in accordance with the NPPF) it is vital that the Local Planning Authority can evidence that they have assessed an appropriate range of scenarios which factor in the considerations noted above. In evaluating the range of potential housing demand scenarios it is important that the authority also understands the implications of alternative levels of growth and is then able to justify the figure selected within policy as being able to be sustainably accommodated.

2.48 Where an authority identifies that the full objectively assessed need for housing cannot be accommodated sustainably within its own planning area the NPPF requires that the authority co-operate with other authorities with housing market linkages to arrive at a position where the residual can be accommodated.

3 The Core Strategy and Informing Evidence

Overview

- 3.1 East Dorset District and Christchurch Borough took the decision to develop a joint Core Strategy. The Core Strategy has undergone a number of iterations to date with Issues and Options published and consulted on in 2008 and 2009.
- 3.2 The Councils consulted on the Pre-Submission iteration of the joint Core Strategy between April and June 2012. This version of the Plan set out the long term planning strategy for the area covering the plan period of 2013 to 2028 (15 years) and included detailed policies and site proposals for housing and employment uses as well policies covering retail, transport and other topics.
- 3.3 Following consideration of the comments received in respect of this consultation the Councils published a Proposed changes to the Pre-Submission version for a further round of consultation in November and December 2012.
- 3.4 On the 15th March 2013 the Core Strategy Consolidated Version for Council (February 2013) was submitted to the Planning Inspectorate following Elected Member approval.
- 3.5 This section provides a summary of the submitted iteration of the Core Strategy taking into account policies relating to the economy and housing and the evidence base used to develop these policies. This provides an important context for the analysis presented in the remaining sections of the paper.

Christchurch and East Dorset Core Strategy Consolidated Version

- 3.6 The Core Strategy acknowledges the importance of considering the authorities of East Dorset and Christchurch within the wider geographical area of South East Dorset, acknowledging the important linkages between the settlements and their environmental context. This recognises their location within a wider Bournemouth/Poole housing market area. Importantly it notes that the area has:

“seen significant growth over many years, principally through the in-migration of both people and companies, and substantially from London and the South East” (2013, para 2.2)

- 3.7 Further acknowledgement is given to the importance of migration on the changing population of the area:

“The age profile of people moving to the area from elsewhere within the UK is younger than that of the current population, so it should not be assumed that people only move to the area to retire. However this trend is not significant enough to change the age structure of the current population to one which is less heavily weighted towards the older age groups.” (2013, para 2.20)

- 3.8 The Core Strategy in its ‘picture’ of the area also acknowledges the linkages between a changing population profile, the housing market and the economy of the area, stating:

“A shortage of people of working age has significant implications for sustaining and enhancing the local economy. However, this will be countered to a degree by changes in the retirement age.” (2013, para 2.22)

“Demand for housing is high and there is a significant problem of affordability due to the high house price:income ratios in the area.” (2013, para 2.26)

3.9 Interestingly the Vision for Christchurch and East Dorset suggests that:

“The unmet housing needs of the area will be reduced, with housing delivered of a type and tenure which meets the aspirations of those wishing to buy or rent.” (2013, pg 3)

3.10 The implication from this policy position is that the needs will not be met, in line with the NPPF, but only reduced over the next fifteen years.

3.11 Seven objectives are set out a number of which form an important context in addressing the challenges and issues summarised above as well as the wider Vision in relation to employment and housing, these include:

- *Objective 4 – To enable the mixed economy of Christchurch and East Dorset to grow, and to develop new employment sectors*
- *Objective 5 – To deliver a suitable, affordable and sustainable range of housing to provide for local needs*
- *Objective 6 – To reduce the need for our communities to travel, and to do so more easily by a range of travel choices*

3.12 Successfully achieving the Vision and these three objectives is fundamentally inter-linked with understanding the level of objectively assessed need to which planning policy should recognise as per the requirements of the NPPF. This therefore forms an important strategic context position from which to consider the evidence presented in subsequent sections of this report.

3.13 This is recognised within the Draft Core Strategy which acknowledges in introducing the ‘broad location and scale of housing’ policies:

“Christchurch and East Dorset face major pressures to provide more housing. There is a high level of housing need that cannot be met in the private market. Additionally, it is predicted that there will continue to be changes in the size and nature of households which will increase the need for new homes. The local economy also requires new homes to provide for the workforce”. (2013, para 4.16)

3.14 The Draft Core Strategy sets out the housing requirement across the plan area in policy KS3:

“About 8,200 new homes will be provided in the plan area between the years 2013 and 2028. This will comprise up to 4,800 homes within the existing urban areas and a further 3,400 provided as new neighbourhoods at Christchurch, Burton,

Corfe Mullen, Wimborne/Colehill, Ferndown/West Parley and Verwood.” (2013, Policy KS3, pg 34)

3.15 This policy position represents a notably different position from that set out within the Pre-Submission version of the Core Strategy. The earlier version of the Plan included separate requirement policies for the two authorities as set out under the previously drafted policies KS3 and KS4:

- *Policy KS3 – About 3,020 new homes will be provided in Christchurch between the years 2013 and 2028:*
- *Policy KS4 – About 5,250 new homes will be provided in East Dorset between the years 2013 and 2028*

3.16 Housing policy is followed by policy KS5 covering the provision of employment land which states:

“Employment land supply located in Christchurch and East Dorset will contribute in part to meeting the wider strategic requirement across the Bournemouth and Poole Strategically Significant City and Town as identified in the 2012 Bournemouth, Dorset and Poole Workspace Study.” (2013, Policy KS5, pg 35)

The Draft Core Strategy Evidence

3.17 The Pre-Submission Draft Local Plan consulted on in 2012 appeared to closely align the requirements set out in policies KS3 and KS4 to the findings of the ‘Bournemouth / Poole Housing Market Area 2011 Strategic Housing Market Assessment Update – Final Report (jgConsulting, January 2012), hereafter referred to as the 2011 SHMA.

3.18 The Draft Core Strategy, however, also included reference to the analysis undertaken by the Councils examining the latest population and household projection datasets released by the ONS and DCLG. This is contained within the ‘Housing Supply, Housing Trajectory and Gypsy and Traveller Accommodation – FD1’ paper (June 2013).

3.19 These two principal evidence base documents in relation to housing need are summarised within this section prior to the consideration of alternative evidence derived from the modelling undertaken as part of this report.

3.20 In order to consider the alignment of the housing evidence base consideration is also given to the principal study used to underpin the allocation of employment land within the Draft Core Strategy, the ‘Bournemouth, Dorset and Poole Workspace Study – Employment Land Projections’ (2012 Update).

2011 Strategic Housing Market Assessment Update

3.21 The 2011 SHMA represents a full update to the 2008 study undertaken by Fordham Research which covered the whole of Dorset and included individual local Council reports³³.

3.22 The analysis of the Future Housing Market within the SHMA considered the complexity of the housing market identifying the importance of demographic and economic drivers in understanding longer-term needs. It is noted within the SHMA that the housing market:

“is also influenced by the economy at the local and sub-regional level, recognising that changes in employment will influence future migration patterns as people move to and from the area to access jobs, and that the nature of employment growth and labour demand will influence changes in earnings which in turn influences affordability.” (2012, para. 7.4)

3.23 The timing of the research in the midst of a period of economic recession was acknowledged within the SHMA. The conclusion reached was that:

“Overall, supply is constrained in the rented sectors, and demand is constrained in the purchase market – and we thus have a dysfunctional housing market.

Planning for new housing should be based however on aggregate need and demand for homes and must to some extent look beyond these short-term factors. It terms of aggregate need/demand for housing, locally-generated demand is there (if constrained), and consideration should be given to the extent to which economic growth can drive housing growth in the HMA over the longer-term. There is some latent capacity of the labour force in the short-term (associated with higher unemployment and a fall in employment), but economic performance can be expected to become an increasing important driver over time.” (2012, paras. 7.32 and 7.33)

3.24 The 2011 SHMA presents a number of scenarios of projected household growth using the ‘Housing Market Model’. It is noted that as part of the research the consultants were provided with a series of population and household projections by the County Council, which were run using POPGROUP (the same software that has been used to model the new scenarios presented in this report).

3.25 The description of the scenarios included within the SHMA suggests that the analysis is primarily driven from the ONS published 2008 base SNPP and the DCLG published 2008 base SNHP datasets (para 7.60). In order to provide a more up-to-date analysis the SHMA projections were re-based to a mid-2011 start point using Council Tax data for each authority. Significantly, the scenarios considered were limited to demographic trend-based projections with the SHMA report noting:

“Consideration was also given to developing projections related to economic growth; this was however not pursued as part of the SHMA given the current

³³ ‘Dorset Survey of Housing Need and Demand – Local Authority report for Weymouth and Portland Council’, Fordham Research, June 2008

uncertainty on the state of the economy which made it difficult to agree realistic assumptions.” (2012, para. 7.62)

- 3.26 This methodological decision appears to fail to reflect the important role of the economy in influencing migration trends over the plan-period as evidenced in the extracts cited above. Importantly the 2011 SHMA also highlights one of the significant implications of planning for the accommodation of new populations on the basis of trend based projections:

“As well as showing an ageing population the projections clearly identify that if current trends continue then the number of people in key working age bands (i.e. those aged 16 – 64) is likely to decline. This does identify a risk in that the Bournemouth/Poole HMA may face a significant labour shortage which is likely to act as a barrier to economic growth in the HMA and more widely across Dorset”. (2012, para. 7.78)

- 3.27 This issue was noted as particularly pertinent through the stakeholder workshop held as part of the research process as suggested through the following extract from the note of the session (Appendix 3, 2011 SHMA):

10) A local authority officer commented that the projections show that his area (East Dorset) is running out of a workforce as the population becomes more elderly. How can they ensure that any housing built will satisfy working households rather than encouraging in-migrants? What is the sort of housing that young working households would like to buy?

CB [Chris Broughton part of the consultancy team] responded that some products such as Homebuy were directed at working households – but more development generally was needed. He had been made aware from his discussions with agents in the East Dorset area that new development was unlikely to be popular!

- 3.28 Equally the 2011 SHMA reflects on the assessment of the economy at the time through the Local Economic Assessment (LEA) and notes that:

“In each of these areas [South East Dorset and rural Dorset] the limited availability of affordable housing is seen as a pressing issue and a constraint on business growth” (2012, para 5.19)

- 3.29 The preferred scenario identified within the SHMA was that which was built using 2008 base ONS / DCLG projections and rebased to an updated position for mid-2011. The final scenario household growth projections are shown in the following table which is replicated (figure 7.6) from the 2011 SHMA.

Figure 3.1: Projected Household change in the HMA (2011 – 2031)

Figure 7.6 Projected household change in the HMA (2011 - 2031)					
Area	Households (2011)	Households (2031)	Absolute Change	% change from 2011	Annual average change
Bournemouth	81,795	92,105	10,220	12.50%	511
Christchurch	21,920	26,291	4,371	19.90%	219
East Dorset	37,943	44,657	6,714	17.70%	336
North Dorset	28,823	34,289	5,466	19.00%	273
Poole	64,010	73,355	9,345	14.60%	467
Purbeck	19,972	23,368	3,396	17.00%	170
HMA	254,463	294,065	39,512	15.50%	1,976

Source: 2011 SHMA Update, JG Consulting, Replicated Figure 7.6

- 3.30 The 2011 SHMA notes that the above figures represent household growth rather than dwelling growth with the need to take account of a small vacancy allowance (approximately 2% - 3%) with this resulting in an overall requirement of 2,025 per annum across the HMA (assuming 2.5%).
- 3.31 In addition to the overall level of housing projected to be required over the plan period as a result of demographic change the 2011 SHMA also evidenced the significant affordability challenges facing the housing market area and within this East Dorset. The issue of affordability is considered in more detail in section 5.

Housing Supply, Housing Trajectory and Gypsy and Traveller Accommodation – FD1

- 3.32 In response to the Inspector’s request for a ‘background/ topic paper’ the Councils produced a short note to address the matters he raised in June 2013.
- 3.33 The Councils’ analysis included the presentation of the 2011 Interim Sub National Household Projections (SNHP) noting that these projected a level of household growth which it was suggested was below the level allowed for through policy KS3. It was acknowledged that these projections only cover a period to 2021, however, an averaged level of per annum growth was assumed to be maintained over the additional seven years to 2028.
- 3.34 It is important to note that these are interim figures, with their comparative robustness considered in more detail within section 6.
- 3.35 The note doesn’t attempt to address the request to evidence the alignment of the economic and housing policies included within the plan. Instead the Council rely on the fact that the 2011 SHMA has been considered and accepted by the Inspectors in the Purbeck District and Bournemouth Borough Core Strategy Core Strategy examinations. Again it is important to note that these were conducted in advance of many of the more

recent examinations considered in section 2 as well as the release of the guidance note³⁴ by PAS / LGA in July 2013 which takes a notably different position in relation to this aspect of the evidence base. In addition the economic context has changed notably since the SHMA was produced in 2011 therefore again validating the need to consider this issue more thoroughly.

- 3.36 The analysis presented within this paper seeks to explore in more detail the important relationship between economic growth and stated policy aspirations and housing provision using recognised modelling approaches.
- 3.37 The paper prepared by both Councils provides a short explanation for the comparison and interpretation of the SHMA's identification of overall housing demand related to population change and the levels of unmet net and future need for affordable housing. This is considered again in more detail within this report as the importance of seeking to address the evidenced high levels of affordable housing need in the locality represents a significant priority for the area.
- 3.38 Finally, with regard to the Draft Core Strategy's position around providing sufficient housing the Councils provide clarification that the term 'reduce local needs' should not be interpreted as anything different to 'meeting objectively assessed need'. This is important when considering the Guidance cited above by PAS / LGA which sets out the principles for calculating objectively assessed needs. Importantly the PAS/LGA guidance highlights the need to align policy objectives contained within the Core Strategy and to conduct this alignment process separately from the consideration of delivery constraint factors.

Bournemouth, Dorset and Poole Workspace Study Employment Land Projections 2012 update

- 3.39 The Workspace Study (2012) was produced by Dorset County Council and is cited within the Core Strategy as forming:

"the evidence base that informs the level of future employment land provision in the Bournemouth and Poole Strategically Significant City and Town (SSCT). The study identifies a requirement for 173ha of employment land for B1, B2 and B8 use classes to be delivered across the Bournemouth and Poole SSCT between 2011 and 2031." (2013, para 4.25)

- 3.40 The employment land projections use economic forecasts to estimate future job creation and associated requirements for business floorspace. Floorspace requirements are then translated in to a land based requirement. . The economic projections used in the employment land calculation were prepared by Experian in Autumn 2011 (for the South West Observatory).. Importantly with regard to these forecasts the report notes:

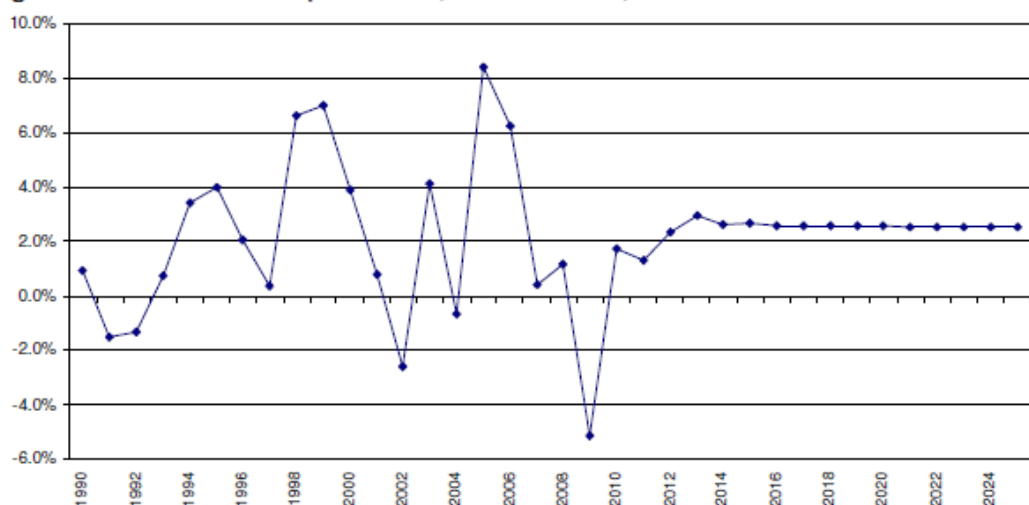
"The projections assume a return to stable, positive employment and economic growth: no allowance is made for the possibility of a return to recession in the immediate future or of any future downturn or boom in the economy." (2012, pg 2)

³⁴ 'Ten key principles for owning your housing number – finding your objectively assessed needs' (July 2013), Local Government Association / Planning Advisory Service

3.41 The study whilst noting the difficulties associated with long-term economic forecasting³⁵ seeks to validate the assumed level of growth by comparing it against historic performance over the long-term across the Bournemouth, Dorset and Poole area. The conclusion is reached that whilst the projected growth in GVA appears high it is not considered out of the question and it is noted that it is lower than the projections modelled in the previous 2008 study³⁶. This is illustrated in the chart below which is replicated from the study.

Figure 3.2: Replicated Figure 6 – Growth in GVA per annum, Bournemouth, Dorset and Poole

Figure 6 – Growth in GVA per annum, Bournemouth, Dorset and Poole



Source: Experian Autumn 2011 projections dataset and Dorset County Council - GVA at constant 2005 prices

Source: 2012 Workplace Study – Experian Autumn 2011 projections dataset and Dorset County Council – GVA at constant 2005 prices

3.42 The important linkage between economic growth and supporting levels of housing are noted in the study as highlighted in the extract below:

“... looking at the relationship between housing and employment growth, it is important that sufficient new homes are built to ensure an adequate labour supply to meet projected labour demand. However, in reality, most imbalances arising in the labour market, (such as people who cannot find suitable jobs; vacancies which cannot be filled), normally resolve through adjustments that occur to allow the labour market to function – people retrain, move or commute to/from another area; the specification of a vacancy is adjusted or more pay is offered to attract applicants from another area.” (2012, para 2.15)

3.43 This has important implications as it illustrates the understanding that the failure to provide sufficient housing has the potential to stifle the growth and investment of local and new businesses. It is identified that there will be flexibilities in this relationship but as

³⁵ Paragraph 2.16 states ‘All projections should be used with caution’, Workplace Study (2012)

³⁶ ‘2008 Workspace Strategy’ (2008), GVA Grimley

noted where there are labour shortages people will either need to move into an area or commute. The Draft Core Strategy as summarised earlier in this section states the importance of not further increasing commuting levels. In light of this stated position within the Draft Core Strategy, greater emphasis should therefore be placed on balancing housing provision and labour force demands in individual authorities or across the wider housing market area to avoid escalating commuting levels.

- 3.44 The actual level of full time equivalent employment change used in the modelling is set out in Appendix A of the study. East Dorset is forecast to see an increase of 6,500 FTEs with Christchurch forecast to see a growth of 4,900 over the period 2011 to 2031. Further consideration is given to these employment forecasts within section 5 of the paper.

4 Methodology

- 4.1 This section presents the approach used to examine and evidence the full objectively assessed need for housing within East Dorset. A short overview of the modelling techniques used, including detail of the POPGROUP software is provided. The following sections then present the bespoke local assumptions included within the modelling as well as the outputs of the research process and conclusions.
- 4.2 The Justin Gardner 2011 SHMA Update report explored a range of 'what-if' scenarios to produce alternative projected levels of population and household growth which were then translated into dwelling requirements over the plan period. This iterative approach to identifying objectively assessed need for the authority represents a robust approach (and one that other interested parties are also likely to adopt) as it allows the impact of varying assumptions and alternative future drivers to be explored in a transparent way.
- 4.3 The 'appropriateness' of the methodology used to derive growth forecasts is often challenged as part of the examination of evidence informing Local Plan policy positions. The use of a recognised forecasting product (POPGROUP), which incorporates an industry-standard methodology (cohort component model), removes this obstacle and enables a focus on assumptions and output, rather than methods. The assumptions used within the projection modelling are summarised in this section. The key drivers of change are then presented in section 5 and outlined in more detail in section 6.

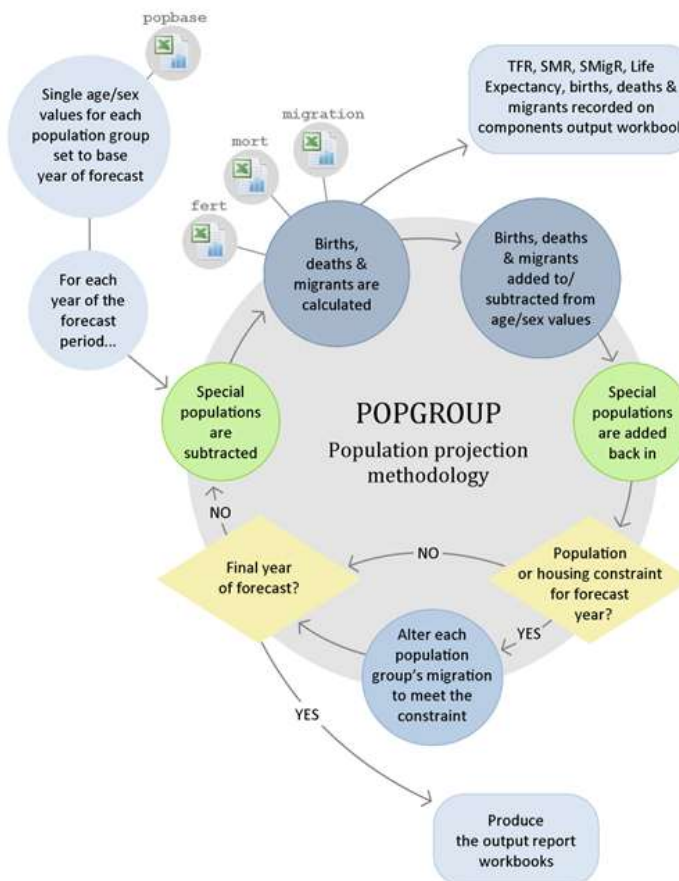
Introducing the POPGROUP Software

- 4.4 POPGROUP is a family of software developed to forecast population, households and the labour force for areas and social groups. It is based on Excel to build on users' existing spreadsheet skills. Users develop alternative assumptions as scenarios. The user remains in control of the areas to be forecast, of data inputs, and of analytical outputs additional to the software's own flexible reporting and graphical routines. In the UK, POPGROUP replicates official projections in regular Data Modules for population and households, with plans for Data Modules for illness and disability, the labour force, ethnic groups and adult care. The software adopts authoritative methods also used by national and United Nations agencies, uses single years of age for population, and has published two peer reviews.
- 4.5 POPGROUP was first developed at Bradford Council, supported by six Local Authorities: Shropshire, Worcestershire, Bradford, Derbyshire, Buckinghamshire and Staffordshire, and later by the Economic and Social Research Council (ESRC).
- 4.6 POPGROUP is used by over 90 local and sub-regional organisations in the UK and has been subject to extensive enhancement and development over the last ten years.
- 4.7 It is now owned by the Local Government Association. Income generated from sales is used to extend the software and support its users. Programming, support and promotion have been provided since 2009 by Edge Analytics Ltd, UK.

The POPGROUP modelling approach

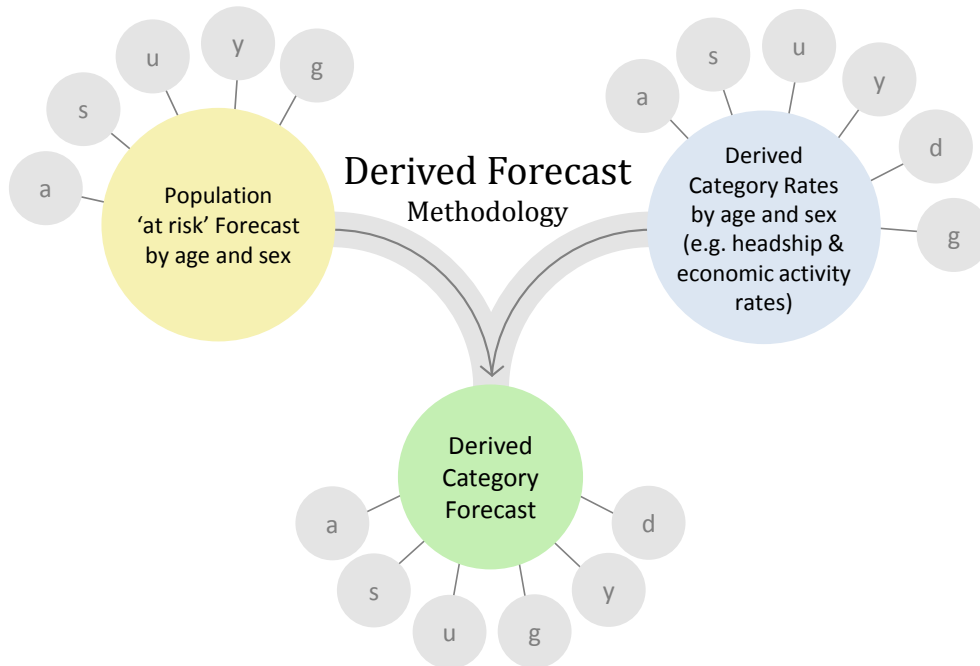
- 4.8 POPGROUP and the Derived Forecast software component are used within the Housing Requirements Study to develop a series of population and linked household projections.
- 4.9 Population projections delivered using POPGROUP use a standard cohort component methodology (the methodology used by the UK statistical agencies). The household projections use a standard household headship rate as employed by the Communities and Local Government (CLG) for its household projection statistics.
- 4.10 In order to align population projections with different forecast levels of job change the model integrates labour force projections. These labour force projections use a standard economic activity rate methodology. A more detailed description of the population and household projection methodologies is available from the User Guide and Reference Manual on the POPGROUP website www.ccsr.ac.uk/popgroup/about/manuals.html.
- 4.11 The following graphics provide a schematic illustration of the operation of the POPGROUP and Derived Forecast methodologies.

Figure 4.1: POPGROUP population projection methodology



Source: Edge Analytics, 2012

Figure 4.2: Derived Forecast Model: household & labour force projection methodology



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

<i>D</i>	Derived Category Forecast
<i>P</i>	Population 'at risk' Forecast
<i>R</i>	Derived Category Rates
<i>a</i>	age-group
<i>s</i>	sex
<i>u</i>	Sub-population
<i>y</i>	year
<i>d</i>	derived category
<i>g</i>	group (usually an area, but can be an ethnic group or social group)

Source: Edge Analytics, 2012

Using POPGROUP to evidence the Objectively Assessed Need for Housing

- 4.12 The NPPF provides guidance on the development of a robust evidence base to support the development of Local Plans. The guidance makes it clear that data inputs, assumptions and methodology should be robust and should consider future growth potential from a number of perspectives.
- 4.13 There is no single, definitive view on the likely level of growth expected in East Dorset, with a mix of economic, demographic and national / local policy issues ultimately

determining the speed and scale of change. For the purpose of setting appropriate policy through the Local Plan, it is necessary to evaluate a range of growth alternatives to establish the most 'appropriate' basis for determining future housing provision.

4.14 Using the POPGROUP software Turley Associates' housing requirements approach is based around an iterative scenario development approach. Modelling of alternative projections is undertaken through a varying of input assumptions relating to demographic, economic and supply factors.

4.15 As a starting point all of the scenario modelling utilises the latest official demographic datasets as a base from which to develop alternative projections. This reflects paragraph 159 of the NPPF. These datasets include:

- The 2010 base Sub-National Population Projections, Office of National Statistics;
- The Interim 2011 base Sub-National Household Projections, DCLG;
- The 2008 base Sub-National Household Projections, DCLG;
- The Revised Mid Year Population Estimates 2001 – 2011, ONS; and
- Available released data from the Census 2011.

4.16 The above are used to generate up-to-date trend based projections exploring the implications of projected demographic trends continuing into the future. This analysis considers the latest Official and Interim datasets identified within the Framework as an important reference point for evidencing housing requirements. The modelling utilises the latest assumptions integrated within these datasets around, for example, fertility and mortality rates, migration assumptions and changing headship rates to build these demographic trend scenarios.

4.17 The retention of these demographic assumptions as a base for the modelling reflects the recommendations of the UK Statistics Authority³⁷ which notes that:

“Household projections are important to a range of users:

- *Central government – to inform national policy on future housing supply, given projected demographic demand. The statistics also inform decisions on plans for housing-associated infrastructure and services;*
- *Local authorities – to inform local housing plans;*
- *Utility companies – for planning future demand;*
- *The construction industry – to inform business planning; and*
- *Consultants and academics interested in housing and planning” (UK Statistics Authority, April 2011).*

4.18 In line with the recommendations set out within the NPPF and its application and interpretation through the Local Plan Inspection process scenarios are then developed which evaluate the impact of aligning the future potential economic growth in the authority with a changing population and linked to this relative demand (i.e. need) for new housing.

³⁷ Paragraph 2.3 'Assessment of compliance with the Code of Practice for Official Statistics – Statistics on Household Projections in England: Assessment Report 106', UK Statistics Authority, April 2011

4.19 Importantly the modelling approach using the POPGROUP software allows for a sophisticated projection forward of the population by a detailed age breakdown in turn linked to economic activity, headship and commuting rates. This therefore enables a detailed assessment of the changing size of the labour-force within the wider population, an important factor in understanding the implications of the application of various constraints on a demographic trend-based projection.

4.20 As identified above there are three key data items required to derive labour-force projections and to evaluate jobs-led forecasts: the commuting ratio, an unemployment rate and economic activity rate. Economic activity rates provide the basis for calculating the size of the labour force within the population. The commuting and unemployment rate control the balance between the size of the labour force and the number of jobs available within an area. The sources of data and modelled assumptions for each are set out below:

- **Economic activity rates.** These are derived from a combination of 2001 Census statistics and the latest evidence from the Labour Force Survey (via NOMIS). NOMIS data provide an average economic activity rate for the period 2007-11 by broad age-group. The use of an average figure derived under different economic circumstances means that current day rates are not then just extrapolated forward indefinitely. This therefore assumes over the plan period a re-use of parts of the current latent labour-force but also recognises that over a twenty year horizon there are likely to be periods of differing economic context. To account for an expected increase in the rate of labour force participation in the older age groups linked to changing pension ages adjustments have been made to economic activity rates for those aged 60 - 69;
- **Unemployment rate.** An average is calculated from local authority unemployment statistics for the period 2007 – 2012 which are sourced from NOMIS. As with economic activity rates the average unemployment rate is held constant throughout the projection period recognising that we are likely to see a number of economic cycles over a twenty year period; and
- **Commuting ratio.** Using 2001 Census statistics, a commuting ratio has been derived as the balance between the size of the resident labour force and the number of the jobs available in the authority.

4.21 Examining the implications of varying assumptions to explore sensitivities to the outputs generated through the projection modelling ensure that projections do not simply replicate the effects of previous policy, economic or market conditions. This issue is highlighted within a CPRE research report³⁸ which considers the challenges of identifying robust informing evidence to understand future demand and need for housing. This research states in its consideration of translation of household projections into policy:

“Any assumed rate of migration into or out of an area, trend-based or otherwise, is an assumption which carries significant policy judgement. For the period of the projection it implies the continuation of a particular combination of the supply and price of housing (relative to other areas), employment availability, locational

³⁸Housing the Future: An analysis of the Government's household projections and their use in planning for new housing', CPRE, December 2009

attractiveness (schools, services, environmental quality) taxation and immigration policy” (CPRE, 2009)

- 4.22 CPRE also cite the conclusions of a report by Professor Glen Bramley and Craig Watkins (1995)³⁹ which investigated this issue further through an examination of local migration data. This identified:

“that net migration is systematically influenced by local housing market and supply conditions. In particular, where the supply of new private housing is greater, due to greater land availability, there is more in-migration and/or less out-migration. The criticism of household projections, that they are to some degree circular, is borne out by this finding” (CPRE, 1995)

- 4.23 In order to address these methodological issues the modelling produces a range of alternative projections of need with the implications of each considered and assessed in order to guide the identification of a projection which is considered to recognise important economic drivers of change and the expectations of the NPPF.

³⁹‘Circular Projections’, CPRE, 1995 (pg. 32) cited in *ibid*

5 Identifying the Drivers of Change

- 5.1 The analysis in section 6 presents a series of scenarios of population and household change that are designed to explore the varying levels of objectively assessed need and housing requirements associated with different levels of assumed employment growth.
- 5.2 By way of context this section examines the way in which drivers of the housing market have varied historically and how they are projected to change in the future.
- 5.3 This section concludes with a short review of market factors. and the scale of need for affordable housing recognising that housing supply, social and economic factors can all lead to imbalances in the market.
- 5.4 The analysis herein focuses upon East Dorset. However, it is recognised that the authority is jointly planning with Christchurch authority and that both authorities sit within a wider HMA geography. The datasets used to underpin the modelling of housing requirements are built at local authority level and therefore reference is made in this section to the drivers of change in both East Dorset and Christchurch. Where relevant these drivers are set in the context of the wider HMA area.

Demographic Drivers

Population

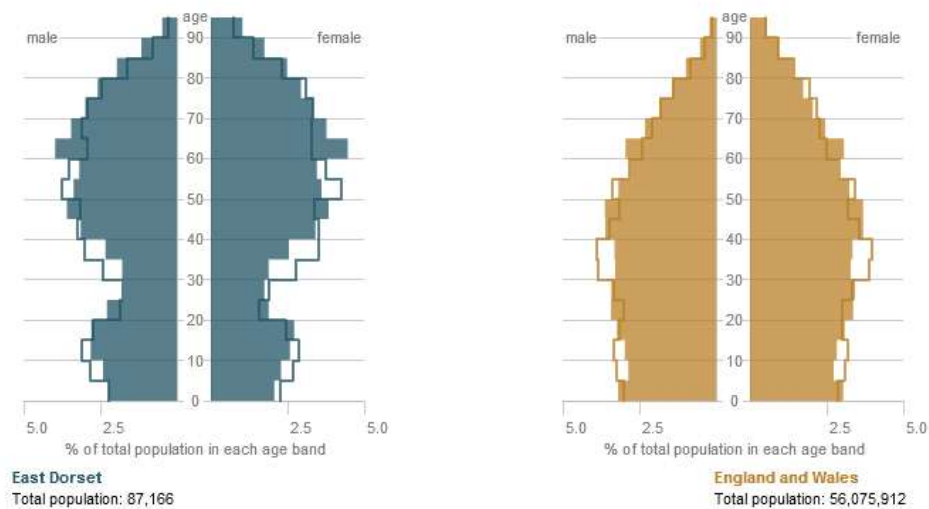
Historic Population Change

- 5.5 The release of the 2011 Census data forms an important base point from which to understand population change in the District. The ONS has used the Census 2011 results to produce Mid Year Estimates. These show that the population of East Dorset has grown by approximately 3,400 people between 2001 and 2011 or an additional 340 persons on average per year translating into a growth of 4% over the ten years. The population of East Dorset was estimated to be 87,300 in 2011.
- 5.6 This rate of population growth is lower than that seen in Christchurch where the authority has seen its population grow by approximately 6.7% representing an increase of around 3,000 people noting the authority's smaller 2011 population of 47,900.
- 5.7 The level of population growth evidenced in East Dorset by the 2011 Census is slightly lower than that previously estimated and projected by the ONS. The 2010 Sub National Population Projection (SNPP) dataset had projected the authority's population to be approximately 88,400 in 2011, or approximately an additional 1,100 persons than the ONS MYE figure noted above estimated there were in the authority. In Christchurch the two datasets show a much stronger alignment with the two rounded figures being identical. The over-estimation in East Dorset is likely to be associated with the changing rate of migration into the authority over the latter half of the decade as against the earlier year's pre 2006. This is considered in greater detail later in the section.

5.8 Importantly the 2011 Census also provides a useful resource for examining how the age of the population has changed since 2001. The following charts contrast the population age profile of firstly East Dorset and then Christchurch against that of England and Wales as well as showing how the age profile of the population has changed over the ten years between the census counts.

Figure 5.1: Population age profile of East Dorset and England and Wales 2001 – 2011

2011 Census: population estimates for England and Wales (outlines show 2001)



Source: 2011 Census, 2001 Mid-Year Population Estimates
Graphic by ONS Data Visualisation Centre

Source: 2011 Census, 2001 Mid-Year Population Estimates. Graphic by ONS Data Visualisation Centre

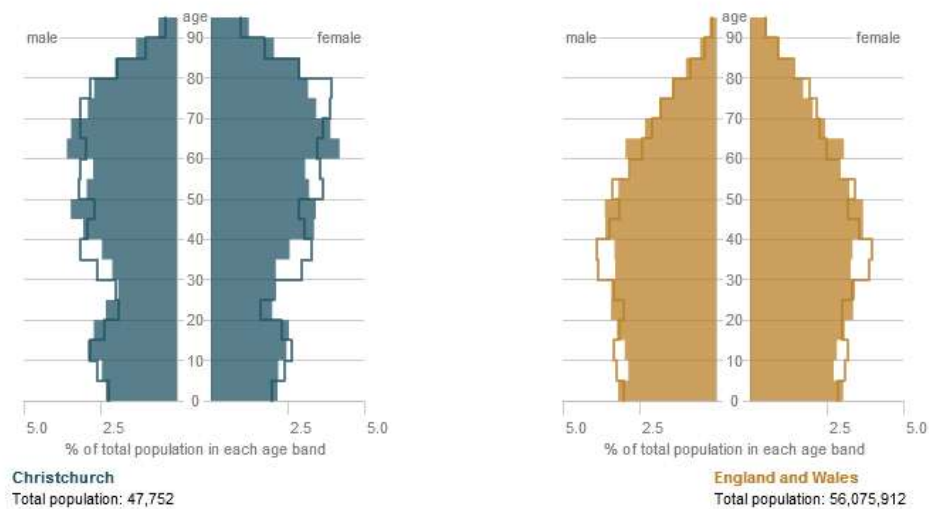
5.9 The East Dorset population profile is distinctive from the England and Wales profile forming a notable hour-glass shape. This is the result of a substantially lower representation of the younger age groups, in particular the younger working age population groups of persons aged 20 to 40. Indeed it is evident that the majority of the traditional labour-force population are aged between 40 and 65. This represents an important feature to be considered in the future as over the next 15 to 20 years (from 2011) the majority of this age group will be aged over 60+. In this context it is important to recognise that the authority already has a high proportion of older persons when compared to the national average.

5.10 Overall it is evident that the authority has a comparatively high dependency ratio within the authority (age-population ratio of those typically not in the labour force and those typically in the labor force). This is driven by the large proportion of older persons living in East Dorset.

5.11 Examining the changes over the ten year period between the census points shows a continued fall in the proportion of persons aged 30 to 40 as well as those aged 50 to 60, the latter group is important as over the ten years persons in this group have moved into the 60+ groupings. Interestingly there has been a slight increase in the proportion of those aged 15 to 25.

Figure 5.2: Population age profile of Christchurch and England and Wales 2001 – 2011

2011 Census: population estimates for England and Wales (outlines show 2001)



Source: 2011 Census, 2001 Mid-Year Population Estimates
Graphic by ONS Data Visualisation Centre

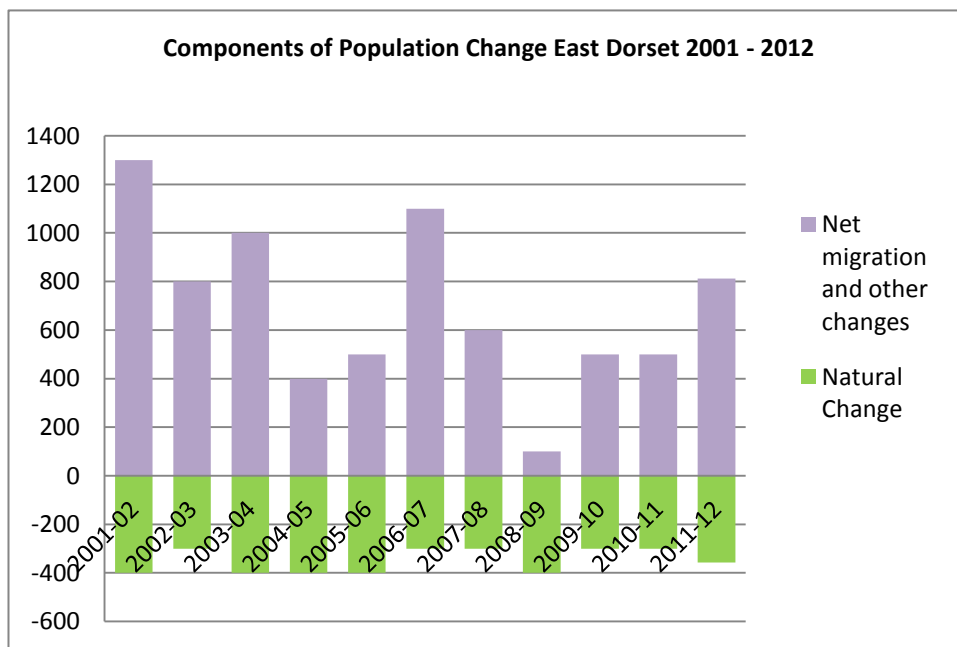
Source: 2011 Census, 2001 Mid-Year Population Estimates. Graphic by ONS Data Visualisation Centre

5.12 The population age profile of Christchurch shows similar characteristics to the East Dorset profile, although the hour glass shape is slightly less pronounced. Whilst the authority has a working age population which is strongly skewed towards the older groups, those aged 40 to 50, it also has lower proportions of its population in the age groups aged 60+. Again the proportion of persons aged 25 to 40 is notably lower than the national averages.

5.13 Looking at the change over the ten years between 2001 and 2011 the authority has seen a notable reduction in the proportion of people aged 30 to 40 and then a smaller reduction in those aged 50 to 60. Interestingly there has also been a reduction in those aged 70 to 80, particularly for women. Overall again it is evident that the authority has a comparatively high dependency ratio with the age profile in 2011, if evolving without the influence of significant migration factors, suggesting this will continue to increase over the next fifteen to twenty years.

- 5.14 This reflects the acknowledgement of these issues within the Councils evidence base as summarised in section 3.
- 5.15 Considering the interplay between natural change (births minus deaths) and migration in more detail the revised ONS Mid-Year Estimates (MYE) provide a useful breakdown as to the relative role of these different components of change in shaping the changes to the population on an annual basis.
- 5.16 The following charts illustrate the annual net impact of these factors as evidenced by the revised ONS MYE datasets between 2001 and 2012, firstly for East Dorset and then Christchurch.

Figure 5.3: Components of Population Change – East Dorset 2001 – 2012

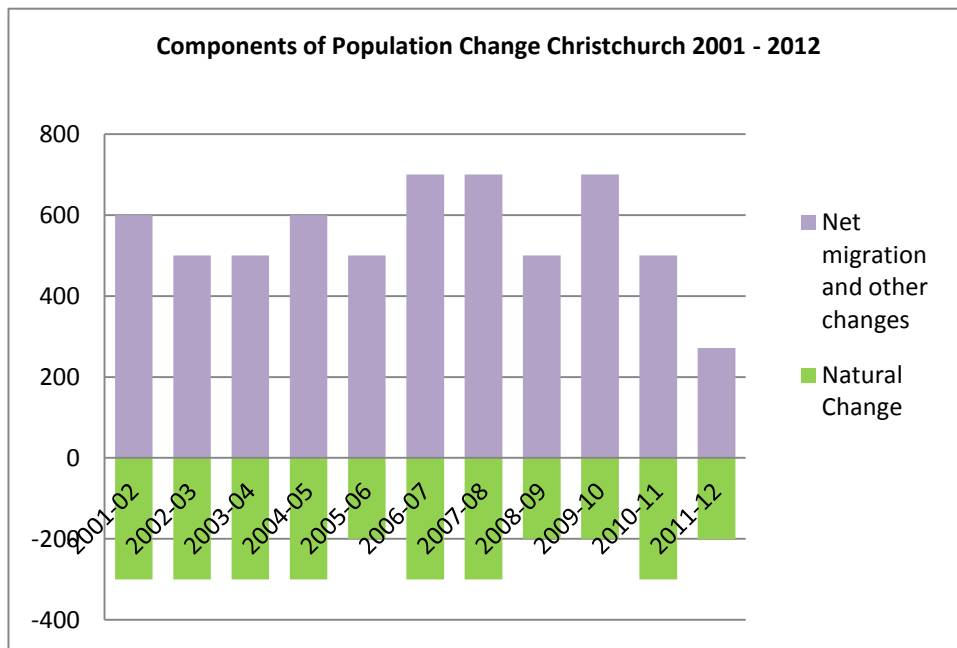


Source: Revised ONS MYE, 2013

- 5.17 Within East Dorset it is evident that migration factors have been the major contributor to the growth of the population over this period. The net levels of migration on a per annum basis have varied considerably. During the first few years of the decade net migration averaged around 1,000 per annum into East Dorset. This then subsequently fell before another 'spike' of 1,000 plus in 2006/07. The following five years have then seen a more subdued level of migration, falling to below 600 persons per annum with the exception of the last years of recorded data where the level returned to just over 800 persons.
- 5.18 Migration flows are influenced by a number of factors. These include employment opportunities as the Councils' evidence base acknowledged (section 3 para. 3.39) as well as the availability of housing. The drop off in levels of migration over recent years are likely to have been influenced by the macro economic climate over this period which has impacted on the availability of job opportunities as well as the levels of completions of new housing. These are considered in more detail within this section.

5.19 Significantly in East Dorset natural change has consistently acted as a 'drag' factor on the scale of population change with more deaths than births year on year. This is likely to be driven by the high proportion of older persons in the authority and in particular the high proportions of those whose age is at or exceeding the average life expectancy age in England and Wales.

Figure 5.4: Components of Population Change – Christchurch 2001 – 2012



Source: Revised ONS MYE, 2013

5.20 A similar profile in terms of the balance of the contribution of migration and natural change is evidenced in Christchurch. Interestingly there appears to have been less volatility in the levels of net migration into the authority with a minimum of 500 persons per annum every year, with the exception of the last year, but with no year showing more than 700 persons. Splitting the period 2001 to 2011 into two halves it would appear that net migration has been slightly higher over the latter half of this decade.

Migration

5.21 As noted above people move from place to place for a number of reasons. These motivations include economic reasons, family ties, the availability of amenities and the quality of place. Considering not only the net scale of migration but also the origin and destination of movements is important as this represents an important factor in appreciating the spatial linkages and relationships of areas, with migration used as one of the determining factors in identifying the definition of housing market areas as identified in the NPPF.

5.22 The following tables and charts explore the origin, destination and age of migrants moving in and out of East Dorset.

- 5.23 Figures 5.5 and 5.6 show the top ten gross inflows and outflows of persons to and from East Dorset respectively (internal UK migration flows only). The strong relationship between East Dorset and the other authorities in the Housing Market Area (as used within the 2011 SHMA) is evident with regard to the movement of people.
- 5.24 The strongest flows are with the 'urban' authorities of Poole and Bournemouth, noting that the flows with Christchurch are considerably smaller in scale. On average per year there is a flow of almost 2,000 people from these three authorities into East Dorset and a lesser flow of approximately 1,600 persons the other way. This net flow of people moving from the urban areas into the more rural authority of East Dorset is therefore significant at approximately 400 persons per year on average. The net flow between East Dorset over this period has been 0 with a balanced in and outflow of people.
- 5.25 There are also strong links with other neighbouring authorities which share more rural characteristics, including New Forest, North Dorset and Purbeck. Significantly, the only comparatively large net flow is with North Dorset with on average an outflow of almost 100 persons recorded from East Dorset into North Dorset over the period analysed.

Figure 5.5: Top 10 gross migration inflows to East Dorset 2001/02 – 2010/11

Top Ten Inflows	average 2001/02- 2010/11
Poole	1,014
Bournemouth	854
New Forest	387
North Dorset	169
Purbeck	145
Wiltshire UA	126
Christchurch	126
Southampton	79
Hillingdon	60
West Dorset	50

Source: ONS, Edge Analytics, 2013

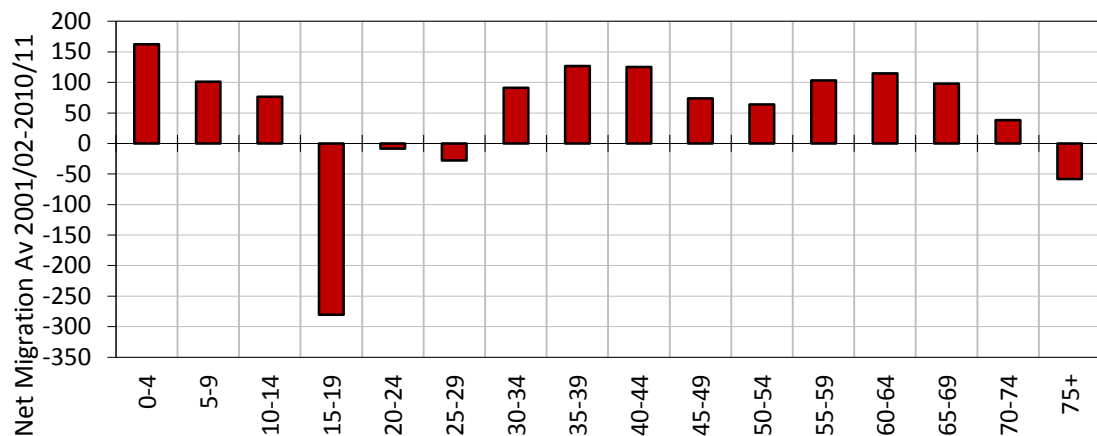
Figure 5.6: Top 10 gross migration outflows from East Dorset 2001/02 – 2010/11

Top Ten Outflows	
	average 2001/02-2010/11
Poole	816
Bournemouth	679
New Forest	383
North Dorset	258
Wiltshire UA	139
Purbeck	127
Christchurch	126
Southampton	78
West Dorset	69
Cornwall UA	48

Source: ONS, Edge Analytics, 2013

5.26 Looking again specifically at the flow of people to and from other parts of the UK, the following chart shows the age profile of people migrating over the period 2001 – 2011 in and out of East Dorset.

Figure 5.7: Average age of migrants (net flows) 2001 – 2011 – East Dorset



Source: ONS Mid Year Estimates, Edge Analytics, 2013

5.27 The chart shows a strong net outflow of persons aged 15-19 and lesser outflows of other younger adult age groups (20 – 29). With the exception of persons aged 75+ the migration profile shows a strong positive inflow of persons of all other age categories including flows near or in excess of 100 persons per year of those aged between 30 and 44 (core working age groups). The net in-migration of this age grouping also relates directly to the comparatively high net inflow of children. Significantly the comparable scale

of the migration in of persons of retirement age and above is relatively low highlighting the important role that migration plays in balancing, at least to an extent, the age profile of the authority.

Households, Dwellings and Occupancy

- 5.28 An increase in population in East Dorset has been reflected in an increase in the number of households. The 2011 Census indicated that the authority has seen almost an additional 1,900 households since 2001 representing a growth of just over 5%.
- 5.29 A falling household size has continued to contribute to the increase in households alongside a growing population. The average household size in 2001 was approximately 2.32 with this having estimated to have fallen to around 2.29⁴⁰ by 2011.
- 5.30 Christchurch has also seen its household base increase with an additional 862 households recorded in 2011 than 2001. This represented a slightly lower rate of growth at just over 4%.
- 5.31 The occupation of stock in headline terms is illustrated by examining levels of empty properties, with this including properties without resident occupation for a number of reasons including second home ownership. Within East Dorset the 2011 Census indicated a vacancy or empty property rate of 3.8%. A level of vacancy is to be expected to enable turnover within the market with a rate of 2.5% - 3% generally considered as 'healthy'. Given that a proportion of this stock is also likely to be second homes this suggests that there is certainly not an over-supply position within the authority. The rate of empty properties has, however, increased from 2001 where the Census showed that only 2.6% of properties were vacant.
- 5.32 Christchurch shows a higher level of empty property with 7.2% classified as not having at least one usual resident occupying them. A rate which has increased from a 2001 level of 5.3%. The increase in second home ownership in the authority is likely to be a contributory factor to this increase.
- 5.33 The 2011 Census enables a comparison of the comparative popularity of areas for second home ownership. Within East Dorset the Census showed that there were 31 people with a second address per 1,000 usual residents in the authority. Christchurch had a higher rate at 43 persons but this is considerably lower than a number of other authorities in Dorset and the rest of the South West, for example comparable figures in Purbeck was 83 persons and 92 persons in South Hams.

Economic Drivers

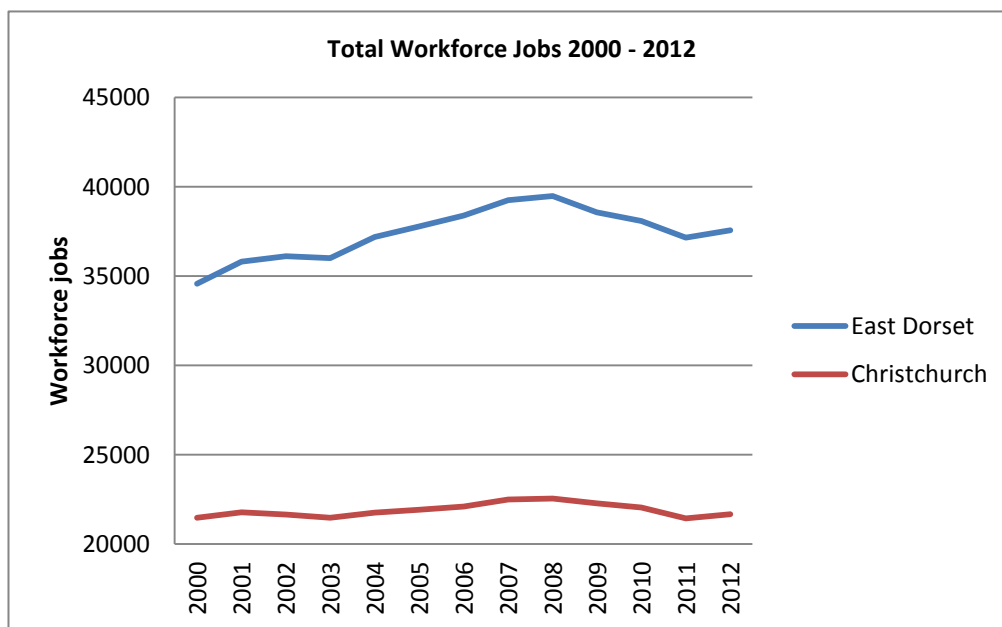
The Labour-Force

- 5.34 A central premise to the analysis in this paper is the importance of understanding the relationship between population and household demand and the operation of the economy of an area.

⁴⁰ Edge Analytics POPGROUP modelling outputs, 2013

- 5.35 The relationship can be considered from a number of perspectives. Firstly, the availability of employment opportunities can serve as an important motivating factor for people choosing to migrate between different areas. Secondly, since employment status is linked to a households available income to spend on housing costs, this has an important bearing again on choices exercised by households related to moving house. Thus the economy influences residential location, house type and tenure choices exercised by households.
- 5.36 Consideration of analysis produced by Experian Business Strategies (hereafter Experian) shows that the total number of workforce jobs has changed over recent years in East Dorset and Christchurch. This is illustrated in the following chart which shows the changing size of the workforce (jobs) in the authority (May 2013 Experian forecasts).

Figure 5.8: Total Workforce Jobs 2000 - 2012



Source: Experian Business Strategies, May 2013

- 5.37 Taking the time period illustrated in the chart, 2000 to 2012, East Dorset saw an increase in total workforce jobs of almost 3,000 or an annual average growth over the period of 250 jobs. The level of growth for Christchurch was more muted with 2012 recording only 200 additional jobs to that estimated in 2000.
- 5.38 It is evident that the trajectory of change in jobs numbers has not been, however, a straight line over this time period. Prior to the onset of the national recession in 2008 East Dorset had recorded an increase in jobs of almost 5,000 from 2000, an average per annum growth rate of approximately 615 jobs. Again whilst modest by comparison Christchurch had also seen a healthy level of job growth with almost an additional 1,100 jobs over this period or 135 jobs per annum on average.

- 5.39 Whilst the wider national recession clearly affected the area with job losses recorded to 2011 Experian have suggested a return to growth in job generation in both authorities between 2011 and 2012.
- 5.40 Experian also translate the total workforce jobs figures into full time equivalent employment (FTEs)⁴¹. This shows a notably different picture between 2000 and 2012 with East Dorset seeing a reduction in FTEs of around 270 albeit with a growth in FTE employment between 2000 and 2008 of approximately 1,350 or (170 per annum). This suggests a notable shift in the balance between full and part time employment opportunities in the authority. A similar picture is presented in Christchurch with FTE employment shown to have fallen between 2000 and 2012.
- 5.41 Elsewhere in the Housing Market Area North Dorset and Poole the Experian data indicates a comparatively healthy growth in jobs in terms of both FTE and total workforce jobs. By contrast Bournemouth's economy has seen a reduction in jobs over this period with regards both FTE and total workforce indicators.
- 5.42 The loss of jobs post the recession as well as the changing nature of employment opportunities has had an impact on unemployment levels as shown in the following table. Rates on average have been higher since 2008 certainly than they were in 2004 and 2005 in the midst of a period of sustained economic growth in England. Despite some evidence of increasing unemployment the economy/labour force of East Dorset appears to have been relatively resilient with the average unemployment level for 2008 to 2012 being 4.5%, a proportion which is comparatively low compared to the national average.

⁴¹ FTE is often used to enable direct comparisons of economic performance. Part time jobs are translated into full time equivalents. It is possible for individuals to undertake two part time jobs and therefore within total workforce jobs there is a potential for 'double jobbing' equally, however, FTE jobs can serve to under-represent the relationship between people and jobs.

Figure 5.9: Unemployment Rate of those aged 16+

Year	Unemployment rate - aged 16+
2004	1.3
2005	2.5
2006	4.0
2007	4.0
2008	4.4
2009	4.1
2010	3.0
2011	5.5
2012	5.7
5yr Ave	4.5

Source: nomisweb.co.uk, 2013, Edge Analytics, 2013

Travel to Work / Commuting

- 5.43 Alongside analysis of migration flows an understanding of peoples commuting flows is another important indicator as to the dynamics of an area and its impact on housing market geographies.
- 5.44 The 2011 SHMA highlighted the important linkages between the authorities within the Bournemouth and Poole housing market area.
- 5.45 The 2001 Census⁴² identified that just under 50% of residents living in East Dorset also worked in the authority highlighting the strong connections the authority has in commuting terms with other more urban authorities which contain concentrations of businesses and job opportunities. The strongest outward flows were with Bournemouth and Poole with 12% and 16% respectively of East Dorset workers commuting out to these authorities in 2001. The flow to Christchurch was notably less at only 3%. In terms of the flows of commuters into East Dorset for employment reasons the strongest flows in were also from Bournemouth and Poole with 11% and 12% of jobs in the authority undertaken by people living in these authorities respectively. Only 2% of jobs in East Dorset were undertaken by people living in Christchurch in 2001.
- 5.46 Whilst comparable Census 2001 data is not available at the time of writing the ONS has undertaken analysis of the Annual Population Survey (APS) which provides an insight into how patterns of commuting have changed. Examining this dataset (noting that it is based on a sample) suggests that the outward commuting flows with Poole have

⁴² Note: At the time the modelling was undertaken travel to work data was not available from the 2011 Census

increased relatively significantly, with over 7,000 persons estimated to commute out from East Dorset to Poole (18% of total commuters). The level of commuting into Christchurch has also increased but at approximately 5% it remains relatively weak. With regard to in-commuting the flow in from Christchurch is estimated to have increased marginally to 3.8% of all commuters, although again this is considerably lower than the larger urban authorities in the area and comparable with the New Forest and only slightly higher than North Dorset.

- 5.47 Overall the 2001 Census data shows that East Dorset has a commuting ratio of 1.26 (ratio derived from dividing the number of workers by the number of jobs). The impact of reducing this ratio, an implied objective of the Draft Core Strategy (Objective 6 in the Draft Core Strategy, 2013), is considered through the analysis of projected population and household growth scenarios in section 6. It is important to recognise when considering this objective that the actual ability of policy to directly change commuting patterns is very uncertain given that new development represents a relatively minor part of the overall existing housing and employment base.

Economic Futures

- 5.48 Objective 4 of the Draft Core Strategy sets out clearly the ambition of the councils to support the economic growth of the area:

“To enable the mixed economy of Christchurch and East to grow, and to develop new employment sectors” (2013, pg. 3)

- 5.49 Importantly the Core Strategy and its evidence base (notably the 2012 Workplace Study summarised in section 3) recognise the sub-regional operation of the economy, as noted above in relation to commuting flows, as well as the more local implications of change.
- 5.50 The analysis of employment land requirements within the 2012 Workplace Study are based on economic forecasts published by the South West Observatory (based on work undertaken by Experian) in 2011. The levels of assumed growth in full time equivalent jobs (FTE) is shown in the following table. Alongside the levels of job growth assumed within the Draft Core Strategy’s evidence base the table also includes the latest (at the time of writing May 2013 outputs) economic forecasts published by Experian in their Quarterly forecast datasets. These show total workforce change as well as FTE employment change.

Figure 5.10: Alternative HMA economic forecasts

Authority	Experian (May 2013)		South West Observatory (SWO) / Experian (Autumn 2011)
	Total Workforce Change 2011 - 2031	FTE Change 2011 - 2031	FTEs growth in actual number 2011-2031
Bournemouth	6,030	6,680	27,000
Christchurch	110	970	4,900
East Dorset	200	790	6,500
North Dorset	1,340	1,560	4,400
Poole	2,800	3,530	19,400
Purbeck	380	780	4,300
Total	10,860	14,310	66,500

Source: Workplace Study, Dorset County Council, 2012, Experian, May 2013

5.51 It is important to reflect on the considerable difference in the overall level of job growth forecast across the sub-region / HMA between as projected by the forecasts. The SWO forecasts predict a job growth of approximately 66,500 between 2011 and 2031 compared to the much more conservative level of growth projected in the 2013 Experian forecasts, where the area is only forecast to see job growth of approximately 14,300.

5.52 The reasons behind the notable difference in the scale of growth is not directly apparent from the information available. The 2013 Experian forecasts are ‘policy-off’ in the sense that they do not attempt to take account of any policy/ strategy ambitions or any planned investment provision of new development opportunities. It is understood they are also, at least, in part linked with assumed projected levels of population change with this impacting in particular on ‘people’ demand related sectors of the economy such as education, retail and health. Within the 2012 Workplace Study there is not a detailed explanation of the scope of the SWO forecasts and it is possible that these have been built by Experian to reflect more localised growth based assumptions around the economy of Dorset. The former South West RDA website states in relation to the forecasts:

“The simulations and projections are modelled using information from the South West Regional Accounts, supplemented by additional information from ONS sources and from original research”

(<http://economy.swo.org.uk/publications/simulations-projections-forecasts/> accessed August 2013)

5.53 Under the SWO forecasts East Dorset is forecast to see a job growth of approximately 6,500 between 2011 and 2031 (325 per annum on average) with this figure used within the Draft Core Strategy to calculate the requirement for the allocation of additional employment land across the authority. Comparatively high job growth is also seen in

Christchurch, 4,900 jobs, but with the majority of new jobs being created in Bournemouth and Poole which collectively are forecast to see the creation of approaching 50,000 new FTE jobs over the twenty years (2,500 per annum).

- 5.54 The Experian forecasts show an FTE job growth of almost 800 within East Dorset and 1,000 in Christchurch. The comparable total workforce job changes are lower at 200 and 110 respectively. This suggests that Experian are forecasting a return to greater proportions of full time jobs and a reduction in part time employment over this period in the authorities⁴³.
- 5.55 The May 2013 Experian forecasts appear unlikely to take account of the successful realisation of significant employment land opportunities identified in the Draft Core Strategy over the plan period. These include the large land allocations at Blunt's Farm (30 ha) in East Dorset and Bournemouth Airport (30 ha) in Christchurch. The associated job growth resulting from development on these sites will be generated within the two authorities and will be significantly in excess of the levels of job growth projected under the latest Experian forecasts.
- 5.56 In the case of the Blunt's Farm site this sits next to Ferndown and Uddens Industrial Estates which currently have approximately 5,000 employees and permission for a further 9 hectares of development⁴⁴.
- 5.57 Plans to expand Bournemouth Airport, whilst located in Christchurch, will evidently have a significant impact on the sub-regional economy. The Draft Core Strategy notes that the existing airport business parks currently support in the order of 2,500 jobs with an additional 30ha of employment land with the potential to come forward over the plan period⁴⁵. It is also identified that by 2030 the expansion of the airport itself will:
- “create over 1,900 full-time jobs, generate inward investment of £57million and provide new training and career opportunities for local people”*
- 5.58 It is evident that enabling the growth of these employment areas represents a key ambition of the area, which will in turn create substantial levels of job growth. It appears that this ambition and associated increase in jobs are not recognised within the latest Experian May 2013 forecasts suggesting that these should be very much considered a minimum base position and not reflective of the wider objectives of the Draft Core Strategy.

⁴³ Note: Total workforce jobs are used within the Employment-led (Experian) modelled scenarios in section 6 with regards job change. This is likely to therefore assume a return of a number of people from part-time to full-time employment and shows a lower level of overall job increase assumed as a result.

⁴⁴ Draft Core Strategy (2013) para 10.47

⁴⁵ Draft Core Strategy (2013) Key Facts box on pg 77

Market Drivers

Market Activity

- 5.59 Examining recent development activity the latest published Annual Monitoring Reports for East Dorset and Christchurch authorities (March 2013) records the net levels of new housing completions back to 1994/5. This is shown in the following table with 5, 10 and 15 year averages shown from the latest year's data of 2011/12.

Figure 5.11: Net Completions 1994/95 – 2011/12

Year	Annual net completions	
	East Dorset	Christchurch
1994/95	352	202
1995/96	290	181
1996/97	380	230
1997/98	341	285
1998/99	347	133
1999/00	304	125
2000/01	359	102
2001/02	498	145
2002/03	257	83
2003/04	323	218
2004/05	225	92
2005/06	173	132
2006/07	128	128
2007/08	164	190
2008/09	116	101
2009/10	70	102
2010/11	157	103
2011/12	107	62
5 year average	123	112
10 year average	172	121
15 year average	238	133

Source: AMR's, March 2013

- 5.60 It is evident from the calculated averages that the level of development within both authorities has fallen over recent years. The long term 15 year average for East Dorset highlights delivery of 240 houses per annum compared to the last five years average which equates to just 123 houses per annum. This reflects the fact that between 1996/7 and 2003/04 the authority was consistently delivering in excess of 300 units per annum with almost 500 delivered in 2001/02. This is likely to have a bearing on the higher levels of migration identified earlier in the section in the first half of the decade from 2001. Considerably lower levels of development over the last five years will have had an impact

on the availability of new housing to enable newly forming households to remain in the area and new people to move again having. This will have had a bearing on the changing population of the authority.

Affordability

- 5.61 The 2011 SHMA and the 2007 SHMA (Fordham Research) both identified that affordability challenges were significant across the housing market area and within East Dorset and Christchurch.
- 5.62 The application of the DCLG affordable needs calculation in East Dorset identified a net per annum need for 426 affordable dwellings per annum in the 2011 SHMA update. This represented a slight reduction from a net need of 440 in the 2007 SHMA.
- 5.63 The comparable figure for Christchurch was 332 per annum with this representing a substantial uplift from the 2007 calculated figure of 243. Across the HMA there was an identified per annum need for 8,350 affordable houses with over 50% of this requirement generated in Bournemouth.
- 5.64 Examining the contributing factors to the high levels of affordable housing need in East Dorset shows that the vast majority of the annual need is derived from anticipated future need rather addressing a backlog position. The net annual need derived from addressing the backlog is only 79 households per annum with the net future need at 347 households. This reflects the estimation that almost 56% of new households are unable to buy or rent in the open market within East Dorset (almost 170 per annum) with a significant number of existing households also forecast to fall into need over the assessment period.
- 5.65 A similar picture is apparent in Christchurch with the backlog translated into 62 households per annum but the net future need calculated as 270 households per annum.
- 5.66 Evidently the Draft Core Strategy requirement would not meet these needs in full over the plan period. Whilst as the 2011 SHMA identifies the private rented sector currently plays a role in meeting a proportion of these needs the sustainability of this market driven solution is called into question within the housing market area over the long-term. In addition the NPPF does not include private rented housing as part of the definition of 'affordable housing'. It is evident that the delivery of 'affordable' housing in the Borough is critical to retaining emerging households (the vast majority of which will be of working age and which can help to increase the labour force to support job creation) and enabling the development of balanced communities.
- 5.67 In terms of the capacity of the market to deliver affordable housing the 2011 SHMA stated:

"Viability assessments carried out across Dorset suggest that in many cases it will be possible to provide at least 40% of housing as affordable on future sites and in some cases (particularly on greenfield sites) up to 50%. However, we recognise that in reality due to site sizes and some specific local/site viability issues that the proportion delivered may well be lower than this particularly during the current economic circumstances". (2012, para 7.82)

- 5.68 On this basis the 2011 SHMA tested potential affordable housing development outputs at both 30% and 40% of all housing delivered. On this basis the current Draft Core Strategy requirement for 8,200 homes would deliver between 164 and 218 affordable houses per year on average over the 15 year plan period across both authorities. This falls considerably short of the level of affordable housing identified as needed within the 2011 SHMA.
- 5.69 As recognised in the 2011 SHMA given the scale of the issue and the DCLG affordable needs calculation methodology it is extremely unlikely that the full need will be met on an annual basis. Despite this it is clear that development constrained to the level set within the Draft Core Strategy will only serve to exacerbate the affordability issues facing new households in both East Dorset and Christchurch. The implication of this will be a continuation of a forced migration of younger person households to other more affordable market areas impacting further on the capacity of the authorities to sustain and grow their business basis and therefore the economic prosperity of their communities. This is directly in conflict with the economic policies contained within the Draft Core Strategy.

6 East Dorset Population and Household Projections

- 6.1 Within this section we present a number of scenarios of projected population and household change. These scenarios are intended to test and evaluate the impact of different assumptions around demographic and economic change over the plan period. Importantly they illustrate the effect of demographic factors such as the ageing of the population and changing migration levels on the labour-force with this having implications for the capacity to support changes in the employment market within the authority and surrounding areas.
- 6.2 The modelling takes account of the assessment of these drivers of change presented in section 5. Initially a series of population projections are presented. These are then translated into household projections using two alternative headship rate assumptions linked to the 2008 SNHP and the Interim 2011 SNHP datasets. The projection outputs are presented for the Core Strategy plan period of 2013 – 2028. It is important to note, however, that the base date of all the scenarios is 2011 (ONS MYE counts) with proceeding years representing projected figures⁴⁶.
- 6.3 The section concludes with a critical review of the scenarios including analysis of the relationship between the size of the population, its age structure and the labour-force. The intention is to directly address a number of the matters and issues raised by the Inspector in advance of the Core Strategy Examination in Public.

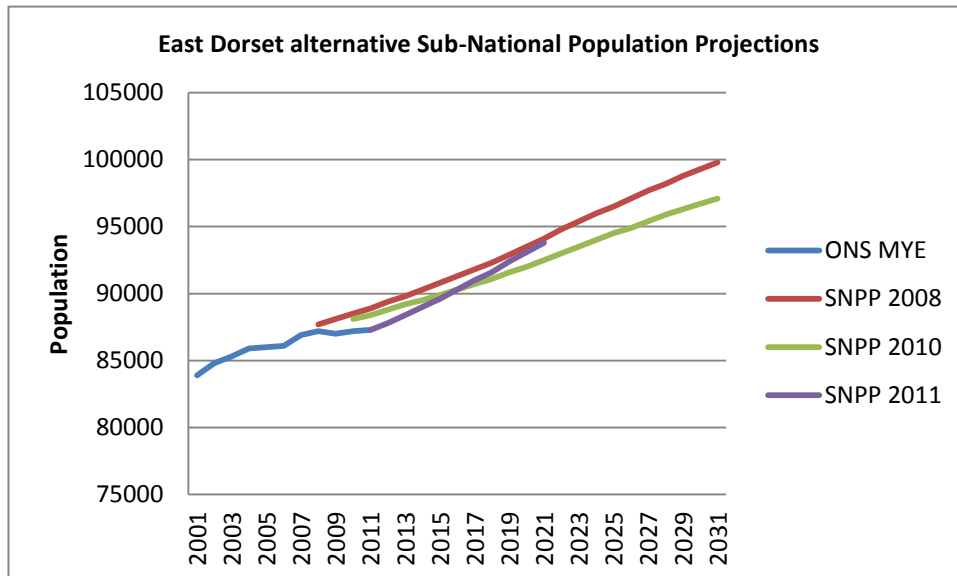
Introducing the Scenarios

Official Projections

- 6.4 In all scenario analysis it is important to ‘benchmark’ any growth alternatives against the latest ‘official’ population projection. In 2013 the ONS released an ‘Interim’ 2011 base SNPP dataset. The Councils have included within their cited evidence analysis of the 2011 Interim SNHP dataset which is built from this Interim 2011 SNPP dataset.
- 6.5 The Interim 2011 SNPP dataset uses assumptions from the 2010-based SNPP dataset to define its fertility, mortality and migration components of change. For this reason, in Edge Analytics view, the 2011-based population projections do not provide a suitably robust benchmark trend projection.
- 6.6 The 2010-based SNPP from the ONS represents the last ‘official’ dataset released by the ONS with a 20+ year projection period. This dataset replaced the previously published 2008 SNPP. The following chart shows these three latest population projections released by the ONS for East Dorset.

⁴⁶ This means that the figures for 2013 vary between the scenarios with these representing projected figures built from the modelling assumptions applied from a 2011 base.

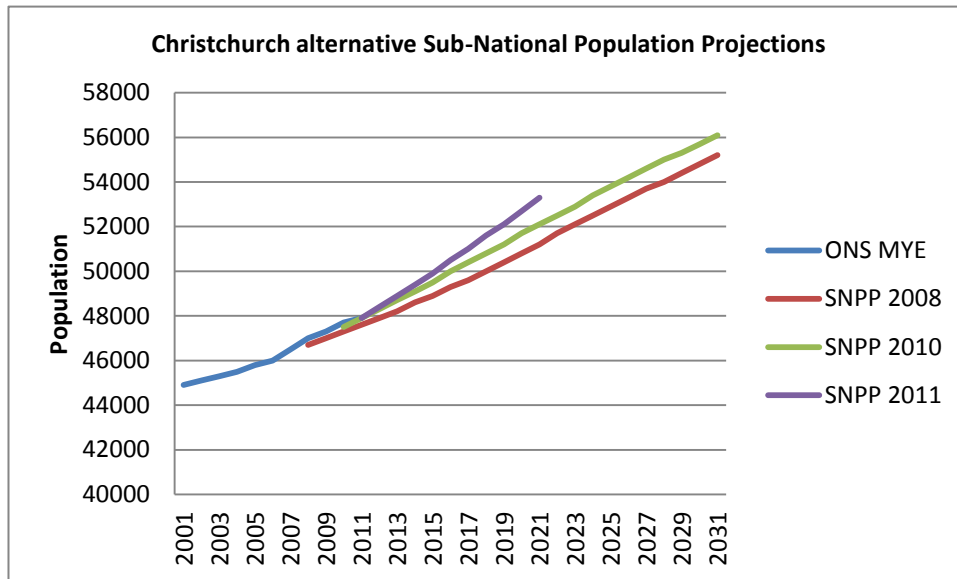
Figure 6.1: Historic ONS SNPP Datasets – East Dorset



Source: ONS, various

- 6.7 The chart firstly highlights the scale of over-estimation of projected growth under the 2010 and 2008 SNPP datasets regarding the population in 2011. It is evident from the chart that these projections assumed a rate of population growth in line with pre 2008 trends with the last 3 years actually seeing a relative stabilising of population change in the authority.
- 6.8 The 2008 SNPP dataset projected a growth in the population of 8,400 persons between 2013 and 2028 (the Core Strategy Plan Period). This is a higher level of growth than that projected under the 2010 SNPP dataset, a projected growth of 6,700 persons. This reflects reduced levels of assumed migration based on the historical period 2006 – 2010 alongside varied assumptions on fertility and mortality.
- 6.9 The 2011 SNPP dataset does not provide a full projection for the plan period with the projection horizon only stretching to 2011. In order to enable comparisons the average rate of growth over the ten year projection period is 650 persons a year which over a 15 year period represents a projected growth of 9,750 persons. It is important to note that this does not represent a robust approach for understanding population change over this period of time as it does not take account of the changing age structure of the population post 2021. It does, however, show the higher level of projected population change under this dataset for East Dorset.
- 6.10 In order to provide additional spatial context with regards the spatial area covered by the Draft Core Strategy the following chart shows the same datasets for Christchurch.

Figure 6.2: Historic ONS SNPP Datasets – Christchurch



Source: ONS, various

6.11 The projections for Christchurch shows a greater level of consistency in that all three projections have comparatively accurately projected the scale of the population in the authority in 2011. Importantly each of the successive updates of the projection datasets by the ONS has shown a greater level of projected population growth in the future. The latest 2011 Interim dataset suggests a level of growth which is higher than the historical trend within the authority.

Alternative Projections

6.12 In order to fully consider the housing needs and resultant requirements in East Dorset and in particular taking into account the linkage between employment change and the population profile a series of alternative projections are presented:

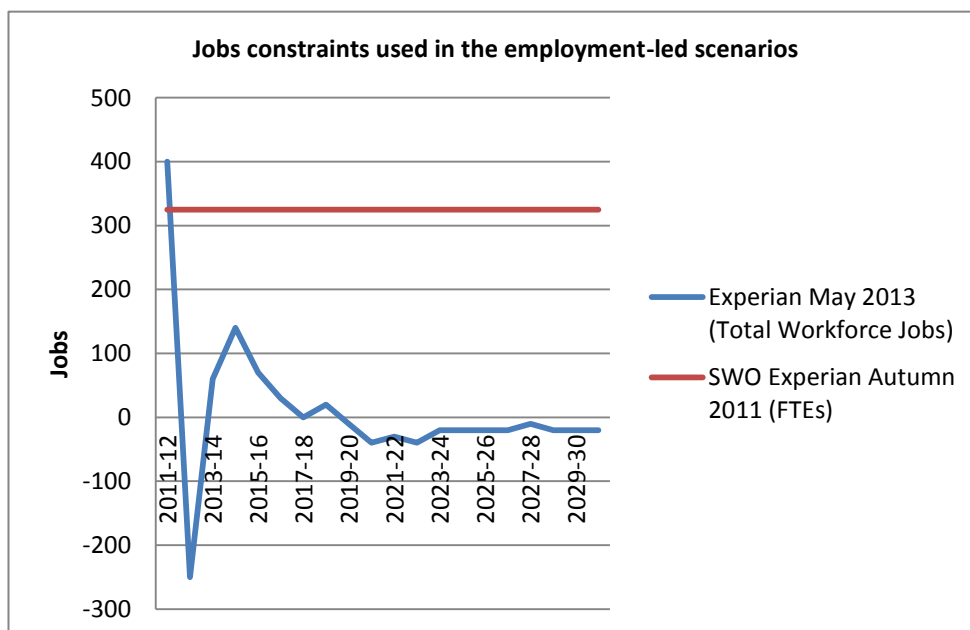
- **Migration-led 5 year:** Internal and international migration assumptions are based on the last five years of historical evidence pre the 2011 Census⁴⁷ (2006-07 to 2010-11). This represents a trend-based projection using a comparable methodology to the 'official' projections published by the ONS albeit from a more up-to-date base;
- **Migration-led 10 year:** Internal and international migration assumptions are based on the last ten years of historical evidence (2001-02 to 2010-11);
- **Employment-led (Experian):** POPGROUP is able to evaluate the impact of a particular jobs growth trajectory by measuring the relationship between the number of jobs in an area, the size of its labour-force and the size of the resident population. Economic activity rates control the relationship between the size of the population and the size of the labour force. The unemployment rate and the commuting ratio determine the relationship between the size of the labour force and the number of

⁴⁷ The 2011/12 ONS MYE dataset was released in July 2013 and is analysed in section 5. This has not been integrated within the modelling with a 2011 base retained associated with the results of the 2011 Census count.

jobs available. If there is an ‘imbalance’ between the ‘target’ number of new jobs and the resident population, then migration is used to redress the balance. Under this scenario population growth is constrained to a jobs growth trajectory of only 200 additional jobs over the period 2011 to 2031, or 110 jobs over the plan period (Figure 6.3);

- **Employment-led (Workspace Study):** Population growth is constrained to a jobs growth trajectory of 6,500 jobs between 2011 and 2031, or 4,875 jobs over the plan period (note this assumes a flat rate of change per annum without any phasing information included in the Workspace Study – Figure 6.3);
- **Balanced Commuting (Experian):** The preceding two employment-led scenarios assume a retention of the 2001 evidenced commuting ratio for the authority. As the analysis in section 5 has shown, East Dorset is a net exporter of labour. There is an aspiration in the Draft Core Strategy for the need for residents to travel and so under this scenario it is assumed that levels of commuting remain constant in absolute terms with all new jobs created in East Dorset assumed to be taken by a resident in the authority. Under this scenario the same level of job growth underpinning the Employment-led (Experian) scenario is used. It is important to note that the success of this reduction of out-commuting will be dependent on the types of jobs provided and the matching with a suitably skilled labour-force as well as the development of sufficient housing in the other urban authorities in the HMA area which are currently net importers of labour from East Dorset; and
- **Balanced Commuting (Workspace Study):** Scenario applying the same assumptions relating to future commuting trends as the preceding scenario albeit using the job growth assumption as the Employment-led (Workspace Study) scenario.

Figure 6.3: East Dorset – Jobs constraints used in the employment-led scenarios



Source: Experian (May 2013), SWO (Autumn 2011)

Population Projections

- 6.13 Figure 6.3 shows the projected change to the size of the population under each of the scenarios.

Figure 6.4: Projected Change in Population 2013 – 2028

Scenario	Projected Change in Population 2013 - 2028	Annual Average Change (15 years)
Migration-led (5 year)	1,928	129
Migration-led (10 year)	3,968	265
Employment-led (Experian)	10,232	682
Employment-led (Workspace Study)	23,483	1,566
Balanced commuting (Experian)	10,145	676
Balanced commuting (Workspace Study)	20,740	1,383

Source: Edge Analytics, 2013

- 6.14 It is evident that there is a significant difference in the projected growth of the population under the demographic trend-led projections (the two migration-led scenarios) and the employment-led scenarios. As noted in section 5 there has been a fall in net levels of migration within the authority over the last decade from peak levels of exceeding or close to a 1,000 a year at the start of this period. The impact of a negative natural change balance further impacts on the overall population change with the 5 year migration-led scenario projecting a growth of approximately only 2,000 persons over the 15 year plan period.
- 6.15 By contrast under the employment-led projections the level of population growth is notably higher. The 2011 SHMA and the Draft Core Strategy both recognise the ageing population structure of the authority. As the 2011 SHMA identifies but does not model the impact of this is a falling working age population which represents a capacity constraint on supporting business growth and therefore employment generation.
- 6.16 Even under the Employment-led (Experian) scenario, which assumes a growth of only 110 jobs over the plan period, the modelling demonstrates that a notable increase in population will need to be catered for to maintain what are essentially the current levels of employment in the borough. This is the result of needing to increase the number of working age residents moving into the authority as the existing labour-force, which is skewed towards the upper age groups, moves into retirement. Importantly, as set out in section 4, the modelling assumes an uplift in levels of economic activity within the older age groups recognising the impact of changes to pensionable ages. Without this

assumed retention of greater numbers of 60+ workers the impact would be even more pronounced.

- 6.17 The Employment-led (Workspace Study) scenario seeks to balance the different aspects of the evidence base underpinning the allocation of land within the Draft Core Strategy. This study utilised forecasts showing a job growth of approximately 4,750 FTE jobs over the plan period. The modelling illustrates that in order to balance this level of job growth with the required labour-force a substantial increase in the authority's population would be required.
- 6.18 The scale of this growth is reduced if it is assumed that each of the new jobs is taken by a resident moving into or already living in East Dorset with the impact being that no additional jobs outside of the authority are supported by workers living in East Dorset. This aligns with the aspirations of the Draft Core Strategy to reduce the need for communities to travel; however, it is important to note that this represents an ambition rather than an evidenced position.

Translating Projected Population Growth into Household Growth

- 6.19 Household projections are derived through the application of household headship rates (also referred to as 'household representative rates' in the CLG documentation). In April 2013, CLG released its new household projections for local authority districts in England. These household projections are underpinned by the 2011-based Interim SNPP's which are critiqued earlier in this section.
- 6.20 The projected household headship rates used in the Interim 2011 household model have been derived using 2011 Census data in combination with statistics from the Labour Force Survey. This represents an important update from the 2008 based datasets.
- 6.21 As with the population projections the rates under both datasets are built based on a trend analysis and therefore assume that what has happened previously will continue into the future.
- 6.22 This poses a challenge in terms of projecting forward. Evidently the period to 2008 represented a comparatively buoyant period in the housing market with derived rates therefore not taking account of the unprecedented economic conditions that have occurred since 2008. Equally given that these are unprecedented conditions also means that taking a 2011 base point has the inherent weakness of projecting forward the current dysfunctional (term taken from the 2011 SHMA) market position over the long-term. This is reflected nationally with the Interim 2011 SNHP nationally shown to have had the most significant impact, in terms of reduced numbers, upon single-person households and family households with no children. This has been offset by increases in households comprising a couple and one or more other adults with no dependent children and the miscellaneous 'Other' classification which includes multi-adult households. This reflects the affordability issues facing new emerging households, with many young adults forced to remain living with parents.
- 6.23 The 2011 SHMA Update noted the differences in the historic levels of household growth derived from different DCLG published SNHP datasets, noting:

“Trend projections have their limitations since they only reflect what household formation rates are likely to be if past trends continue”. (2012, para. 7.71)

6.24 This position is supported through a report⁴⁸ issued by Cambridge Centre for Housing & Planning Research (CCHPR) which concluded:

“There will be a temptation to modify the household numbers suggested by the projections to reflect the 2011 census but this should only be done where there is clear evidence that the changes are not the result of short-term fluctuations which are likely to come back to trend in the medium term. It follows that to make a case for lower household numbers than suggested by the 2008-based household projections local authorities would need to not only show that the actual household numbers in their area in 2011 were lower than projected but also to argue convincingly that the shortfall was not due to short term factors that would re-balance during the plan period. The 2011 census results are a snap shot taken after a period of severe economic and housing market volatility, it would be reasonable to expect the numbers of households that formed in the years running up to the census were significantly below the low term trend.” (CCHPR, March 2013)

6.25 Recognising the points noted above we have translated the population projection scenarios using both 2008 (rescaled to 2011 Census results) and 2011 based household headship rates. Dwelling requirements are built from the household projections through an assumed vacancy rate of 2.5%. This takes into account an assumption around the turnover of stock with a proportion of dwellings always empty at a given point in time (linked to factors such as disrepair, renovation or moving). This level of vacancy is slightly lower than that recorded in the 2011 Census as shown in section 5 and does not specifically incorporate any allowance for an increase in the levels of second home ownership. These are presented separately in figures 6.5 and 6.6.

Figure 6.5: Projected Household Change – 2008 Headship Rate Assumptions

Scenario (2008 SNHP Headship Rates)	Households Change 2013-2028	Dwelling Requirement
Migration-led (5 year)	2,222	152
Migration-led (10 year)	3,060	209
Employment-led (Experian)	5,474	374
Employment-led (Workspace Study)	10,619	726
Balanced commuting (Experian)	5,440	372
Balanced commuting (Workspace Study)	9,561	653

Source: Edge Analytics, 2013

⁴⁸ ‘Choice of Assumptions in Forecasting Housing Requirements Methodological Notes’, Cambridge Centre for Housing & Planning Research (CCHPR), March 2013

Figure 6.6: Projected Household Change – 2011 Headship Rate Assumptions

Scenario (2011 SNHP Headship Rates)	Households Change 2013-2028	Dwelling Requirement
Migration-led (5 year)	1,298	89
Migration-led (10 year)	2,118	145
Employment-led (Experian)	4,472	306
Employment-led (Workspace Study)	9,479	648
Balanced commuting (Experian)	4,439	303
Balanced commuting (Workspace Study)	8,447	577

Source: Edge Analytics, 2013

Evaluating the Scenarios

- 6.26 The scenarios have all been built using the latest robust demographic datasets using recognised/ market leading demographic software and including specialist input from a dedicated demographic forecasting team at Edge Analytics.
- 6.27 As noted in section 3 the Draft Core Strategy makes allowance for 8,200 dwellings across East Dorset and Christchurch over the plan period 2013 – 2028 or on average 547 dwellings per annum. The latest iteration of the Draft Core Strategy removes the individual requirements for the two authorities which presents a problem for understanding how needs are being met across the area, noting, as identified in section 5 that the linkages between the two authorities are less pronounced than those with the urban authorities in the HMA. The previous iteration of the Draft Core Strategy identified an individual requirement for East Dorset of about 5,250 homes over the plan period or 350 per annum on average.
- 6.28 If it is assumed that this level of development has informed the allocation of land and the roles of settlements / settlement tiers in the Draft Core Strategy, then it would appear reasonable that a figure in this region represents the broadly considered ‘objectively assessed needs’ for the authority as assessed by the Council.
- 6.29 Examining the scenarios presented in this section it is apparent that this level of requirement will comfortably cater for a continuation of population growth based on more recent trends of migration. This reflects the analysis undertaken within the 2011 SHMA. In considering these historic levels of migration it is important not to detach them from the market context in which they occurred, which has manifested itself in low levels of new housing development in the authority and a re-alignment of employment opportunities, particularly over the last five years. The extent to which such conditions will perpetuate in to the future should be called into question, particularly given signs of economic and housing market recovery that are now in evidence.
- 6.30 The 2011 SHMA whilst considering demographic trend-based projections did not build any alternative projections exploring the impact of other drivers of need and demand. The SHMA did highlight the important linkages between housing supply and the economy but

did not follow this through to evidence the impact of different levels of population growth on the labour-force. It did, as summarised in section 3, highlight a potential risk in terms of the ageing of the population under a continuation of past demographic trends and its implications for the alignment of housing and economic ambitions. Understanding the housing-economy relationship is confirmed as important within the PAS / LGA Guidance⁴⁹ (2013) for assessing objectively assessed needs:

“Having considered the demographic trends and projections, you should think about testing any employment-led ones. This allows cross reference and corroboration and ensures integration in line with the NPPF between the housing and employment strategies. There is a direct link between the creation of new jobs and creation of new homes, but any method must include an element of demand generated from the existing population.” (2013, pg 5)

- 6.31 It is evident from the Employment-led scenarios that the current Draft Core Strategy would support the level of job growth forecast by Experian over the Plan Period. This level of job growth, however, essentially assumes the retention of current employment levels with an increase of only 110 jobs over the plan period supported.
- 6.32 By contrast the Draft Core Strategy adopts a much more ambitious stance regarding the future of the economy of East Dorset and Christchurch including the identification of a significant quantum of employment land including two large sites of approximately 30 hectares. In addition the Core Strategy references the expansion plans of Bournemouth Airport and the planned levels of job growth resulting from direct investment in the Airport.
- 6.33 The Draft Core Strategy evidence base assumes a job growth of 6,500 FTEs in East Dorset. The Employment-led (Workspace Study) scenario illustrates the significant impact the realisation of job growth of this scale would have on the requirement for housing in the authority. This illustrates the uplift in migration of working age persons required to service this increase in employment opportunities assuming that commuting flows do not significantly change within the HMA and that the balance between employment and labour-force is not fundamentally changed in other authorities.
- 6.34 The following table highlights the important relationships between assumed job growth, migration and the additional dwelling required to absorb a growing economically active population in the authority. A mid-point is taken with regards the dwelling requirement associated with the application of the 2008 and 2011 SNHP headship rates to provide a balanced position regarding the different historically derived trends implied by both.

⁴⁹ ‘Ten key principles for owning your housing number – finding your objectively assessed needs’, PAS / LGA, July 2013

Figure 6.7: Projected change in migration, dwellings and the labour-force – Various Scenarios

Scenario (Midpoint taken between 2011 and 2008 SNHP Headship rate derived scenarios)	Average per year 2013 - 2028		
	Net Migration	Dwellings	Jobs
Migration-led (5 year)	477	120	-189
Migration-led (10 year)	593	177	-129
Employment-led (Experian)	989	340	7
Employment-led (Workspace Study)	1,809	687	325
Balanced commuting (Experian)	984	338	7
Balanced commuting (Workspace Study)	1,640	615	325

Source: Edge Analytics, Turley Associates, 2013

- 6.35 This reinforces the fact that the current Draft Core Strategy requirement would enable East Dorset's economy to retain its current level of employment with an allowance for a very marginal uplift over the plan period.
- 6.36 The aspiration of the Core Strategy to secure economic growth, highlighted through the allocation of significant employment sites. This report, however, has illustrated that delivering economic growth would require an uplift in the policy requirement for new housing. The growth of 6,500 new FTEs, as assumed within the Workspace study, could be viewed as an upper or aspirational target. Balancing the authority's labour force with this level of new employment growth would require the provision of approximately 9,000 houses in East Dorset alone, or 615 per annum, assuming a mid-point between the 2008 and 2011 SNHP headship rate scenarios and a greater balancing of commuting flows. This level of growth would assume, however, a very high level of in-migration of new working-age persons into the authority, in excess of the peak in flows recorded in 2001/02 (1,300 net in-migration).
- 6.37 Considering the two employment-led scenarios this therefore provides a range of between 340 and 615 dwellings required per annum within East Dorset. This translates into a requirement of between 5,100 and 9,225 houses over the plan period with the lower end of this range essentially equating to static employment levels over (or zero employment growth) over the full plan period. As demonstrated elsewhere in this report, this assumption of economic "stagnation" does not align with the Council's stated ambitions.
- 6.38 In identifying an appropriate position within this range for identifying a requirement for housing in East Dorset it is important to reflect on the wider policy ambitions of the Draft Core Strategy including the recognition of the importance of addressing affordability needs of communities within East Dorset, as well as growing the economy. The 2011 SHMA evidenced the severity of affordability issues and identified a per annum need for 426 affordable dwellings. Assuming a 40% affordable housing provision (top end of the viability range considered in the 2011 SHMA) this would equate to an overall per annum requirement for approximately 1,065 units per year. As noted in the Draft Core Strategy

this does not represent a realistic or deliverable proposition in the context of the overall objective assessment of housing needs. It does however provide further weight on the need to enable a higher rather than lower level of new housing provision in order to address the scale of affordable need in the authority.

- 6.39 In order to deliver employment growth, to meet objectively assessed need and to deliver against documented affordable housing need, East Dorset needs to revise its housing requirement figure upwards. The current housing requirement figure contained within the Draft Core Strategy would only support a stagnant local economy over a 20 year period, with static employment levels. This future is misaligned with East Dorset's stated economic policy and ambitions and the quantum of employment land which is being brought forward in the borough.
- 6.40 This report has highlighted a range of possible housing scenarios with the express purpose of better understanding the relationship between the local economy and differing levels of housing provision. It is the conclusion of this report that the current level of housing provision within the Draft Core Strategy is insufficient to deliver the Council's economic strategy. Planning for an alternative scenario which makes allowance for a level of growth in the employment base, but which is realistic would suggest the need to plan within the range established in this report of 5,110 and 9,225 homes. In doing so it is important to note that:
- 6.41 At the base of this range (5,110 homes over the plan period), employment growth would not be matched with an increase in the labour force. Planning for this level of homes could fundamentally counteract policy objectives and undermine East Dorset's ability to attract or retain businesses.
- 6.42 At the top of the range (9,225 homes over the plan period), East Dorset would be reliant on historically unprecedented levels of migration into the authority.
- 6.43 Taking into account the above considerations it is recommended that an appropriate housing requirement will exceed the base of the range but will be less than the top of the range. Planning to accommodate in the order of 6,000 to 7,000 homes would help to facilitate East Dorset's economic ambitions as well as making a meaningful contribution to meeting objectively assessed need and affordable housing need. Based on the economic growth ambitions of the authority this requirement would need to be closely monitored. If the higher levels of job growth identified in the Council's evidence base are realised this would serve to increase the requirement for new housing over the plan period.
- 6.44 The modelling in this section has concentrated on assessing the requirement for housing within East Dorset. Considering the analysis in section 5 it is apparent that the authority operates within the wider HMA with particularly strong links to the urban authorities of Bournemouth and Poole. Utilising the duty to cooperate it is possible for authorities to distribute need within a wider market geography where they cannot be met based on 'tests' set out within the NPPF. The following section therefore considers the current and emerging policy positions across this HMA to identify the extent to which the balancing of employment growth and changing population dynamics have been considered.

7 Housing Market Geographies

- 7.1 The modelling in section 6 helps to illustrate that in order for the economy to grow to the extent stated within the Council's own evidence base East Dorset needs to be a plan for more homes than are currently being planned through the Draft Core Strategy. Under provision against objectively assessed need is likely to have the unintended consequence of displacing housing demand pressures to neighbouring local authority areas.
- 7.2 The NPPF enables distribution of housing need across a functional housing market however where such approaches are adopted by local authorities they are required to evidence how objectively met needs will be met under the Duty to Co-operate. Evidence of meeting needs extends to a requirement for local authorities to demonstrate how they have co-operated in meeting objectively assessed needs across functional housing market areas.
- 7.3 The 2011 SHMA represents a strategic level of analysis across the HMA albeit with an important limitation in that it only considers housing need with regards demographic factors and does not attempt to align demographic and economic drivers. This is considered to be a significant limitation in the SHMA and the extent to which its preferred scenario can meet the tests of objectively assessed need for housing.
- 7.4 Consideration is given within the 2011 SHMA, however, to the changing size of the labour-force which as the modelling in section 6 illustrates represents an important consideration in understanding economic and housing policy alignment. With regard to this point the 2011 SHMA states:

"As well as showing an ageing population the projections clearly identify that if current trends continue then the number of people in key working age bands (i.e. those aged 16-64) is likely to decline. This does identify a risk in that the Bournemouth/Poole HMA may face a labour shortage which is likely to act as a barrier to economic growth in the HMA and more widely across Dorset.

Over the full 20-year projection period it is estimated that the population aged 16-64 will drop by around 1% across the whole HMA. There are projected to be small increases in this population in the three main urban areas of Bournemouth, Poole and Christchurch (up to 2% in the case of Christchurch) with all three rural districts seeing a decline in working age populations (including a decline of around 7% in North Dorset)". (2012, paras 7.78 and 7.79)

- 7.5 In this context the following table compares the levels of need forecast in the 2011 SHMA based on a continuation of these past trends against the current adopted or proposed housing requirement in each of the authorities in the HMA as set through policy. For context the proposed changes RSS (2008) figures are also included. In line with the recommendation in the 2011 SHMA an allowance of 2.5% vacancy has been made to allow for turnover in translating household growth into a dwelling requirement.

Figure 7.1: Contrasting the 2011 past trend based housing projections against adopted and emerging policy across the HMA

Authority	Proposed Changes RSS (2008)	2011 SHMA projected annual average household change	2011 SHMA derived dwelling requirement (2.5% vacancy allowance)	Current policy requirement	Plan status
Bournemouth	805	511	524	730	Adopted
Christchurch	173	219	224	547	Submission version
East Dorset	320	336	344		
North Dorset	350	273	280	280	Key Issues for the Revision of the Draft Document Version
Poole	500	467	479	500	Adopted
Purbeck	258	170	174	120	Adopted
HMA	2,406	1,976	2,025	2,177	n/a

Source: 2011 SHMA (2012) and various Core Strategy documents

- 7.6 It is evident from this table that the current policy positions across the HMA closely align with the levels of need identified through the 2011 SHMA with the only notable additional provision made in Bournemouth. Importantly 3 out of the 6 authorities have already adopted their Core Strategy / Local Plans suggesting no capacity within policy at the current point in time to accommodate additional needs from East Dorset.
- 7.7 Given the conclusion identified above regarding the implications of planning to accommodate population change at this level, i.e. an associated reduction in the working age population, it is evident that the levels of employment growth assumed within the HMA wide Workspaces Study (2012) as analysed in section 5 are unlikely to be accommodated through the cumulative level of housing provision that is being planned for.
- 7.8 This is compounded by the establishment of policy provision for new housing in Purbeck at a level which has been found to be below the evidenced objectively assessed needs (even removing the requirements generated from a changing economy). The distribution of this 'deficit' in provision has not clearly been identified as being addressed by one or more authorities in the Housing Market Area⁵⁰.

⁵⁰ The Inspector's Report ('Report on the Examination into the Purbeck Local Plan (Part 1)' The Planning Inspectorate, 31st October 2012) on the Purbeck District Council Plan identified that the Local Plan housing requirement falls short of the objectively assessed needs for the authority noting the relevance of environmental constraint factors, which will be subject to future further consideration. The Inspector identified the need for an early review of the plan to commence in 2013 in order for the plan to be considered sound. This recognised the potential for other authorities, via the duty to co-operate, to accommodate a shortfall in provision.

Considering the need for separate authority housing targets

- 7.9 It has been noted in this report that the Draft Core Strategy (2013) has removed the identification of separate housing targets for the two authorities. This represents a challenge in terms of understanding how and where the objectively assessed needs for housing in each authority are being met and how they relate to the anticipated emerging employment opportunities identified in the Draft Core Strategy.
- 7.10 Equally the analysis within section 5 of migration and travel to work trends shows that the comparative strength of the housing market relationships between the two authorities does not support this approach where other authorities across the HMA have all identified separate targets.
- 7.11 This is important given the differing housing market characteristics of different parts of the authority. These differences were identified as part of the research and in particular the consultation with stakeholders undertaken as part of the 2011 SHMA. The 2011 SHMA notes based on consultation with stakeholders:

“The conurbation of Bournemouth Poole and Christchurch (BPC) has a diverse housing market and local economy. It offers choice in terms of housing affordability, and dwelling types. The housing market is driven by a modern financial and knowledge based economy. There is also a large student population in Poole and Bournemouth. These areas attract in-migrants who tend to be more economically active compared to the western rural areas. Christchurch has a fine medieval town centre dominated by its historic church and tourist economy. However its suburban fringes form a seamless part of the local housing market with Bournemouth.” (2012, para 2.10)

- 7.12 The detailed report of the stakeholder consultation appended to the 2011 SHMA (Appendix 1) highlights the perceptions of the different market geographies and relationships:

“Stakeholders broadly concur with the findings of earlier research in that the study area is made up of the Weymouth/Dorchester urban area and the much larger Bournemouth/Christchurch/Poole (BCP) conurbation. The remaining part of the study area can be described as rural and costal serviced by market towns.” (2012, Appendix 1 para A1.2)

- 7.13 Evidently the majority of the urban areas of Christchurch are recognised as having strong relationships and indeed considered as a continuation of the urban markets of Poole and Bournemouth. This could therefore be viewed as a very distinct market area from the more rural context of much of East Dorset therefore reinforcing the need for distinct policy targets and responses to ensure that the needs of all households are understood and met over the plan period.
- 7.14 Whilst recognising the distinctions between urban and rural market areas it is also important to reflect on the relationships between these areas and the relative strength of dynamics with the larger employment centres. Further evidence of these relationships and their impact on the identification of housing market areas is provided by research

undertaken on behalf of the CLG to define sub-regional housing market areas across England⁵¹.

7.15 This defined a two-tier structure of 'strategic' and 'local' housing market areas. The HMA area was identified as falling within a wider strategic Bournemouth HMA (upper tier) housing market area. In turn this was split into two lower-tier markets: Poole and Bournemouth. The geographies of these are shown in the following plan replicated from the study.

Figure 7.2: DCLG Lower Tier Local Housing Market Areas defined by CLG Research



Source: <http://www.ncl.ac.uk/curds/research/defining/NHPAU.htm>

7.16 Significantly the research, which considered migration and travel to work dynamics, identified East Dorset as predominantly falling within the Poole local housing market area⁵² and Christchurch as falling within the Bournemouth local housing market area.

7.17 The evidence base prepared to date recognises these distinctions with the 2011 SHMA and the Workspaces study providing evidenced based assessments distinct to each authority. In order to successfully undertake a plan, monitor and manage approach a

⁵¹ 'Geography of Housing Market Areas', (2010) CLG. www.gov.uk/government/publications/housing-market-areas

⁵² Note: two wards were identified as falling within the Salisbury local housing market area.

distinction is required reflecting authority geographies which represent the basis for available official data and modelling outputs.

8 Summary and Conclusions

- 8.1 This report has been prepared by Turley Associates for and on behalf of Bellway Homes with additional specialist demographic modelling advice provided by Edge Analytics. The purpose of this report is to establish an analysis of the requirement for housing in East Dorset District in accordance with the National Planning Policy Framework (NPPF) in particular evidencing the balance and linkages between workforce projections and housing growth in the authority.
- 8.2 The analysis and conclusions presented within this report are intended to directly respond to a number of the matters and issues published by the Inspector in July 2013 in relation to the overall strategy (MI 1)⁵³ of the Core Strategy. Consideration is also given to the Inspector's request for information (ID 1)⁵⁴ issued to the Council's in July 2013.
- 8.3 A review of the national policy context and its interpretation by Local Plan Inspectors as well as a detailed examination of the latest datasets which should be used to inform the calculation of the objectively assessed housing needs of the area has been presented within this report. In addition the analysis has presented a series of population and household projections built using the POPGROUP suite of software.
- 8.4 The analysis has been undertaken in the context of the evidence prepared to date by the Local Planning Authority. This includes the 2011 SHMA which included a detailed examination of demographic trend population and household projections built using the latest data at the time. The SHMA, did not however seek to factor in economic data to the objective assessment of housing need and this is considered to be a limitation of the research undertaken and its robustness as a basis for informing policy.
- 8.5 The Inspector has identified a series of Issues and Matters to be considered at the EIP. This includes understanding as to how the draft policies have sought to balance workforce projections and housing growth. In the absence of robust evidence from the Councils examining this issue the POPGROUP modelling has focussed on a number of alternative scenarios linking these two important drivers of housing demand and need. Evaluating the projections presented within this report the conclusion is drawn that the latest economic, demographic and housing market indicators demonstrate that the level of housing planned for within the Draft Core Strategy is insufficient to meet the housing requirements of East Dorset assuming a comparable split of requirements as evidenced in the earlier iteration of the Strategy (noting a separate target is no longer defined).
- 8.6 Examination of the latest demographic evidence shows that the authority has seen, over recent years, an ageing of the population with this projected to continue under trend-based demographic projections. Historically higher levels of migration have been seen within the authority than have been evidenced over recent years and these have predominantly been made up of working age persons and their families.
- 8.7 The Draft Core Strategy sets an objective to enable the economy of Christchurch and East Dorset to grow with significant new zones of employment development to be located

⁵³ 'Matters and issues 1 – overall strategy', PINS, 16th July 2013

⁵⁴ 'Inspector's request for information', PINS, July 2013

at Bournemouth Airport and on key sites in East Dorset, serving the economy of the housing market area.

- 8.8 Examination of the evidence base underpinning the economic policy components of the Draft Core Strategy shows an assumed growth in employment opportunities (6,500 FTE jobs in East Dorset and 4,900 FTE jobs in Christchurch between 2011 and 2031) in the future and within the plan period. Consideration of the latest Experian (May 2013) forecasts shows a considerably more muted picture of growth but these do not appear to take account of investment plans (including Bournemouth Airport) and/or policy aspirations set out in the Draft Core Strategy.
- 8.9 It is evident that the effect of the ageing population will act as a constraint on the future resident labour force. This in turn will make it difficult to realise the full job potential within the area without an uplift in levels of net in-migration from those seen over recent years. Coupled with this the authority, as evidenced within the 2011 SHMA, has significant affordability issues which have continued to form a barrier to younger households forming and remaining within the authority. This represents a challenge for the creation of balanced communities and in retaining and attracting business and employment investment.
- 8.10 Considering the two employment-led scenarios modelled provides a range of between 340 and 615 dwellings required per annum within East Dorset. This translates into a requirement of between 5,100 and 9,225 houses over the plan period with the lower end of this range essentially equating to a static level of employment over (or zero employment growth) over the full plan period. This position is misaligned with the Council's stated economic growth ambition.
- 8.11 Given the aspiration of the Draft Core Strategy to facilitate job growth it is considered that in order for the authority to accommodate a growth in its employment base and the associated expansion of its labour-force policy should plan for a requirement of between 6,000 – 7,000 units in East Dorset over the plan period. This level of growth would enable a level of employment growth to occur over the plan period, the labour force to increase, the commuting rate out of the authority to reduce⁵⁵ and would also serve to make a greater contribution to addressing the significant affordable housing need in the authority. Planning for this level of housing supply would therefore be better aligned with the Council's economic ambitions. This requirement would need to be closely monitored. If the higher levels of job growth identified in the Councils' evidence base are realised this would serve to increase the requirement for new housing.
- 8.12 The evidence within this report has highlighted the importance of enabling housing development within East Dorset in order to support and attract local business investment and continued job generation through the provision of the appropriate housing infrastructure. The current Draft Core Strategy fails to recognise these needs in its setting of the housing requirement and therefore fails to take full account of the positive planning stance maintained through the NPPF.

⁵⁵ Note: It is not assumed that existing residents commuting choices can be altered by policy but that new jobs do not require additional commuting trips from outside of the authority

Appendix 1: List of Documents Referenced within the Report

Report / Document Title	Date	Author	Paragraphs / page / section referenced
Matters and issues 1 – overall strategy	July 2013	PINS	
Inspector's request for information	July 2013	PINS	
Christchurch and East Dorset Core Strategy Consolidated Version for Council	2013	Christchurch & East Dorset Councils	<ul style="list-style-type: none"> • Paragraph 2.2 • Paragraph 2.20 • Paragraph 2.22 • Pg 3 • Paragraph 4.16 • Pg 34 • Pg 35
Financing of new housing supply – HC 1652	7 th May 2012	House of Commons Communities and Local Government Committee	<ul style="list-style-type: none"> • Pg 3
Barker Review of Housing Supply	2004	Kate Barker	
Homes for the future: more affordable, more sustainable	2007	DCLG	
The Plan for Growth	2011	HM Treasury / BIS	
Laying the Foundations: A Housing Strategy for England	2011	DCLG	
HM Treasury Budget Report	March 2013	HM Treasury	<ul style="list-style-type: none"> • Paragraph 1.100 • Paragraph 1.107
National Planning Policy Framework	March 2012	DCLG	<ul style="list-style-type: none"> • Paragraph 17, 3rd bullet • Paragraph 47, 1st bullet • Paragraph 159

			<ul style="list-style-type: none"> • Paragraph 179
External review of government planning practice guidance: report submitted by Lord Taylor of Goss Moor	December 2012	DCLG	<ul style="list-style-type: none"> • Annex C –Document 55
Ten key principles for owning your housing number – finding your objectively assessed needs	July 2013	PAS / LGA	<ul style="list-style-type: none"> • Pg 10 • Pg 5
Hart District Local Plan (Core Strategy) Examination – Inspector’s Letter	26 th July 2013	PINS	<ul style="list-style-type: none"> • Paragraph 5 • Paragraph 20
Rother District Council Local Plan (2011 – 2028) Strategy examination – Inspector’s Report	13 th December 2012	PINS	<ul style="list-style-type: none"> • Page 2, final paragraph • Paragraph 3 • Page 2 1st paragraph • Page 3 3rd paragraph
Waverley Core Strategy Examination Inspector’s Preliminary Conclusions	13 th June 2013	PINS	<ul style="list-style-type: none"> • Paragraph 10 • Paragraph 12 • Paragraph 17
Approved Judgement ‘University of Bristol vs North Somerset Council’. Case No: CO/5253/2012	14 th February 2013	PINS	<ul style="list-style-type: none"> • Paragraph 133
Rother District Council Local Plan (2011-2028) Strategy Examination – Inspectors letter	12 th April 2013	PINS	<ul style="list-style-type: none"> • Paragraph 3
Eastbourne Core Strategy Local Plan – Inspector’s Report	November 2012	PINS	<ul style="list-style-type: none"> • Paragraph 25
Examination of the East Hampshire District Local Plan: Joint Core Strategy – Inspector’s Report	23 rd November 2012	PINS	<ul style="list-style-type: none"> • Paragraph 9

Coventry City Core Strategy DPD Examination – Preliminary Hearing Session Concerning the Duty to Cooperate – Annex	2013	PINS	<ul style="list-style-type: none"> • Paragraph 54 • Paragraph 31
Bournemouth / Poole Housing Market Area 2011 Strategic Housing Market Assessment Update – Final Report	January 2012	igConsulting	<ul style="list-style-type: none"> • Paragraph 2.10 • Paragraph 5.19 • Paragraph 7.4 • Paragraph 7.32/ 7.33 • Paragraph 7.62 • Paragraph 7.78 • Paragraph 7.79 • Paragraph 7.82 • Figure 7.6 • Appendix 1 para A1.2 • Appendix 3
Housing Supply, Housing Trajectory and Gypsy and Traveller Accommodation – FD1	June 2013	Christchurch & East Dorset Councils	
Bournemouth, Dorset and Poole Workspace Study Employment Land Projections 2012 Update	2012	Dorset County Council	<ul style="list-style-type: none"> • Paragraph 2.15 • Paragraph 4.25 • Pg 2 • Figure 6
2008 Workspace Strategy	2008	GVA Grimley Ltd	
Interim 2011 Sub-National Household Projections	April 2013	DCLG	
Housing the Future: An analysis of the Government's household projections and their use in planning for new housing	December 2009	CPRE	<ul style="list-style-type: none"> • Page 21
Assessment of compliance with the Code of Practice for Official Statistics – Statistics on Household Projections in England: Assessment Report 106'	April 2011	UK Statistics Authority	<ul style="list-style-type: none"> • Paragraph 2.3

Circular Projections	1995	Professor Glen Bramley and Craig Watkins	<ul style="list-style-type: none"> • Page 32
Choice of Assumptions in Forecasting Housing Requirements Methodological Notes	March 2013	Cambridge Centre for Housing & Planning Research	<ul style="list-style-type: none"> • Page 24
East Dorset Annual Monitoring Review	March 2013	East Dorset Council	
Christchurch Annual Monitoring Review	March 2013	Christchurch Council	
Report on the Examination into the Purbeck Local Plan (Part 1)	31 st October 2012	The Planning Inspectorate	<ul style="list-style-type: none"> • Paragraph 31
Geography of Housing Market Areas	2010	DCLG	

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