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# **A review of future housing requirements for West Dorset District and Weymouth & Portland Borough**

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## **About the author**

Keith Woodhead is an independent planning consultant specialising in strategic planning policy and research matters, demographic and economic research, strategic planning for housing, town centres and rural development. The practice was founded in 2010 building on his wide experience in Planning and local government since 1972. Full biographical details are provided in Appendix 4 at the end of this report.

# **A review of future housing requirements for West Dorset District and Weymouth & Portland Borough**

## **1. Purpose of this paper**

1.1 This report addresses a requirement by West Dorset and Weymouth & Portland Councils for a robust and independent review of the derivation of the housing and population requirement 2011 to 2031 identified in evidence prepared for the districts' emerging Joint Local Plan.

1.2 The Council requires the study to:

- Review recent evidence relating to changing requirements for housing numbers, including demographic change such as migration, population ageing, household formation, the impacts of economic change and credit availability, and the potential socio-economic implications of these factors;
- Include an assessment against the latest Census figures and projections, that show an actual household count lower than previous projections;
- Examine the numerical results and the implications including any risks associated with the alternative approaches to calculating the numbers and recommendations to the Council.

1.3 The study report will include a final independent recommendation of an appropriate and robust methodology using projections/forecasts/figures that the Council should use as the basis for future Plan development.

1.4 The method used in this study recognises that there can be no “magic bullet” single answer to the question as to how many dwellings need to be built in the Plan area over the next two decades. Instead, a number of lines of evidence are investigated to identify where the most robust and appropriate target is located. Two main types of evidence are used: the first being demand or trend-driven indicators such demographic growth and the second being supply driven factors such as economic and employment growth and house building. Using an approach referred to as “bracketing the target”, described in detail in Section 5, the level of growth indicated by the evidence is identified.

1.5 The work will take account of the evolving background to the Local Plan's emerging housing requirements and in particular the changing planning environment over the past four to five years. The impacts of the Government's planning reforms and wider economic policies will be addressed together with the implications of current and longer term prospects both in the sub-region and nationally.

## 2. Background to the housing requirement figures

2.1 The Local Plan (formerly Core Strategy) will cover the 20 year period 2011 to 2031. Preparation by West Dorset and Weymouth and Portland<sup>1</sup> of separate LDF Core Strategies began in 2007, just as the draft South West Regional Spatial Strategy (RS) Examination in Public was being held. A West Dorset, 'Issues and Options' consultation for the Core Strategy took place in 2007, and a specific consultation on development options around the edge of Weymouth took place in 2009 to coincide with subsequent consultation on the draft Weymouth and Portland Core Strategy.

2.2. In 2011 the two Authorities decided to pool their resources to jointly produce a new style Local Plan as set out in the consultation draft of the proposed National Planning Policy Framework (NPPF). During late 2011, a series of consultation events were held across both local authority areas involving representatives of the local community and a draft Local Plan was considered for pre-submission consultation by elected Members of both councils between March and May 2012.

2.3 Following the change in Government in May 2010, the new Secretary of State issued instructions that Regional Strategies were to be revoked "with immediate effect".<sup>2</sup> However, immediate revocation was subsequently judged illegal and the Regional remained part of the development plan following the series of actions between November 2010 and May 2011 brought by CALA Homes Ltd, the Secretary of State signalled his intention to revoke the Regional Strategies as soon as possible on enactment of the then Localism Bill (enacted November 2011). Final revocation came into effect in March 2013.<sup>3</sup>

2.4 It is essential to bear in mind that it is not just the reformed planning system that has changed the overall context in which the Local Plan must operate. The earlier generation of Structure and Local Plans, culminating in the Local Plan for West Dorset and for Weymouth and Portland,<sup>4</sup> and also the South West RS,<sup>5</sup> were prepared and examined in far more benign national and international economic circumstances than those that currently prevail. Recovery from the severe recession of 2008/09 has been slower than at any time in the preceding century and at the present time national output is still estimated to be 2.6% below the last peak in early 2008.<sup>6</sup> In the relatively short period of time since the RS was

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<sup>1</sup> Please note that use of the names "Weymouth" and "Weymouth and Portland" in this report both refer to the Weymouth and Portland Borough Council area.

<sup>2</sup> Chief Planning Officer DCLG, Letter to Chief Planning Officer all local planning authorities in England and Wales: "Revocation of Regional Strategies"

<sup>3</sup> Formal revocation was announced by written ministerial statement on 14<sup>th</sup> February 2013 and the Statutory Instrument (Town and Country Planning, -Regional Strategy for the South East (Partial Revocation) Order 2013) was laid before the House of Commons on 28<sup>th</sup> February and became effective 25/03/13. See:

[http://www.parliament.uk/documents/commons-vote-office/February\\_2013/14-February/6.DCLG-Regional-Planning.pdf](http://www.parliament.uk/documents/commons-vote-office/February_2013/14-February/6.DCLG-Regional-Planning.pdf) ; <http://www.publications.parliament.uk/pa/cm/cmsilist/section-c.htm#c-1>

<sup>4</sup> West Dorset District Local Plan was adopted in 2006; Weymouth & Portland Local Plan, adopted in 2005.

<sup>5</sup> The examination of the RS was held in 2007.

<sup>6</sup> <http://www.ons.gov.uk/ons/rel/gva/gross-domestic-product--preliminary-estimate/q1-2013/tsd-gdp-preliminary-estimate--q1-2013.html> See also: ONS "Understanding and Interpreting the Quarter Four 2012 Gross Domestic Product Preliminary Estimate" 25/1/13 <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/economy/national-accounts/articles/2011-present/understanding-and-interpreting-the-quarter-four-2012-gdp/index.html>

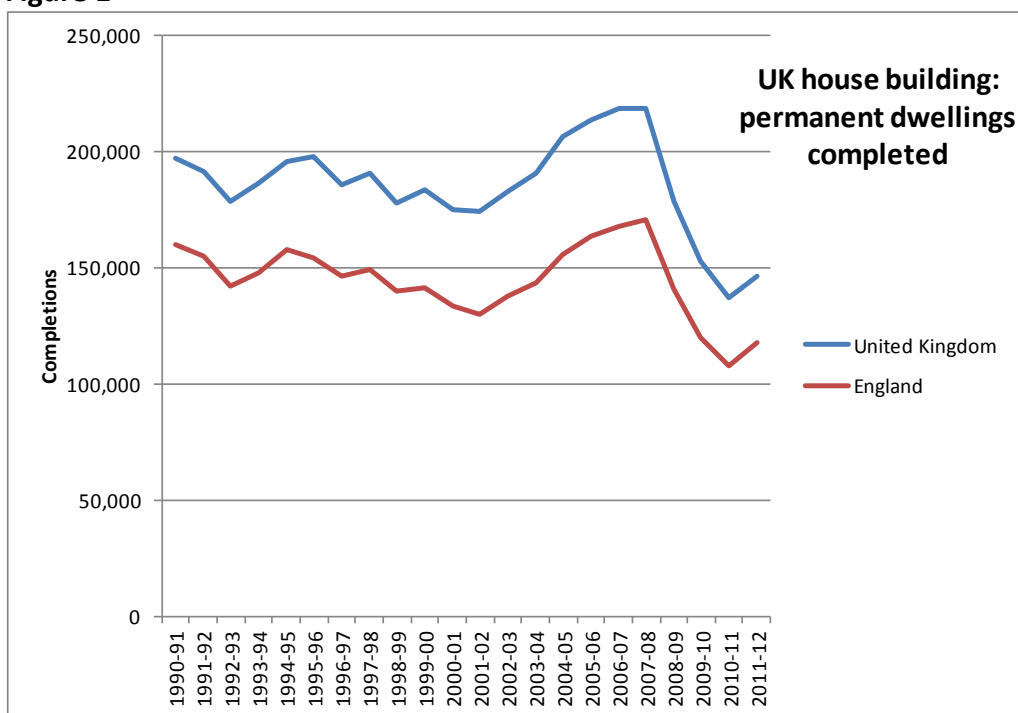
published (2009), and even since the work on the latest Local Plan consultation document was carried out last year, the national economy has not improved at the rate expected.<sup>7</sup>

2.5 Real household incomes have been falling at the same time that the supply of easily obtained mortgage credit has diminished so that, nationally, turnover in the housing market has dropped to about half that of the period preceding 2008 and housing starts and completions have slumped in response. Seasonally adjusted starts at the end of 2012 were 58 per cent above the low-point in the recession (March quarter 2009) but 45 per cent below the March quarter 2007 peak. Completions are 42 per cent below their March quarter 2007 peak.<sup>8</sup> The severity of this change is shown in Fig 1.

2.6 These conditions are without precedent in the UK in the period following the Second World War and it is against this difficult background that the emerging Local Plan has to allocate housing in order to meet the District’s future housing needs.

2.7 The remainder of this study will focus on the process behind the draft Local Plan proposal for 12,600 additional dwellings in W Dorset / Weymouth Districts 2011-31 and whether this meets the requirements of national planning policy. It also compares the approach used with accepted planning practice in general, reviews the evidence and then makes recommendations regarding the housing requirement identified in the Draft Local Plan document.

**Figure 1**



Source: DCLG Table 209

<sup>7</sup> Compare for example the Office for Budget Responsibility’s budget forecasts for the Chancellor’s emergency budget of June 2010 with those of the March 2013 Budget.

[http://www.hm-treasury.gov.uk/budget2013\\_documents.htm](http://www.hm-treasury.gov.uk/budget2013_documents.htm)

<sup>8</sup> DCLG House Building: December quarter 2012, England

### 3. Requirements for planning growth policies

#### A) Meeting national policy requirements

3.1 The Localism Act 2011 has set out the key parameters for the Government's reforms of the planning system. These aim to make the system clearer, more democratic and ultimately more effective, by encouraging local planning policy and decisions to be more fully rooted in local communities. Regional Strategies have now been abolished and cross boundary issues are to be dealt with through a duty to co-operate with neighbouring local authorities and other public bodies.<sup>9</sup>

3.2 The National Planning Policy Framework was published in March 2012 and reflects the underlying principles of the Act. It sets out the criteria that will be used when the new Local Plans, together with the remaining LDF Core Strategies at an advanced stage in the system when the 2011 Act came into effect, are assessed as to whether they are "sound".<sup>10</sup> These are that the Plan should be:

- **Positively prepared** – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;
- **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
- **Consistent with national policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.

3.3 The Council's position on the first three criteria is set out in a series of Local Plan consultation documents published in the summer of 2012.<sup>11</sup> This describes a Vision for the District and a series of Strategic Objectives:

- Support the local economy to provide opportunities for high quality, better paid jobs.
- Meet local housing needs for all as far as is possible.
- Regenerate key areas including Weymouth and Dorchester town centres, to improve the area's retail, arts, cultural and leisure offer; and increase employment opportunities.

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<sup>9</sup> DCLG (2011) A Plain English Guide to the Localism Act, pp14-17.

<sup>10</sup> NPPF 2012 para 182.

<sup>11</sup> In addition to the Local Plan Pre submission Draft July 2012 a number of background issues papers were published including: "Housing", "Economy" and for "Sustainable Pattern of Development". See also the "Consultation summary".



- Support sustainable, safe and healthy communities with accessibility to a range of services and facilities.
- Protect and enhance the outstanding natural and built environment, including its landscape, biodiversity and geodiversity, and the local distinctiveness of places within the area.
- Reduce vulnerability to the impacts of climate change, both by minimising the potential impacts and by adapting to those that are inevitable.
- Provide greater opportunities to reduce car use; improve safety; ensure convenient and appropriate.
- Public transport services; and seek greater network efficiency for pedestrians and cyclists.
- Achieve high quality and sustainability in design, reflecting local character and distinctiveness of the area.

3.4 To deliver on these objectives, the Plan sets out an overall strategy that has five key elements that apply universally across both Districts that deal with:

- Environment and climate change;
- Achieving a sustainable pattern of development, taking into account:
  - the needs, size, and roles of the area's settlements, and addressing any current imbalances of housing or jobs,
  - the benefits of concentrating most development in locations where homes, jobs and facilities will be easily accessible to each other and there is a choice of transport modes,
  - the availability of land, and whether it has been previously developed (brownfield);and
  - the environmental constraints of the plan area.
- The economy;
- Housing;
- Community needs and infrastructure.

3.5 A full evidence base developed during the preparation of the Local Plan and its Local Development Framework related predecessors is made available on the Council's website,<sup>12</sup> and comprehensive justification for the strategy is provided consistently and incrementally throughout the series of documents. Finally, the alternative strategies were subjected to comprehensive sustainability testing during the process of developing the Plan.<sup>13</sup>

3.6 All these are requirements of the NPPF, as they were for the preceding system of national Planning Policy Statements and Planning Policy Guidance documents. As far as new, or re-emphasised NPPF requirements are concerned, the following are key:

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<sup>12</sup> For access to documents in the evidence base see: <http://www.dorsetforyou.com/evidence/wpbc>

<sup>13</sup> For evidence of how the SA developed during the different stages of the Plan refer to W Dorset / Weymouth Draft Local Plan Sustainability Appraisal (SA) Report, para 3.5.

3.6.1 Duty to co-operate: The demise of the RS and conversion to the new Local Plan format requires that in preparing the plan the planning authority must demonstrate that it has worked with other relevant bodies, including neighbouring local planning authorities and that strategic/cross-boundary issues have been considered. West Dorset / Weymouth states that:

*“Councils and other public bodies are expected to work together across administrative boundaries to plan for the housing, transport and infrastructure that local people need. This joint plan shows how the cross-boundary issues between Weymouth and the adjoining areas of West Dorset are being addressed. West Dorset District Council is also liaising on cross-boundary working in relation to the following locations to bring forward the right development for that area:*

- Lyme Regis / Uplyme working with East Devon District Council
- Crossways / Moreton working with Purbeck District Council
- Edge of Yeovil working with South Somerset District Council”<sup>14</sup>

3.6.2 **Neighbourhood planning:** The draft strategy’s overall spatial vision and the vision for the District provides a clear context for neighbourhood plans and greatly assists the national objective to promote an approach that reflects localism. The Plan’s commitment to neighbourhood plans is summed up in its statement that:

*“Development opportunities in the more rural areas will be focused primarily at the larger villages, and should take place at an appropriate scale to the size of the village (unless identified as a strategic allocation). It is expected that neighbourhood development plans and other appropriate planning tools will be used to help bring forward new development, and may allocate additional sites, or extend an existing (or add a new) development boundary to help deliver this growth.”<sup>15</sup>*

3.7 A further, and in the current context, particularly salient NPPF requirement is that of **delivering a wide choice of high quality homes and boosting supply**<sup>16</sup> based on a “proportionate” (i.e. relevant and adequate) shared **evidence base**. This is to ensure that the 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” (i.e. the NPPF), including identifying key sites which are critical to the delivery of the housing strategy over the plan period.<sup>17</sup> Local planning authorities should have a clear understanding of housing needs in their area. They should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where indicated by housing market area boundaries. A scale, mix of housing tenures and types, including affordable required over the Plan period should be identified, that “meets household and population projections, taking account of migration and demographic change ...addresses the need for all types of housing, including affordable housing...and caters for housing demand and the scale of housing supply necessary to meet this”. In addition, it is necessary to prepare a Strategic Housing Land Availability Assessment

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<sup>14</sup> Draft Local Plan 2012 p9.

<sup>15</sup> Draft Local Plan 2012 p11.

<sup>16</sup> NPPF para 47

<sup>17</sup> NPPF para 158

(SHLAA) “to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period.”<sup>18</sup>

3.8 The W Dorset / Weymouth Plan has access to a regularly updated housing evidence base, including the West Dorset Strategic Housing Land Availability Assessment (SHLAA) February 2011, Weymouth & Portland SHLAA (Dec. 2009), housing needs assessments of 2008 and a January 2011 update document. The Councils’ website does not refer to plans for a further update at this stage. The latest Annual Monitoring Report (AMR) produced under the requirements of the Planning etc Act of 2004 is dated 2011 and published in February 2012. A joint SHMA for the Bournemouth Dorset Poole authorities was commissioned in 2007 and separate housing needs assessments completed for W Dorset / Weymouth by Fordham Research in 2008 and updated by Justin Gardner Consulting in 2011.<sup>19</sup>

3.9 We conclude from this part of the review that West Dorset / Weymouth’s approach to date covers the overall requirements for scope and joint working set out in the NPPF, although work fully to document all aspects of co-operation and evidence base sharing is still clearly in progress. This necessarily is a developing picture as the evidence base evolves and increases in sophistication. The next section looks at how far the evidence base can support the proposal for 9,400 additional dwellings in West Dorset and 3,200 in Weymouth and Portland over the 2011-31 Plan period.

## **B) West Dorset and Weymouth’s projected growth prospects**

### Dealing with changing circumstances – achieving a robust plan

3.10 It is inevitable that more up-to-date information appears during the period required to develop and consult on any major plan. Sometimes this may be due to a pre-planned revision to an existing statistical source such as the publication of new data from a recent Census, although completely new major sources of data are rare. At other times it can be due to a review of an existing series in the light of change in external circumstances representing a significant deviation from formerly prevailing conditions. Often these changes have relatively slight consequences for the plan in question apart from a possible adjustment to the information base. At other times the consequences can be more far reaching and represent a significant test of the plan’s underlying robustness.

3.11 The consequences of the world credit crisis of 2007-08 followed by severe recession in 2008-09 and then a long, and still continuing, period of depressed economic growth during the period of comparative recovery from mid 2009 is an extreme example of this. We are all familiar with the uncertainties involved in trying to predict the future.<sup>20</sup> Often the lags involved in data and other substantial evidence becoming available means that a period of

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<sup>18</sup> NPPF para 159

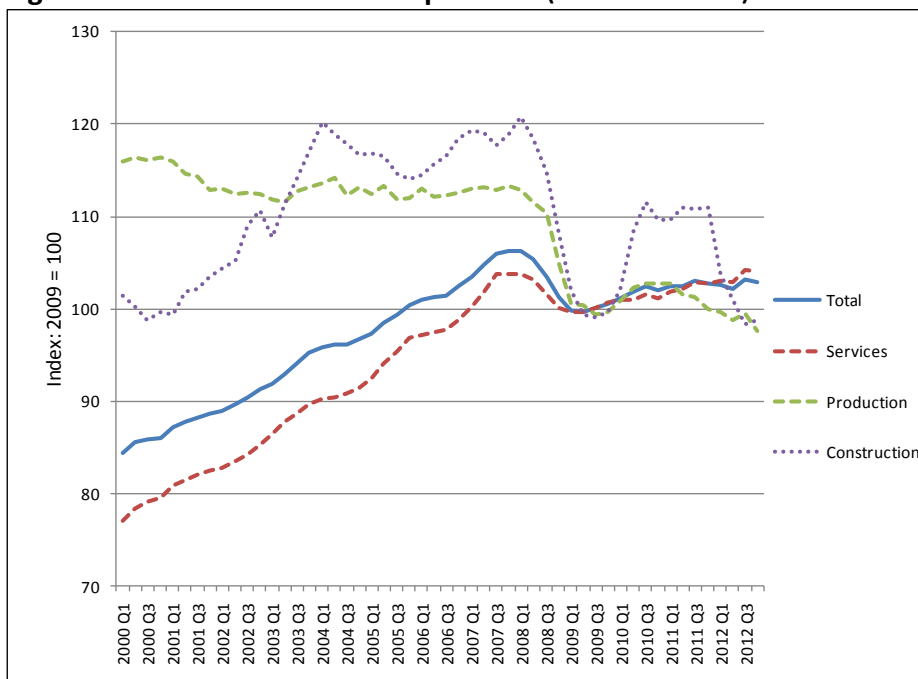
<sup>19</sup> Away from housing growth related issues W Dorset / Weymouth also co-operates with neighbouring on other planning work Joint working on other matters such as Gypsies and Traveller needs assessment, climate change and flood risk assessment.

<sup>20</sup> Sometimes this is compared to attempting to driving a car by looking only in the rear view mirror, due to the necessity of depending on projecting forward past information only.

considerable uncertainty exists while there is an awareness that a major change to the plan's environment is occurring, but we are left in the limbo of knowing neither the severity of the event nor its short term consequences. This means that not only is there much uncertainty involved in looking ahead ten to fifteen years, but also an unusual degree of uncertainty about some aspects of where we are now and how things are likely to change in the near future.

3.12 Plans undergoing the final stages of preparation at the current time are facing a peculiarly trying set of circumstances, reflecting all of these issues. The full and continuing impact of the recession and the credit crisis that triggered has only now become apparent over the past two years or so. The path of recovery since 2009 has also been much slower than all but the most pessimistic forecasters at that time anticipated. ONS preliminary estimates at the end of the first quarter of 2013<sup>21</sup> indicate that national GDP remains 2.6% below the pre recession peak in Q1 of 2008 (Fig 1). This compares with the forecast of the Office for Budget Responsibility (OBR) only three years' ago in June 2010<sup>22</sup> which forecast that 2011 growth of 2.3% would be followed by 2.8% in 2012 and 2.9% in 2013 (Fig 2).

**Figure 2 UK GDP and main components (Index 2009 = 100)**



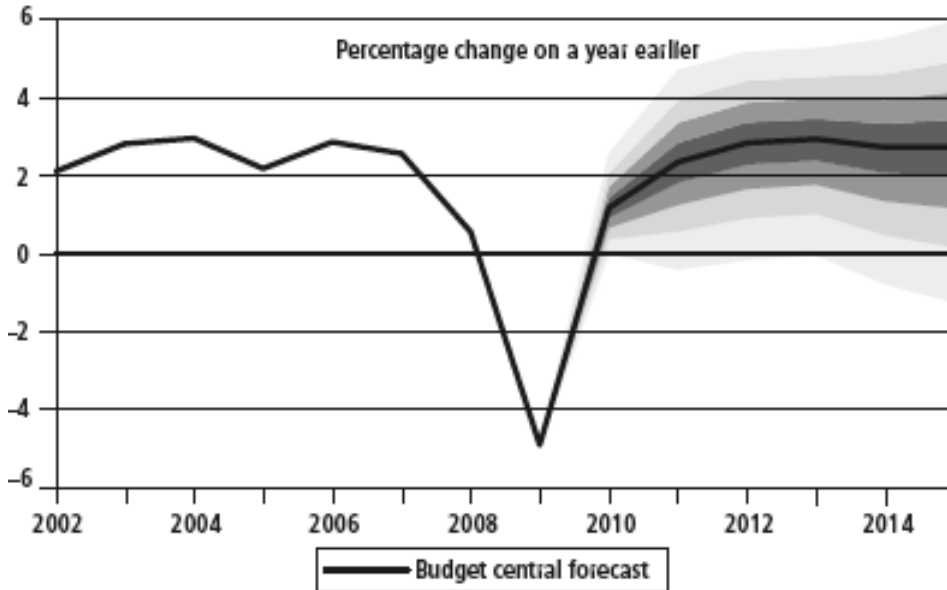
Source: ONS

Note: ONS Jan 2013 estimate of GDP 2012 Q4

<sup>21</sup> ONS [Statistical Bulletin: Gross Domestic Product: Preliminary Estimate, Q4 2012](#) 25/01/13.

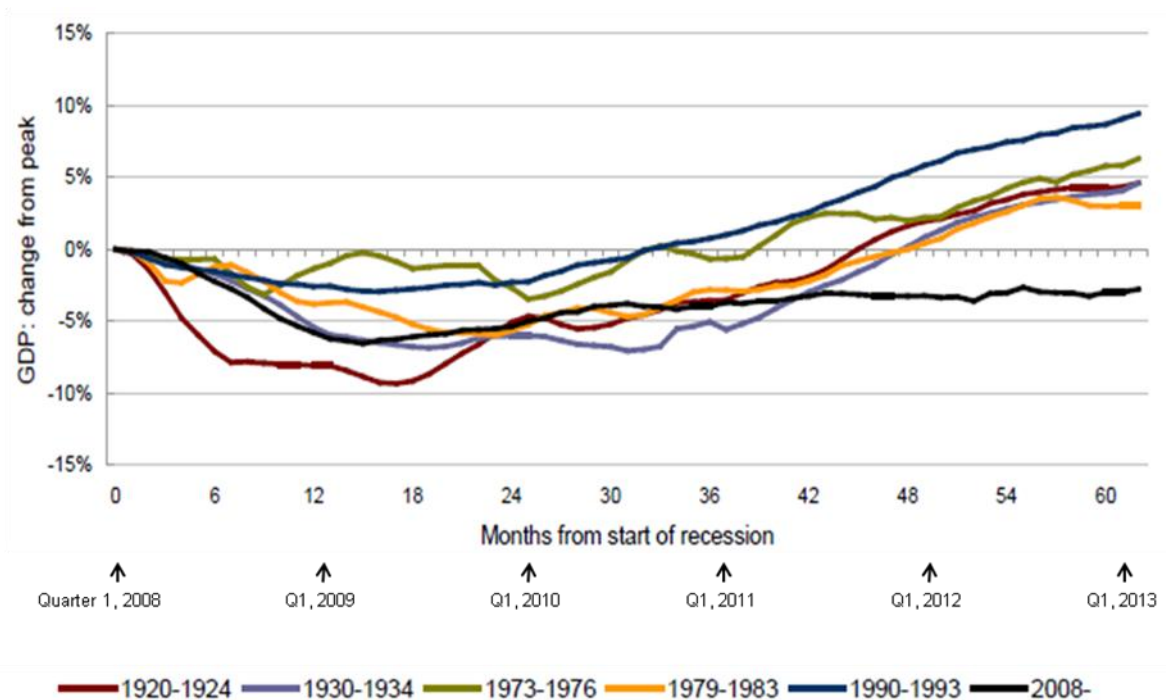
<sup>22</sup> OBR, [Budget](#) June 2010.

**Figure 3 OBR Budget Forecasts June 2010**



Source: HM Treasury

**Figure 4 Comparing the current with past recessions since 1920**



Q1= end of Quarter 1 (January – March)

Source: NIESR 09/04/2013<sup>23</sup>

3.13 A comparison between Figs 3 and 4 shows that GDP is currently below even the OBR’s lowest 2010 based growth scenario. The UK economy has now experienced 20 consecutive three monthly periods (“Quarters”) when GDP has been below the pre recession economic

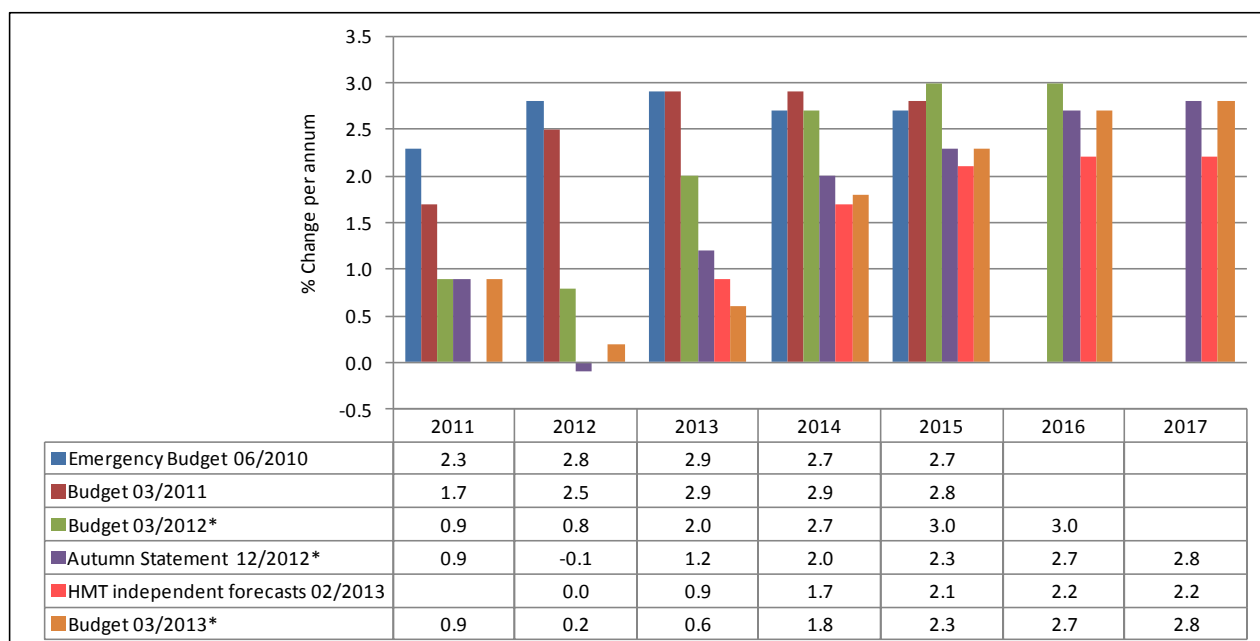
<sup>23</sup>See: NIESR <http://www.niesr.ac.uk/sites/default/files/publications/gdp0413.pdf> Values calculated from three month moving averages of GDP.

peak in Quarter 1 (Q1) of 2008. Figure 4 shows how the current situation compares with previous recessions. The period of depressed output now exceeds all previous recessions since, and including, that of the early 1930s.

3.14 As already shown, it cannot be said that growth during the period has been held back by undue pessimism on the part of the Treasury. The expected sharp upturn in economic growth normally expected at the end of a period of recession has failed to appear. Accordingly, official forecasts in the space of only three years have progressively moved back the return to more “normal” (i.e. historically more usual) rates of growth in the wider national economy from 2012<sup>24</sup> to 2016<sup>25</sup> (Fig 5). This is of considerable relevance to local planning as changes affecting local economic prospects significantly influence the functioning of housing and employment markets. They are therefore also likely to affect migration pressures locally and therefore the rates of population change that must be planned for.

3.15 A further cause of uncertainty is the fact that, the main results of the 2011 Census of Population have only been released relatively recently (in the main since late 2012). Moreover, some of the data series on which we depend for planning ahead notably origin-destination data for migration and travel to work are not planned for publication until autumn 2013. This means that Government estimates and forward projections of population and households are only able to be released progressively and often in only a partially updated form. The implications of this for projecting housing requirements in West Dorset and Weymouth will be examined later in this report.

**Figure 5 The changing medium term prospects for the UK economy  
OBR Budget Forecasts 2010-2013: annual % GDP Growth**



\*Note: 2011 figure is actual outturn data.

Source: HM Treasury

<sup>24</sup> OBR's figures in the Chancellor of the Exchequer's Emergency Budget June 2010

<sup>25</sup> HM Treasury Budget 2013 Annex B OBR Forecasts (20/3/13)

## Approaches to calculating housing requirements

3.16 Different methods of assessing housing requirements may be appropriate under different circumstances. This section looks at the various broad methodologies available.

3.17 Projections of requirements can be grouped into two main types:

- “Demand” driven projections. These are trend projections of demand/ need, where future rates of provision are linked to a projection where the conditions affecting growth pressures in the relatively recent past are broadly assumed to continue into the future. The basis for this might be a projected household number or the need to provide for the estimates of market requirements and housing need emerging from a Strategic Housing Market Assessment.
- “Supply” driven projections typically based on local capacity driven estimates of growth. These may be “actual” capacity limits (however defined), for example the scale of land available for development, generally subject to policies that define availability, for example for environmental protection reasons. In other circumstances they can allow policy induced increases in growth rates above recent trend, for example measures taken to boost jobs and retain population in areas experiencing economic decline. Other valid constraints might be the capacity of the local economy to provide additional employment to meet a growing workforce, or well recognised limits on the ability of the construction industry locally to increase production beyond a certain point.

3.18 Factors determining which method should be used are influenced to a degree by the geographical scale of the area being planned. At the national or regional scale it is not possible for development planning policies to exert a great influence on the level of growth. People will want to move freely to any part of the country, assuming they have the ability, financial or otherwise, to do so. In this case trend growth projections of population growth and, therefore housing requirements, are generally the best solution. At the very local level such as an electoral ward, however, it is capacity in terms of developable land that almost entirely determines housing provision. At intermediate levels varying elements of both demand and supply approaches are used. In reality, most plans at local authority level take a more multi dimensional approach, looking at both constraints and at trends.

### Changes to demographic drivers

3.19 The first issue is to determine whose need it is that the plan is attempting to meet. No area covered by a Local Plan is a self-contained and independent entity. People are free to move places of work and residence as they see fit and as their finances allow. If new housing is provided in one district there is nothing except economic and social factors to prevent people from elsewhere moving to take up opportunities intended in the plan to meet the needs of “local people” or perhaps people in local jobs. For convenience we usually look at the future contribution of net migration change and forget that much larger

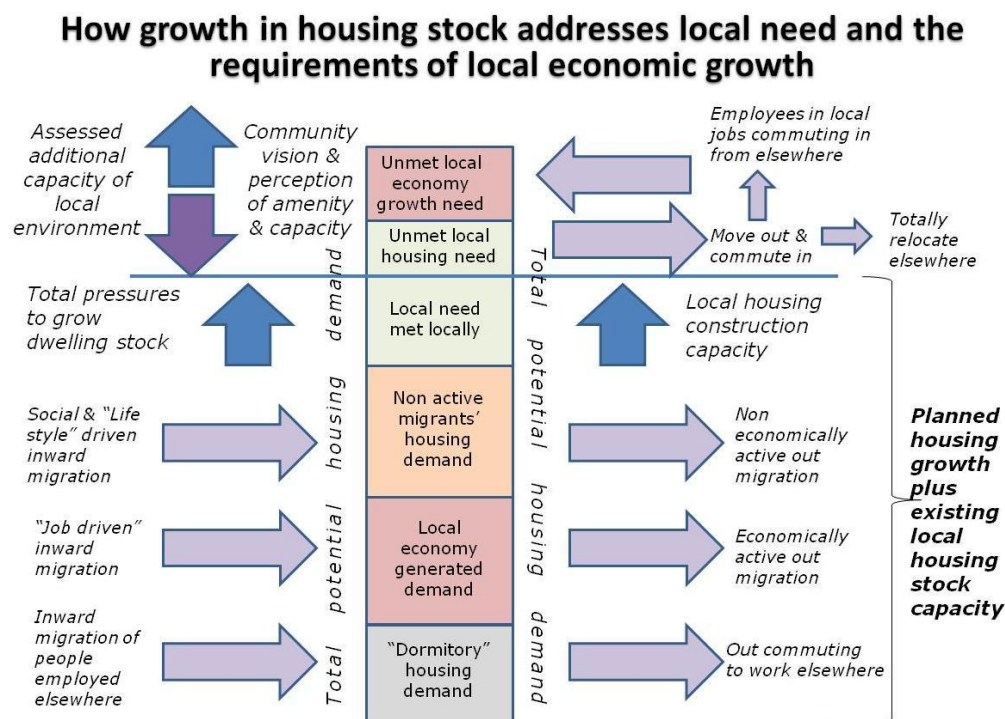
numbers of people in the population are moving in and out of the district all of the time. Typically, even in a rapidly growing area, the gross migration flows in and out are often each five or more times the scale of the net flow. In an area experiencing low growth or a slight decline, the gross migration flows can total many more times the net change. These flows react to a whole range of needs and opportunities that influence the changing make-up of an area's population.

3.20 The process of identifying the housing requirements of any plan area therefore needs to bear in mind the dynamics of the local housing market as an open system. This view should contain the broad processes shown in Figure 6.

3.21 In practice this is normally carried out through the integration of a wide range of analyses. Usually this is done in a fairly loosely structured way taking into account population growth trends, results of SHMA and SHLAA exercises, environmental designations and capacities and projections of economic prospects and employment change. The results of all of these are weighed up individually before a final housing requirement is reached. Sometimes the approach follows a more defined format as in, for example, the HEaDROOM methodology used by the NLP consultancy and applied for example to areas such as Torbay, Winchester and Leeds.

3.22 Other approaches, more typified by the contribution made to planning debates by commercial development interests, will use a simpler methodology, such as that of using trend projections of population and household growth without directly subjecting the results critically to examination against the housing market and various capacity data. In the latter case this does not really address the need so much as seeks a local distribution of a historic demand for housing.

Figure 6





## The West Dorset/ Weymouth approach

3.23 The general methodology used by the two authorities is described in the Sustainable Pattern of Development Background Paper June 2012.<sup>26</sup> This outlines the range of factors, in line with NPPF, that are being taken into account in determining the level of housing growth in the draft Local Plan:

- Economic demand;
- Housing demand;
- Existing supply and unmet demand.

3.24 While many of these factors inevitably represent on-going areas of work as new evidence emerges and as plan preparation proceeds, a significant evidence base is demonstrated by publications relating to these matters on the Council's website. NPPF requirements in terms of topic coverage at least have been addressed. The next section of this report deals with the actual content of the evidence and will be taken into account by the Council when considering the final housing requirement in the Local Plan.

## **4. The Draft Local Plan: Evidence review**

### **Evidence (1) Demand / trend growth based factors**

#### ONS, DCLG and locally produced projections: introduction

4.1 This section of the report looks at official projections from ONS and DCLG and then compares them with recent locally produced figures by Dorset County Council (DCC). Locally sourced projections can often provide a useful contrast to those produced nationally. While they may suffer from the lack of strict comparability with projections for other areas, they are often sensitive to very local factors and trends that cannot be accommodated within the ONS methodology. The DCC figures are therefore included in this discussion.

4.2 Until April 2013, just as this report was written, the latest full set of DCLG sub-national household projections were 2008 based and published in November 2010.<sup>27</sup> These and the 2008 based ONS sub national population projections (SNPP) from which they are derived, are a reflection of past trends. As already mentioned above, all pre-date the onset of the recession in 2008 and the period of depressed growth that has occurred since. Since then, ONS has released a 2010 based SNPP in March 2012<sup>28</sup>, an "interim" set of 2011 based SNPP<sup>29</sup> and, most recently in April 2013, interim 2011 based household projections (ISHP).

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<sup>26</sup> West Dorset, Weymouth & Portland Draft Local Plan: Sustainable Pattern of Development Background Paper June 2013..

<sup>27</sup> ONS (2010) Household Projections, 2008 to 2033, England, Statistical Release Nov 2010. Current and recent ONS projections may be accessed at:

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Projections>

<sup>28</sup> ONS (2012a) 2010-based subnational population projections for England, Statistical Bulletin March 2012.

<sup>29</sup> ONS (2012b) Interim 2011-based subnational population projections for England, 28 Sept 2012;

Unfortunately the latter projections only cover the period 2011-21 and, while they have been updated with information from the 2011 Census (such as base year population size and structures), they still use migration estimates based on a combination of 2001 data updated with movement statistics from NHSCR<sup>30</sup> patient records.

4.3 It is essential to note that the official projections are just a reflection of recent trends which pre-date the base year for the projection. They are not intended as forecasts and do not, for example, show the impact of local or national policy decisions, such as those that might affect the rates of economic and housing growth and hence migration into an area. ONS issue a regular warning with all of their projection releases stating:

*“These projections are not forecasts and do not attempt to predict the impact that future government or local policies, changing economic circumstances or other factors might have on demographic behaviour.*

*“The primary purpose of the subnational projections is to provide an estimate of the future size and age structure of the population of local authorities in England. These are used as a common framework for informing local-level policy and planning in a number of different fields as they are produced in a consistent way.”<sup>31</sup>*

4.4 The short projection horizon of the interim 2011 based household projections does raise a some issues. Until the time of their publication (April 2013) use of the 2008 based household projections to derive the housing total were the most recent available from DCLG. As these were based on the high rates of pre-recession period migration incorporated into the 2008 SNPP these suggested far higher rates of migration induced growth than has subsequently proven to be the case. Pro-development interests at planning appeal inquiries and at public examinations for local development plans, therefore have often argued that use of the 2008 based household figures in line with the NPPF in spite of the evidence for much lower population, and therefore household, increase suggested by the 2010 and 2011 based SNPP. This argument has been accepted by some Planning Inspectors at planning appeals.<sup>32</sup> However, household projections based on a combination of 2010 based SNPP population figures and household representative rates (HRRs)<sup>33</sup> derived from the 2008 based DCLG projections have been accepted at plan examinations as evidence that the raw 2008 based household figures are now obsolete.<sup>34</sup> This position is now confirmed by the 2011 SNPP and ISHP figures, even though projections only run to 2021.

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DCLG (2013) [Interim 2011-based subnational household projections for England](#) 9 Apr 2013.

<sup>30</sup> National Health Service Central Register.

<sup>31</sup> ONS 2012b op. cit. p2.

<sup>32</sup> For example see Appeal Decision APP/X1165/A/11/2165846 Riviera Way, Torquay, June 2012.

<sup>33</sup> Household representative rate, often abbreviated to ‘HRR’, is defined as the probability that an individual of given age and gender will form (or “represent”) a separate household. Formerly this was referred to as the “household headship rate” – less politically correct perhaps but more self explanatory.

<sup>34</sup> For example this was a major point of debate at the South Gloucestershire Local Plan EiP in June/July 2012 and the Council’s use of 2010 based projections was later tacitly supported by the Inspector’s Report ( South Gloucestershire Local Plan: Core Strategy 2006 - 2027 [Inspector’s Draft Main Modifications](#) Oct 2012).

i) ONS subnational population projections

4.5 The first question is how does the rate of population growth projected in the 2010 and 2011 SNPPs compare with past experience? This is shown in Table 1 and Fig 7.<sup>35</sup>

**Table 1 West Dorset/ Weymouth & Portland: total population: ONS mid year estimates and projections**

	1981	1986	1991	1996	2001	2006	2011	Plan Period						
								2016	2021	2026	2031	2033	2035	
West Dorset MYE	80,000	81,700	86,200	89,700	92,500	95,900	99,300							
Weymouth & Portland MYE	58,000	60,600	62,000	63,100	63,800	64,000	65,100							
ONS 2008 based West Dorset						95,900	97,000	98,900	102,000	105,300	108,300	109,500		
ONS 2008 based Weymouth & Portland						64,000	63,400	63,300	63,800	64,500	65,400	65,800		
ONS 2010 based West Dorset						95,900	97,100	97,900	99,800	102,100	104,000	104,600	105,200	
ONS 2010 based Weymouth & Portland						64,000	63,700	63,800	64,000	64,400	64,900	65,100	65,300	
Interim 2011 based West Dorset						95,900	99,300	102,400	106,300					
Interim 2011 based Weymouth & Portland						64,000	65,100	65,800	66,600					

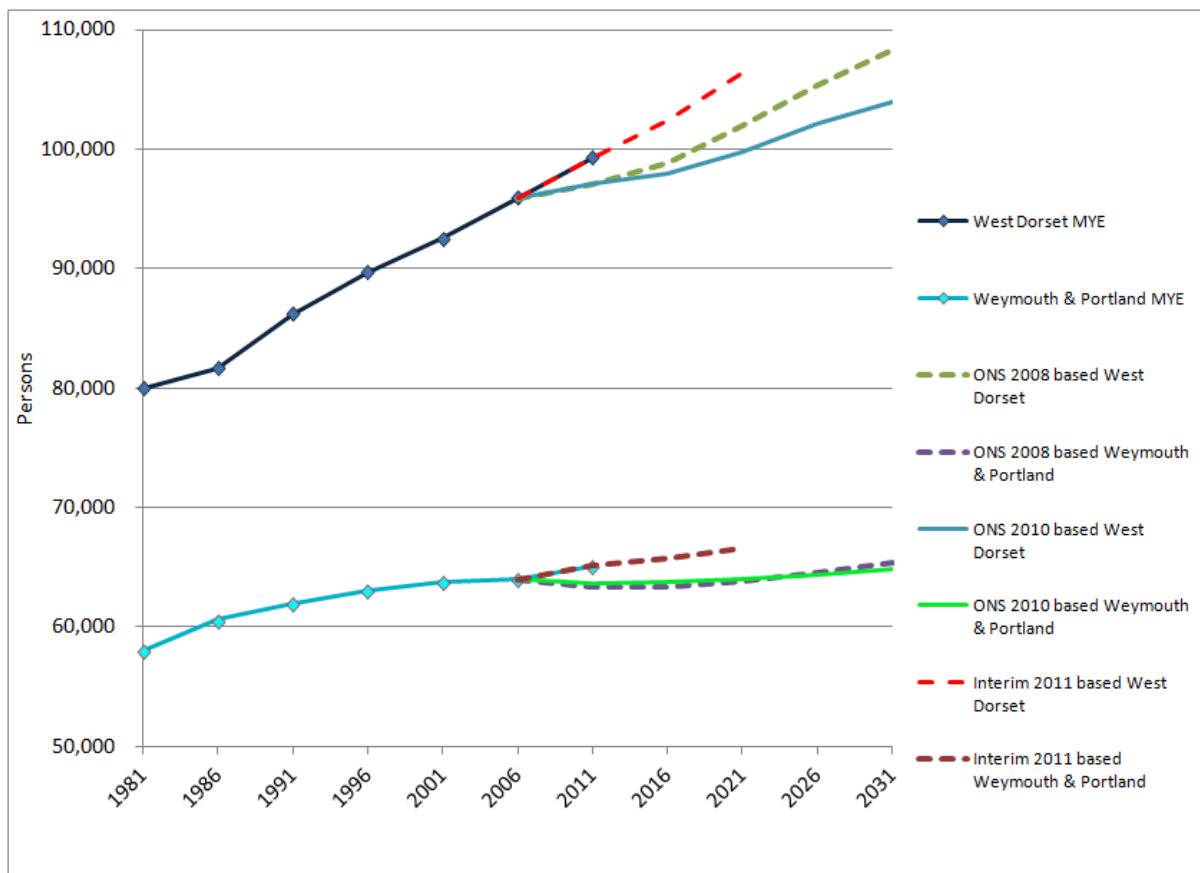
Source: ONS Mid Year Estimates

4.6 Population growth in West Dorset averaged 640 people per annum in the 30 year period 1981-2011, and 240 p.a. in Weymouth and Portland. While this rate of change has held remarkably steady in West Dorset throughout this time, rates of change in Weymouth and Portland have slowed since 2001. How do these past growth trends compare with recent ONS sub-national population projections (SNPP)? Trends immediately pre-dating 2007/8 are naturally reflected in the 2008 based SNPP which shows an average annual increase of 5,000 people between 2011 and 2021, rising 2021-31 to a 6,300 gain in ten years. This gives an average figure of 565 p.a. over the 20 year period 2011-31. (Table 1). In contrast, Weymouth and Portland is projected only for growth of 400 in total 2011-21 and 1,600 during 2021-31, and an overall average of 100 p.a.

<sup>35</sup> Please note that 2011 ONS Mid Year Estimates (MYE) are used as the initial reference point for the population data in this report, rather than the raw 2011 Census figure. This is because ONS population estimates made between Census years and all future projections are based on mid year (i.e. 30<sup>th</sup> June) rather than Census date which tends to vary between late March and April depending upon when the date for the Easter holiday weekend lies. The MYE provides a stable reference point that is corrected for the vagaries of the Census date and is used here rather than the raw Census figure for general population numbers. This could of course be said to result in a discrepancy between population and some other data such as housing completions used for Plan monitoring which tend to be for April – March financial years. In practice however the difference has only slight effect, particularly bearing in mind the effects of inevitable statistical error and also the delay between house completion and eventual occupation. For information on the dates of past Censuses see <http://www.1911census.org.uk/censusdates.htm>

4.7 The 2010 based SNPP shows a further fall in projected population growth to 345 p.a. in West Dorset 2011-31 and 60 p.a. in Weymouth and Portland. This has changed dramatically in the quite short time between publication of the 2010 based SNPP and the Interim 2011 based, the latter projecting population growth of 7,000 (700 p.a.) in the ten years to 2021 in West Dorset and 1,500 (150 p.a.) in Weymouth and Portland. The contrasts between the projections are shown clearly in Fig 7 and illustrate the problems in using the projections as a basis for rational planning given the consequences for estimating demands for housing and public services. The Interim 2011 projections are partly based on the early results of the 2011 Census of course (para 4.1) and are therefore likely to be more firmly based than the 2010 set.

**Figure 7 West Dorset / Weymouth and Portland total population trends & projections 1981-2031**



Source: ONS

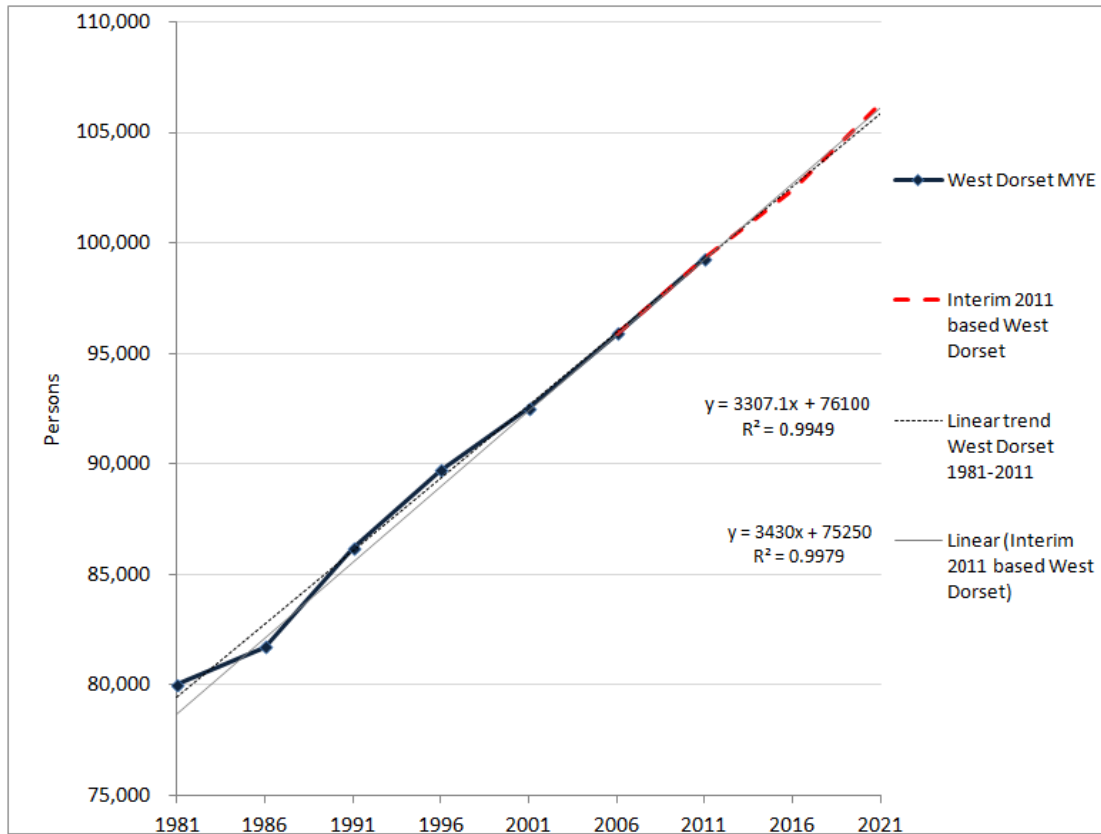
4.8 To provide some perspective on this issue, Figs 8 and 9 look at the two District's projected population growth in the light of historic trends. In the case of West Dorset, the 2011 projection trend is almost identical to the long term 1981-2011 period linear trend.<sup>36</sup>

4.9 Weymouth shows a different pattern of growth, the 1981-2011 linear trend rate being higher than that of the post 2011 projection in spite of the increase in the Interim 2011 figures compared with the 2008 SNPP. This is due to the slowing of population growth in the Borough since 2001. To allow for this, an alternative non linear projection trend curve

<sup>36</sup> Least squares linear regression line fitted.

(technically a “power function” trend curve) was fitted;<sup>37</sup> the result is shown in Fig 9 and provides a slightly lower rate of growth to 2021 compared with the Interim 2011 figures, and a considerably lower rate compared with the historic trend.

**Figure 8 West Dorset mid year population trend 1981-2011 & Interim ONS projection 2011-2020**



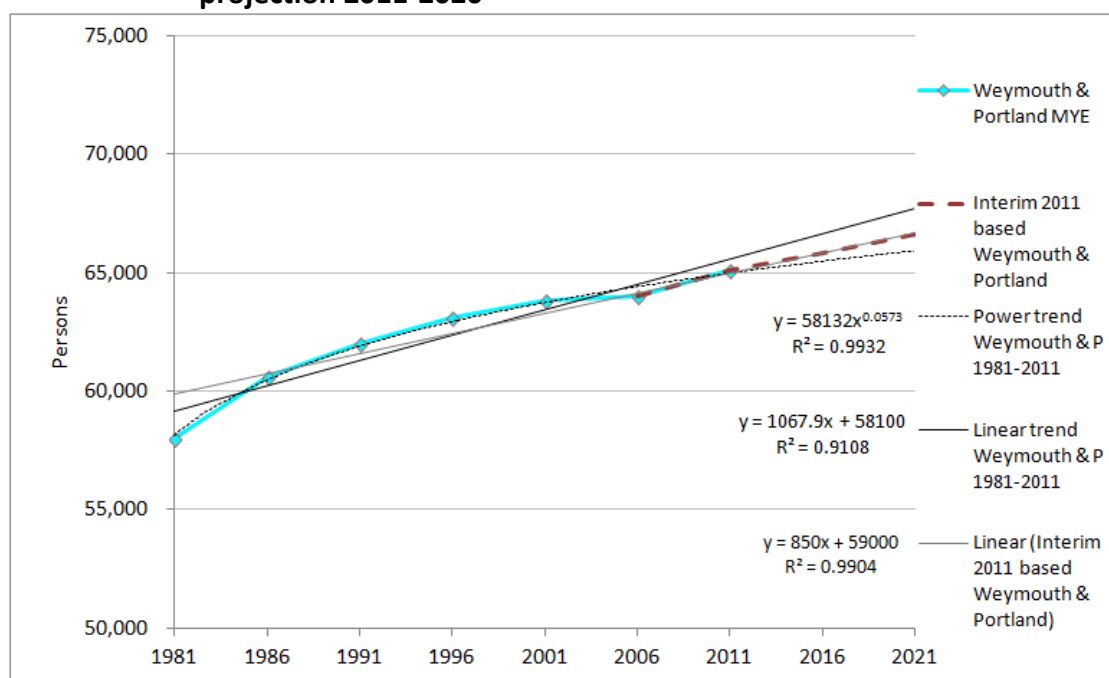
Source: ONS

4.10 Applying these trend lines to produce simple alternative projections for Weymouth & Portland for 2021 and 2031 gives some interesting results (Table 2):

- Linear trend W&P 81-11  $y = 1067.9x + 58100$  projection 2026 = 68779 projection 2031 = 69847
- Power trend W&P 81-11  $y = 58132x^{0.0573}$  projection 2026 = 66,331 projection 2031 = 66,694
- Linear trend W&P Interim SNPP 2011-21 based  $y = 850x + 59000$  projection 2026 = 67,500 projection 2031 = 68,350

<sup>37</sup> This is indicated in the graphs by the label “Power trend”. The power function takes the form:  $y = cx_i^a$  where y is the forecast population value, c and a are constants and  $x_i$  is the  $i^{\text{th}}$  year in the time series.

**Figure 9 Weymouth & Portland mid year population trend 1981-2011 & Interim ONS projection 2011-2020**



Source: ONS

4.11 The historic and Extended Interim 2011 trend projection (EH2011) for West Dorset both produce a very similar total population figure for 2031 at 112,500 and 113,000 respectively (Table 2).<sup>38</sup> This compares with an ONS 2008 SNPP figure of 108,300 and only 104,000 in the 2010 based SNPP (shown in Table 1).

**Table 2 Interim projections ONS 2011- based extended to 2026 & 2031**

	1981	1991	2001	2006	2011	2016	2021	2026	2031	Projection trend model
<b>West Dorset MYE</b>	80,000	86,200	92,500	95,900	99,300					where: $y = \text{population in year } t$ $t = \text{project'n year} - 1981$ $x = (t - 1981) / 5$
<b>Weymouth &amp; Portland MYE</b>	58,000	62,000	63,800	64,000	65,100					
<b>Interim 2011 based West Dorset</b>				95,900	99,300	102,400	106,300			
Linear trend 1981-2011 based	<i>79,407</i>	<i>86,021</i>	<i>92,636</i>	<i>95,943</i>	<i>99,250</i>	<i>102,557</i>	<i>105,864</i>	<i>109,171</i>	<i>112,478</i>	$y = 3307.1x + 76100$
Linear trend ONS interim 2011 based				<i>95,830</i>	<i>99,260</i>	<i>102,690</i>	<i>106,120</i>	<i>109,550</i>	<i>112,980</i>	$y = 3430x + 75250$
<b>Interim 2011 based Weymouth &amp; Portland</b>				64,000	65,100	65,800	66,600			
Power trend ONS 1981-2011 based	<i>58,132</i>	<i>61,909</i>	<i>63,748</i>	<i>64,417</i>	<i>64,989</i>	<i>65,488</i>	<i>65,932</i>	<i>66,331</i>	<i>66,694</i>	$y = 58132x^{0.0573}$
Linear trend 1981-2011 based	<i>59,168</i>	<i>61,304</i>	<i>63,440</i>	<i>64,507</i>	<i>65,575</i>	<i>66,643</i>	<i>67,711</i>	<i>68,779</i>	<i>69,847</i>	$y = 1067.9x + 58100$
Linear trend ONS interim 2011 based				<i>64,100</i>	<i>64,950</i>	<i>65,800</i>	<i>66,650</i>	<i>67,500</i>	<i>68,350</i>	$y = 850x + 59000$

Source: ONS & KWoodhead

Note: Alternative extended projection results in italics

<sup>38</sup> N.b. this projection has been produced specifically for the current study. For brevity it will be referred to here as EH2011 in order to distinguish it from the official ONS interim 2011 projection (referred to above as "ONS Interim SNPP 2011") that runs only from 2011 to 2021.

## ii) DCC population projections

4.12 Recent projections from Dorset County Council (DCC)<sup>39</sup> are shown in Table 3. Two population projection variants were produced:

DCC (1) using “adjusted migration rates” (details are not given but is based on dwelling completions between 2002 and 2010;

DCC (2) using a set annual increase in population based on growth 2001-11.

4.13 For West Dorset the results are a little higher in 2031 than those produced by the EH2011 projection at 113,700 and 114, 200 but well within any sensible margin of error. The results for Weymouth and Portland are rather different, however, with DCC 1 showing a slight population decline to 64,200 in 2031 while DCC 2 gives a total of 68,100, virtually identical to the EH2011 projection figure (Table 3).

**Table 3 Extended 2011-based projection & Dorset CC Variant projections 2011-31  
Total Population**

	Variant	2011	2031	Increase 2011-2031	Annual increase 2011-2031	% change 2011- 2031
West Dorset	DCC 1	99,300	113,700	14,400	720	14.5
West Dorset	DCC 2	99,300	114,200	14,900	745	15.0
West Dorset	Extended 2011 based	99,300	113000	13,700	685	13.8
Weymouth & Portland	DCC 1	65,100	64,200	-900	-45	-1.4
Weymouth & Portland	DCC 2	65,100	68,100	3,000	150	4.6
Weymouth & Portland	Extended 2011 based	65,100	68,350	3,250	163	5.0

Source: Dorset CC

## iii) DCLG household projections

4.14 The ONS population projections are always the starting point for the equivalent set of household projections produced by DCLG, one of the consequences being that the Interim 2011 sub-national projections (ISHP2011) similarly do not extend beyond 2021. Table 1 shows that the 2011 population figure was raised for both Districts in the light of the 2011 Census results compared with the ONS 2008 based projection. Rates of population increase for the two Districts 2011 to 2021 are also higher in the 2011 based projection (8,500 for the combined Housing Market Area (HMA) comprising West Dorset and Weymouth & Portland) than in the 2008 based set. Table 4 compares the DCLG Interim 2011 based household projection results to 2021 with the DCLG 2008 data, the last official set to project households beyond 2021. It is notable that, the Interim 2011 based figures show marginally lower overall rates of household growth 2011-21 compared with the DCLG 2008 based

<sup>39</sup> Dorset CC (March 2013) West Dorset & Weymouth & Portland 2011 Census Based Projection (unpublished draft).

projection (Table 4) in spite of the sharper rise in population in the later projection. This effect is largely due to lower projected rates of household formation in the later figures owing to reductions in current and future Household Representative Rates (HRRs).

**Table 4 Comparison of West Dorset, Weymouth & Portland 2008 and Interim 2011 DCLG Household Projections**

		Households '000s				
		2006	2011	2016	2021	Change 2011-21
2011 based	West Dorset	42.473	44.392	46.443	48.580	4.188
2011 based	Weymouth & Portland	27.849	28.517	29.295	30.043	1.526
<b>2011 based</b>	<b>Housing Market Area</b>	<b>70.322</b>	<b>72.909</b>	<b>75.738</b>	<b>78.623</b>	<b>5.714</b>
2008 based	West Dorset	42.484	43.953	45.973	48.337	4.384
2008 based	Weymouth & Portland	27.829	28.145	28.809	29.587	1.442
<b>2008 based</b>	<b>Housing Market Area</b>	<b>70.313</b>	<b>72.098</b>	<b>74.782</b>	<b>77.924</b>	<b>5.826</b>
<i>Difference</i>						
<i>2011 based -2008 based</i>						
	West Dorset	-0.011	0.439	0.470	0.243	-0.196
<i>Difference</i>						
<i>2011 based -2008 based</i>						
	Weymouth & Portland	0.020	0.372	0.486	0.456	0.084
<b><i>Difference</i></b>	<b><i>2011 based -2008 based</i></b>					
	<b>Housing Market Area</b>	<b>0.009</b>	<b>0.811</b>	<b>0.956</b>	<b>0.699</b>	<b>-0.112</b>

Source: DCLG

4.15 The problem of the shorter term nature of the interim projections has, as in the case of the population figures, been overcome in this report by extending the household projections beyond 2021 to 2031. The crudest way of doing this would of course be simply to use the arithmetic rate of increase from the projections for 2011-21 and then apply this to the 2021-31 period, in other words simply to double the growth. This would result in total household growth of twice the 2011-21 figure of 4,200 (i.e. 8,400) for West Dorset and twice 1,500 (i.e. 3,000) to arrive at a total for 2031 (Table 4).

4.16 The drawback to this approach is that the calculations in the model underlying the DCLG figures are much more complex and do not imply a uniform growth rate throughout the 2011-21 period, quite apart from that of the following decade. Table 3 therefore includes an Extended 2011 based household projection (EH2011). This is calculated as follows:

- i) Each of the private household population five year age cohorts in the ONS Interim 2011 based population projections (ISNPP2011) is extended for each projection year beyond 2021 to 2031 using the rates of change for the equivalent cohort ONS 2010 based SNPP (SNPP2010), scaled to arrive at the control total population increase projected by the Linear Trend extended 2011 based projection from 2021 to 2031 once the population in institutions has been added to the private population.
- ii) Household representative rates (HRR) from the DCLG Interim sub-national household projections (ISHP2011) are calculated for each age/ gender group of the private household population are extended beyond 2021 by applying the average



annual rate of change 2011-21 for each HRR age/ gender group to each year in the 2021-26 period, and then holding the rates steady until 2031.<sup>40</sup> The composite HRR values calculated in this way are shown in Appendix 2 and some details of the extended population projection on which it is based in Appendix 3.

iii) the extended HRRs in (ii) are applied to the extended ISNPP private household population age cohorts and summed to produce a total household figure for each year between 2021 and 2031.

iv) housing occupancy rates are applied to the household numbers to obtain a total housing requirement including allowance for vacant dwellings and second homes.

4.17 This methodology therefore uses the most up to date information currently available and is not dependent on the pre-recession trends, pre 2011 Census results data information on which the DCLG 2008 based projection is dependent.

4.18 What do the household projections mean in terms of a potential housing requirement in the Local Plan? If we assume that every additional household post 2011 in the projection will require a separate dwelling,<sup>41</sup> then we still need to allow for the fact that there will always be some vacant dwellings in the housing stock, if only to allow turnover in the housing market. It is also necessary to allow for the existence of a certain number of second homes, particularly in an area of high environmental quality such as the two Districts covered by the Plan.<sup>42</sup>

4.19 Table 5 and Fig 10 compare the household projections (EH2011) based on the Extended 2011 based population projection with the previous 2008 based DCLG projections. EH2011 for West Dorset shows a household increase of 8,900 over the Plan period compared with 9,200 for DCLG 2008. When allowance is made for normal vacancies in the housing stock and second homes at 7.9%, this figure shows a rounded total housing requirement on this basis 2011-31 of 9,600 (480 p.a.) compared with 10,000 (500 p.a.) based on DCLG2008 and 9,400 (470 p.a.) in the Draft Local Plan. For Weymouth and Portland the figures are 3,600 (180 p.a.) EH2011 based on a vacancy/2<sup>nd</sup> homes rate of 5.7%, compared with 3,300 (165 p.a.) from DCLG 2008 and 3,200 (160 p.a.) in the Draft

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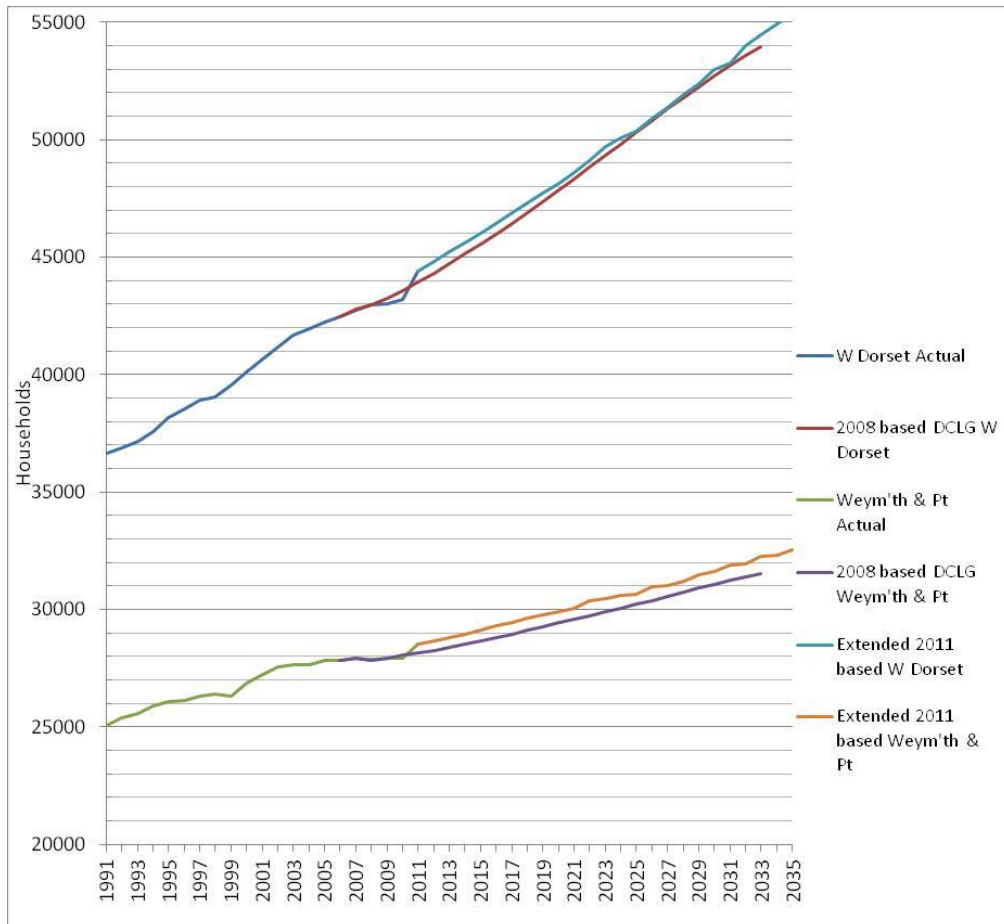
<sup>40</sup> This solution was arrived at after comparing the results with a standard method that involved fitting and comparing both simple linear trend and power functions fitted to the age and sex specific HRRs in the ISHP2011 household projections. The power function here takes the form  $y = cX_i^a$  where y is the forecast HRR value, c and a are constants and  $X_i$  is the  $i^{\text{th}}$  year in the time series. In the event, the DCLG figures for the 2011-21 period were found not to change consistently enough to be described readily in this way and applying a simple average rates of change to the 2021-26 period was found to provide more stable results.

<sup>41</sup> I.e. it assumes that the number of households sharing accommodation in 2011 will remain the same throughout the projection (and will therefore decline gradually as a percentage of all households as the total number of households rises).

<sup>42</sup> In the 2011 Census 10.0% of "household spaces" (equivalent to dwellings) in W Dorset had "no usual residents" and 8.1% in Weymouth & Pt. (Census 2011 Table KS401EW). Bearing in mind the high risk of enumerator error in the Census (the Census is a population focused rather than a dwellings based survey) and the fact that new housing on the whole is not as affected by second home ownership (though not at all unknown), data from NOMIS from DCLG 2009 Council Tax records analysis. Is used here. The rates used are therefore 7.9% W Dorset and 5.7% W&P.

Local Plan. This therefore provides combined Plan period EH2011 figures of 13,200 (660 p.a.) and there are options of course for some cross border transfer of some of these between the two Districts in the final Plan.

**Figure 10 Household growth 1991-2035: Extended 2011 & DCLG 2008 based projections**



Source: ONS/DCLG, K Woodhead (EH2011)

4.20 The EH2011 dwelling figures are therefore closely comparable to the Draft Local Plan (2012) figures for both West Dorset (470 dw p.a.) and Weymouth and Portland (160 dw p.a.)

Table 5 Household growth 1991-2035: Extended 2011 & DCLG 2008 based projections

	2006	Local Plan period					2031	Vacant/2nd homes rate (%)	Total household change 2011-21	Total dwellings 2011-21 at Vacant/2nd homes rate	Total household change 2011-31	Total dwellings 2011-31 at Vacant/2nd homes rate	Average annual dwelling completions 2011-31
		2011	2016	2021	2026	2031							
<b>2008 based DCLG W Dorset</b>	Total Hholds Growth in preceding period	42,484	43,953	45,973	48,337	50,816	53,166	7.9	4,384	9,213	10,003	500	
		-	1,469	2,020	2,364	2,479	2,350						
<b>Extended 2011 based W Dorset</b>	Total Hholds Growth in preceding period	42,473	44,392	46,441	48,579	50,921	53,264	7.9	4,187	8,872	9,633	482	
		-	1,919	2,049	2,138	2,342	2,343						
<b>2008 based DCLG Weymouth &amp; Portland</b>	Total Hholds Growth in preceding period	27,829	28,145	28,809	29,587	30,388	31,234	5.7	1,442	3,089	3,276	164	
		-	316	664	778	801	846						
<b>Extended 2011 based Weymouth &amp; Portland</b>	Total Hholds Growth in preceding period	27,849	28,517	29,295	30,047	30,955	31,896	5.7	1,530	3,379	3,583	179	
		-	668	778	752	908	941						

Source: ONS/DCLG, K Woodhead (EH2011)

#### iv) DCC household projections

4.21 Table 6 shows the equivalent household and dwelling numbers results from the Dorset County Council projections. Four variant projections are used, two based on alternative HRR assumptions applied to each of the two initial population projections described above. These provide somewhat higher figures for West Dorset, ranging from DCC variant 1b with 10,200 dw. (510 p.a.) to DCC 2a with 10,600 dw. (530 p.a.). The Dorset CC results for Weymouth are more varied as might be expected from the population projections from which they are derived. These range from DCC variant 1a at 1,800 dw. (90 p.a.) to DCC 2b at 3,700 dw. (185 p.a.). DCC variant projection 2a gives an identical result to the EH2011 projection with 3,600 dw.

**Table 6 Dorset County Council 2011 based Projections (2013)**

DCC Variant projections: West Dorset					
Variant		2011	2031	Annual Increase	
				2011-2031	2011-2031
1a	Total Dwellings	49,700	60,100	10,400	520
1b	Total Dwellings	49,100	59,300	10,200	510
2a	Total Dwellings	49,700	60,300	10,600	530
2b	Total Dwellings	49,100	59,500	10,400	520
1a	Total Households	44,600	53,900	9,300	465
1b	Total Households	44,000	53,200	9,200	460
2a	Total Households	44,600	54,100	9,500	475
2b	Total Households	44,000	53,400	9,400	470
DCC Variant projections: Weymouth & Portland					
Variant		2011	2031	Annual Increase	
				2011-2031	2011-2031
1a	Total Dwellings	31,200	33,000	1,800	90
1b	Total Dwellings	30,700	32,600	1,900	95
2a	Total Dwellings	31,200	34,800	3,600	180
2b	Total Dwellings	30,700	34,400	3,700	185
1a	Total Households	28,900	30,600	1,700	85
1b	Total Households	28,500	30,200	1,700	85
2a	Total Households	28,900	32,300	3,400	170
2b	Total Households	28,500	31,800	3,300	165

*Key to Variant projections*

- 1 a. Adjusted migration rates
- 1b. As above with adjusted household representative rates
- 2 a. Set annual increase in population based on previous 10 yrs growth
- 2b. As above with adjusted household representative rates

Source: Dorset CC (March 2013) West Dorset & Weymouth & Portland 2011 Census Based Projection

4.22 A numerical graphical comparison of the results of these projections is shown in Table 7 and Fig 11. Given the range of projection error around any projection, as evidenced by the difference between the 2008, 2010 and 2011 based ONS population projection result, the EH2011 and the Dorset CC variant 2a,b figures for Weymouth and Portland and DCC all

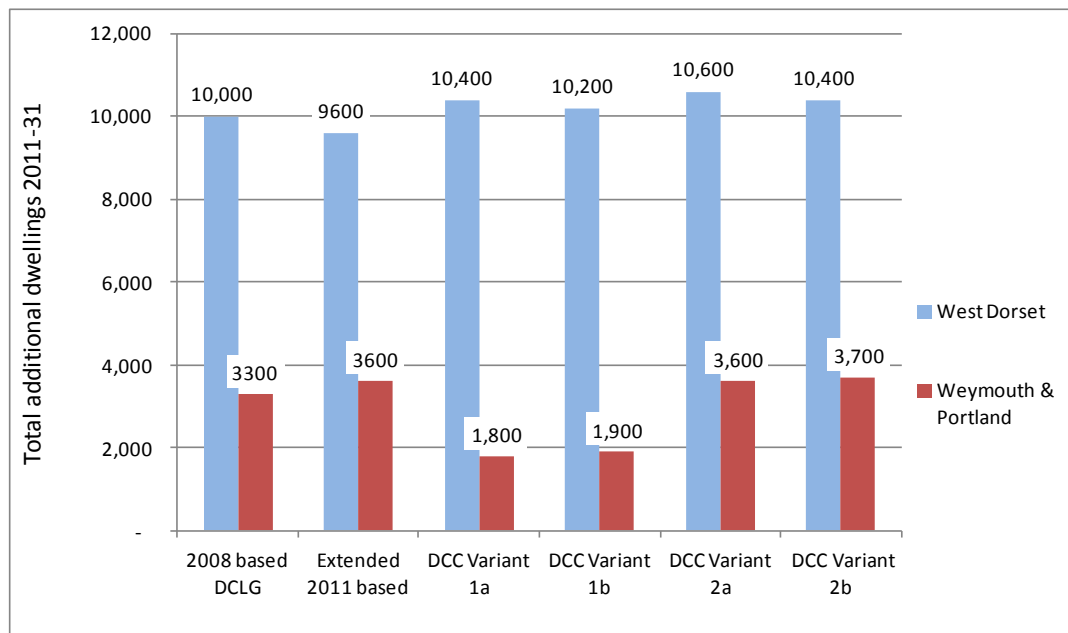
variants are close in statistical terms. However, given the high degree of conformity between the EH2011 set and the DCLG Interim 2011 figures from which they are derived, EH2011 is the most robust here in planning policy/ NPPF conformity terms as a measure of overall demand. Whether or not this is appropriate for the policies of the draft Plan is something which will be addressed below.

**Table 7 Recent projections: Annual additional dwellings 2011-31**

	West Dorset	Weymouth & Portland
2008 based DCLG	500	165
Extended 2011 based	480	180
DCC Variant 1a	520	90
DCC Variant 1b	510	95
DCC Variant 2a	530	180
DCC Variant 2b	520	185

Source: DCLG, KW (EH2011), Dorset CC

**Figure 11 Recent projections: Total additional dwellings 2011-31**



Comment:

4.23 It has to be remembered of course that the EH2011 figure is derived from trend led projections and does not necessarily provide a valid answer in planning terms. Nonetheless, it will carry a degree of evidential weight. An alternative approach that will look at these projections from a more supply led, economic growth related perspective is described later in this report.

4.24 There is, of course, no simple “right” answer to the question of what is the dwelling requirement and it is necessary to look at where a number of other strands of evidence point before arriving at a conclusion. The next section of this report therefore looks at the evidence. This will consider “supply” or capacity based factors. It will then draw some conclusions as to which of the several available projections appears to provide the most stable basis for obtaining the preferred strategy housing total.

**Evidence (2): Supply/ capacity based factors**

4.25 This section will focus mainly on three elements: land capacity and housing supply, affordability and housing need, and economic growth capacity.

**House building and land capacity**

4.26 Table 8 and Fig 12 show general rates of house building for the past two decades alongside housing targets from key planning documents of the period. These show that the longer term average plan requirement and actual completion rates have been significantly higher in the earlier part of the period than more recently. The Draft Local Plan proposals, as we have already seen, match the latest demand trend projections EH2011 well. However both District figures are lower than the Proposed RS figures, considerably so in the case of Weymouth, which is also lower than the 2006 Draft RS as submitted for examination.

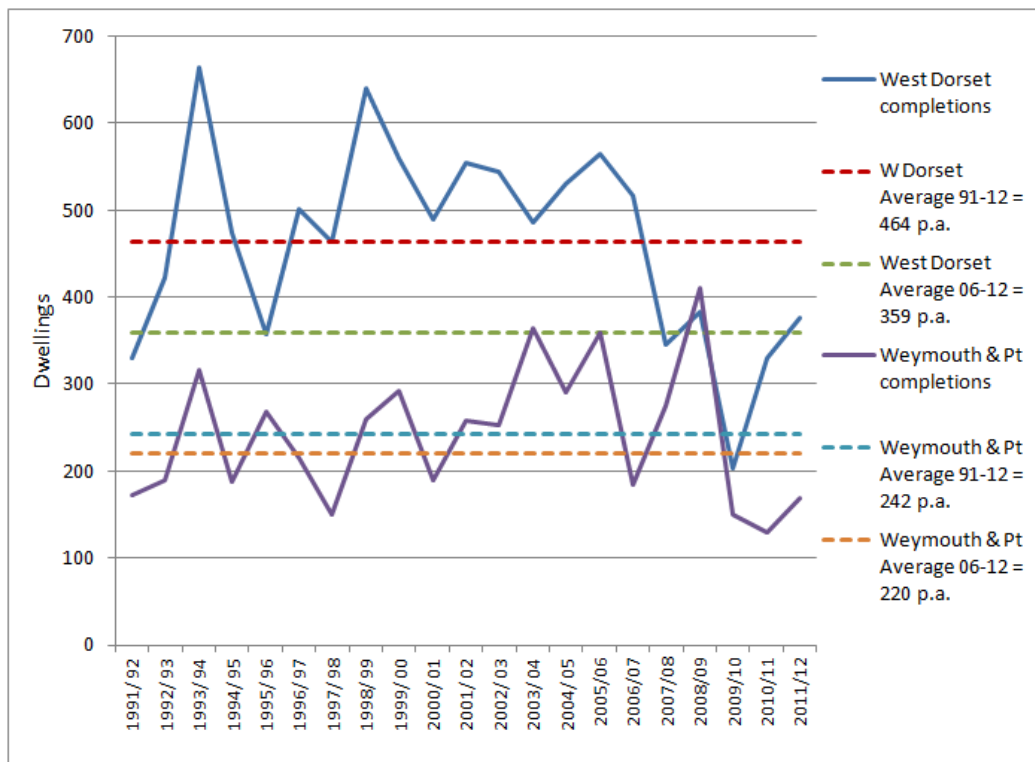
4.27 The reasons for this are two-fold. First, the RS was predicated on focusing more growth on the main urban areas of the South West, the 21 Strategically Significant Cities and Towns, which included both Weymouth and Dorchester. The current requirement does not have this supra-local planning authority policy element beyond that of the NPPF itself, unless this is reached through mutual agreement with adjacent authorities through the Duty to Co-operate. Policy necessarily therefore must start from meeting the needs of the Plan area from within its boundaries.

4.28 Secondly, the RS was based on an assumption that economic growth in across the South West as a whole would average 2.8% - 3.2% GVA p.a. These are levels which the latest forecasts (see below) suggest will not even be reached in all probability within the current Plan period, quite apart from averaging this for the next few years as the economy struggles to recover from five years of a combination of recession and depressed growth.

**Table 8 Average annual house building: actual completions and previous Plan rates**

<b>West Dorset</b>	<b>Dw p.a</b>	<b>Weymouth and Portland</b>	<b>Dw p.a</b>
Actual West Dorset 1991-2012	464	Actual Weymouth & Portland 1991-2012	242
Actual West Dorset 2006-12	359	Actual Weymouth & Portland 2006-12	220
W Dorset Local Plan 2006 (2005-2016)	410	W&P Local Plan 2005 (1994-2011)	247
Draft SW RSS submitted (2006-26)	410	Draft SW RSS submitted (2006-26)	280
RSS Proposed Changes (2006-26)	625	RSS Proposed Changes (2006-26)	280
Draft Local Plan 2012	470	Draft Local Plan 2012	160

**Figure 12 Annual housing completions 1991-2012**



Source: Bournemouth BC, Dorset CC, Borough of Poole Annual Monitoring Reports 2005 - 2011

4.29 We therefore conclude that there is sufficient demand and physical construction capacity in the two Districts to meet the levels of development set out in the Draft Local Plan and that are suggested by the EH2011 projection. A further potential constraint issue is that of land supply. The most recent SHLAA for West Dorset (Feb 2011) demonstrated a sufficient 5 year plus 5% buffer land supply of sufficient for 466 dwellings p.a. and a “significant over-supply” of developable sites to meet the 15 year requirement in the NPPF.<sup>43</sup> The SHLAA demonstrated a net supply remaining of 6,329 units, sufficient for 422 p.a. This suggests that more sites will need to be identified to meet the proposed 470 dw. p.a. but it is likely that additional capacity will be found in and around the major settlements of the District even given the many strong landscape, scientific and other designations restricting development.

4.30 Weymouth and Portland is bounded on to the east and south by the sea, and by the Jurassic Coast World Heritage Site to landward and it therefore much more constrained. The joint Local Plan of course is an effective way to address this situation. The situation set out in the 2009 SHLAA document was however very promising with, at that time, 5 year and 15 year supply sufficient to meet the requirements of the Proposed Changes RS (see Table 4). At the levels proposed in the Draft Local Plan there is no overall theoretical supply constraint.

<sup>43</sup> W Dorset SHLAA (Feb 2011) para 6.25.

## Housing need and affordability

4.31 The Plan area has long experienced poor affordability caused by a combination of high house prices, rents, higher than average household incomes (reflecting the number of people on substantial investment and pension incomes) but lower than national average wages. This situation has been well documented in the 2008 SHMA<sup>44</sup> and the update report (2011). The 2011 update notes that market demand was still subdued at that time and that there has been increased emphasis on the private rented sector as a result. This is a situation likely to continue for some time while the current high levels of domestic and corporate debt, a hangover of the 2007/8 credit crisis, work their way out of the economy.

4.32 The high and growing requirement for social housing identified by the SHMA (the 2008 study maintained that 820 affordable dwellings were required annually), and the extreme difficulty of meeting it, is common to most of the southern UK. The Draft Local Plan acknowledges this issue stating that:

*“Although the total projected need for affordable housing is not expected to be met in the plan period, opportunities will be taken to secure affordable homes to meet local needs. This will include ensuring all new open market housing sites make a contribution (through providing new affordable homes or, where this is not possible, making a financial contribution), and through a range of flexible policies that encourage affordable housing to come forward where there are suitable opportunities.”<sup>45</sup>*

Policy Hous 1 accordingly sets minima for the percentage developer affordable housing contribution at 35% in Weymouth and West Dorset and 25% in Portland.

4.33 Continued delivery at, say, 30-35%+ overall will make a major contribution towards increasing the affordable housing supply, but the scale of delivery indicated by the SHMA and the Needs Assessment, it has to be said, is beyond all realistic prospects. Firm advice from the Planning Inspectorate however has pointed out not only the importance of viability testing of affordable housing targets as evidence of deliverability, but also that the often very high total need figures provided by SHMAs on their own are not sufficient.<sup>46</sup>

4.34 Market housing affordability measurement based on the ratio of lower quartile house price to lower quartile is a good indicator of general cost pressures for people on middle income entrants to the housing market as well as those on low incomes. Figs 13 and 14 show that the ratio has long been at impossibly unaffordable levels, although the impact of the economic crisis and subsequent squeeze on credit availability has brought prices down somewhat over the past five years. West Dorset has traditionally been more expensive in which to buy than Weymouth and Portland and also compared with other Districts in the Dorset area. Even West Dorset appears low by comparison with some of its neighbours to the east but, with a ratio still at around 10 times income or more, the difference is mainly academic. These high house price areas also put more pressure on the West Dorset/Weymouth housing market due to transfer of unmet demand. Prices in West Dorset in

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<sup>44</sup> SHMA 2008 para 1.6.

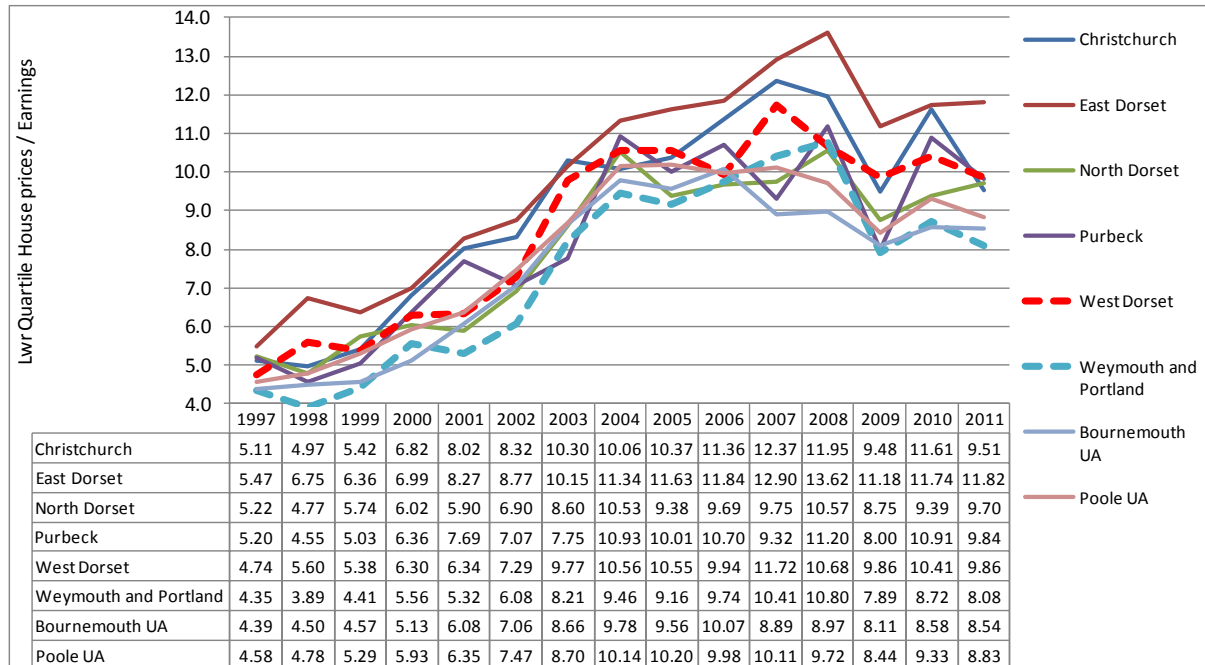
<sup>45</sup> Draft Local Plan 2012 para 5.1.2.

<sup>46</sup> Planning Inspectorate, “Applying lessons learnt in England to the production of Local Development Plans”, July 2010 para. 1.8-1.9



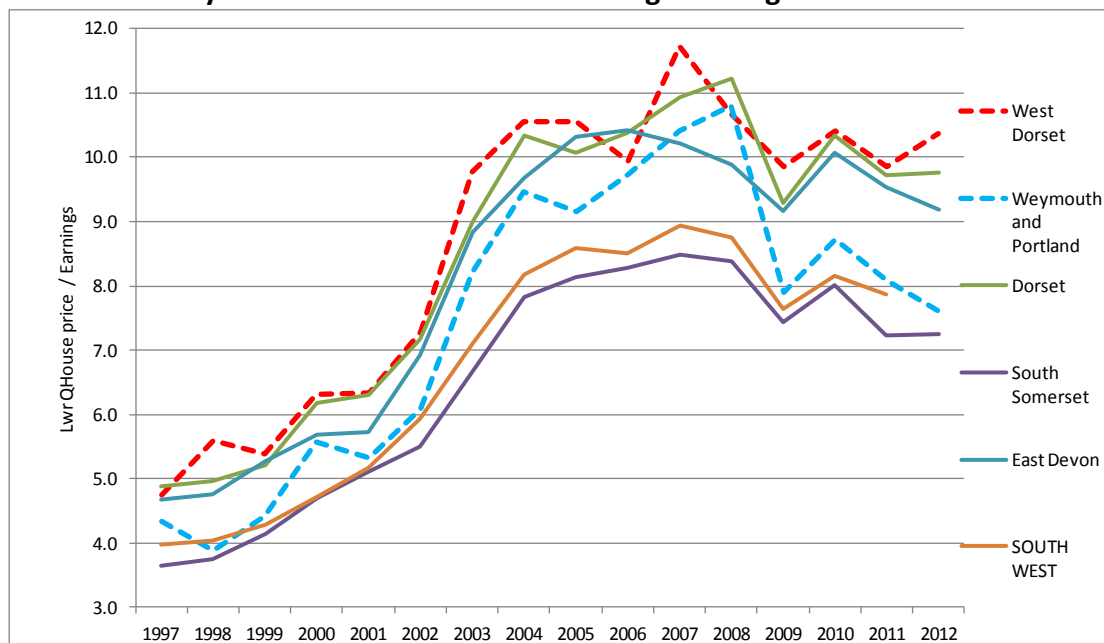
particular are also substantially higher than its neighbouring authorities of East Devon and South Somerset as Fig 14 shows.

**Figure 13 Ratio of lower quartile house price to lower quartile earnings Bournemouth Dorset Poole area 1997-2012**



Source: DCLG Live housing tables

**Figure 14 Ratio of lower quartile house price to lower quartile earnings West Dorset, Weymouth & Portland and other neighbouring areas 1997-2012**



Source: DCLG Live housing tables

4.35 Even if the levels of construction indicated by the SHMA and the housing needs assessments were remotely feasible, could it be hoped that such a level of supply would

bring house prices and rents down? The difficulty with this data is that, at the level of an individual District, and probably a county or even a geographical housing market area in isolation, the supply of housing does not in general have a noticeable impact on prices. One of the (many) lessons of the 2007/08 “credit crunch” caused by the international banking crisis that preceded the recession was that it is the availability of loans that has by far the dominant impact on property prices. In this respect it is national policy rather than local that has the bigger effect, particularly in attractive locations such as West Dorset/ Weymouth where any relative decline in local prices tends to be eradicated immediately by the effects of demand over a much larger geographical area. This effect is quite clearly demonstrated in Figs 13 and 14. The market in new houses at any one time typically tends to be only around 10% of all available properties for sale and on the whole it is this much larger secondhand stock that dominates the options available to house buyers.

4.36 We conclude that changes in the scale of future house building in West Dorset/ Weymouth are not likely to have a great effect on affordability per se. However it is likely to affect choice and could lead to fewer market shortages of small lower cost dwellings (and hence have an indirect impact on affordability by restricting choice). In affordability terms, the issue therefore is as much a question of influencing the mix of housing provided as of the total scale of development.

#### Economic change and the impact of recession

4.37 The West Dorset/ Weymouth area’s economy has several distinctive characteristics which stem from its coastal/ rural position and, in the case of Weymouth and Portland, from its legacy as a former navy base and centre for defence research. The Draft Local Plan has highlighted that the two Councils wish to work with the Local Enterprise Partnership particularly to encourage and support development in:

- Tourism, leisure, hospitality and international education
- Marine-related businesses and research
- Food and drink industry
- Environmental goods and services, including support for the renewable energy sector
- Precision engineering
- Creative industries
- Health and social work
- Finance and banking.

4.38 The economies of the two Districts have many points of difference with West Dorset showing more dynamism as indicated by above average rates of business “births” and longer rates of survival compared with Weymouth and Portland. Productivity in West Dorset also is higher in general.<sup>47</sup> Both economies have undoubted potential and with that goes further demand for housing. At the same time, the local housing market is by no means solely, or even mainly, driven by jobs growth in the local economy. The environmental benefits that support the area’s important tourism industry also attract many people to live in the area for mainly “lifestyle” reasons such as retirement migration.

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<sup>47</sup> Draft Local Plan Issues Paper: Economy, June 2012, para 3.5-3.8.

This is a feature that adds further pressure to the housing market but does housing act as a constraint on the local economy?

4.39 The short answer to this is: probably not. Intuitively appealing though the idea is, there is little concrete evidence to support it apart from some relatively minor inefficiencies in the labour market (see Appendix 1 for detailed information on this from a detailed evidence review carried out for the former Labour administration in the wake of the Barker Review of housing Supply).<sup>48</sup> However, people moving to the area to take up work still need housing and the Council is right to ensure that housing delivery keeps in broad step with economic growth.

4.40 The national impact of the economic recession and subsequent depression<sup>49</sup> has already been noted in this report. The recession has had a severe effect on employment growth in the District, as in the rest of the UK, as already shown in Fig 4. As the recession started to most severely felt from 2009 onwards, the number of economically active residents in West Dorset and Weymouth fell from a pre recession level of around 45,000 and 30,000 respectively to lows of 40,000 and 24,000 (Table 9 and Fig 15).

**Table 9 All economically active residents (in employment & unemployed)**

	West Dorset	Weymouth & Portland	West Dorset	Weymouth & Portland	South West	Great Britain
	No.	No.	(%)	(%)	(%)	(%)
Jan 04- Dec 04	44,000	30,100	79.0	74.7	75.8	72.6
Jan 05- Dec 05	41,900	30,800	73.1	76.9	75.6	72.6
Jan 06- Dec 06	45,100	29,500	75.9	73.1	75.7	72.5
Jan 07- Dec 07	45,000	29,800	78.5	71.6	75.9	72.5
Jan 08- Dec 08	44,000	28,600	76.0	71.2	76.0	72.2
Jan 09- Dec 09	42,400	24,300	73.7	60.9	74.2	70.7
Jan 10- Dec 10	40,200	25,500	71.8	67.3	73.6	70.3
Jan 11- Dec 11	44,100	26,300	73.1	69.1	73.5	70.1
Jan 12- Dec 12	46,100	28,900	78.5	78.5	73.6	70.7

Source: ONS Annual Population Survey & Nomis (model based data)

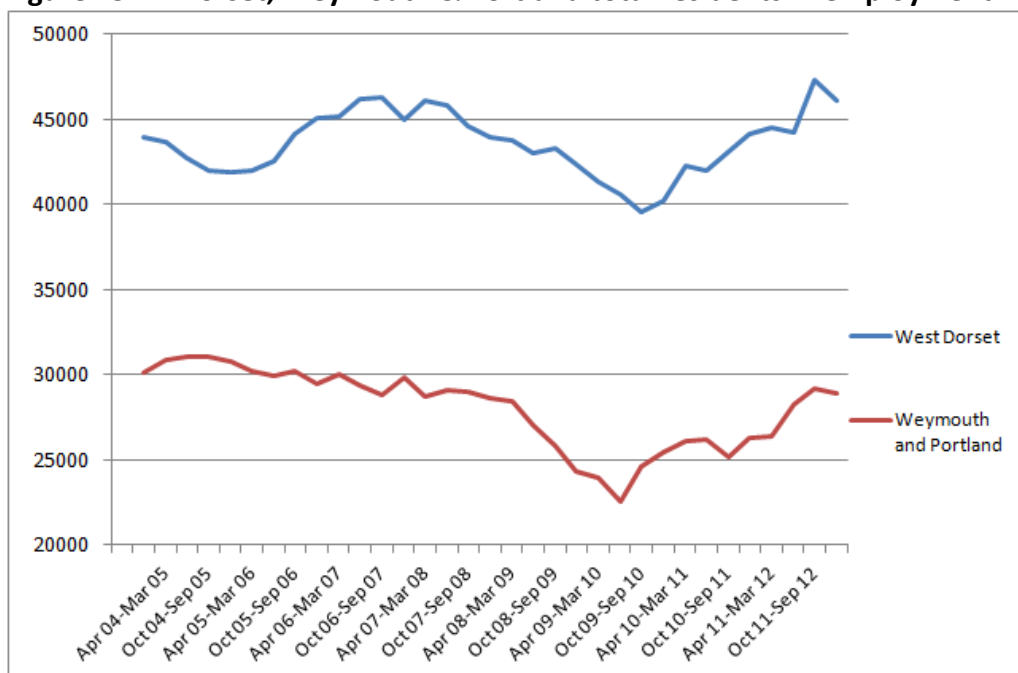
4.41 Weymouth with its greater emphasis on industries such as engineering felt the effect sooner with the low point in West Dorset not happening until 2009/10. Since then there has been a fairly gradual climb back again for Weymouth and Portland but a surprisingly vigorous recovery for West Dorset. Proportions of the 16-65 age group who are economically active appear to have recovered again, although the rather erratic figures for Weymouth in particular give warning that these totals are taken from the ONS Annual Population Survey and are therefore subject to a degree of sampling error. Nevertheless it

<sup>48</sup> K Barker (2004) Delivering stability: securing our future housing needs.

<sup>49</sup> Defined as a prolonged period in which output, though past the trough of the main recession, fails to regain its pre recession level. Currently output (1<sup>st</sup> quarter 2013) is 2.6% below the last peak in Q1 2008.

is clear that both Districts have significant impacts from the current period of economic difficulty.

**Figure 15 W Dorset, Weymouth & Portland total residents in employment**



Source: ONS Annual Population Survey & Nomis (model based data)

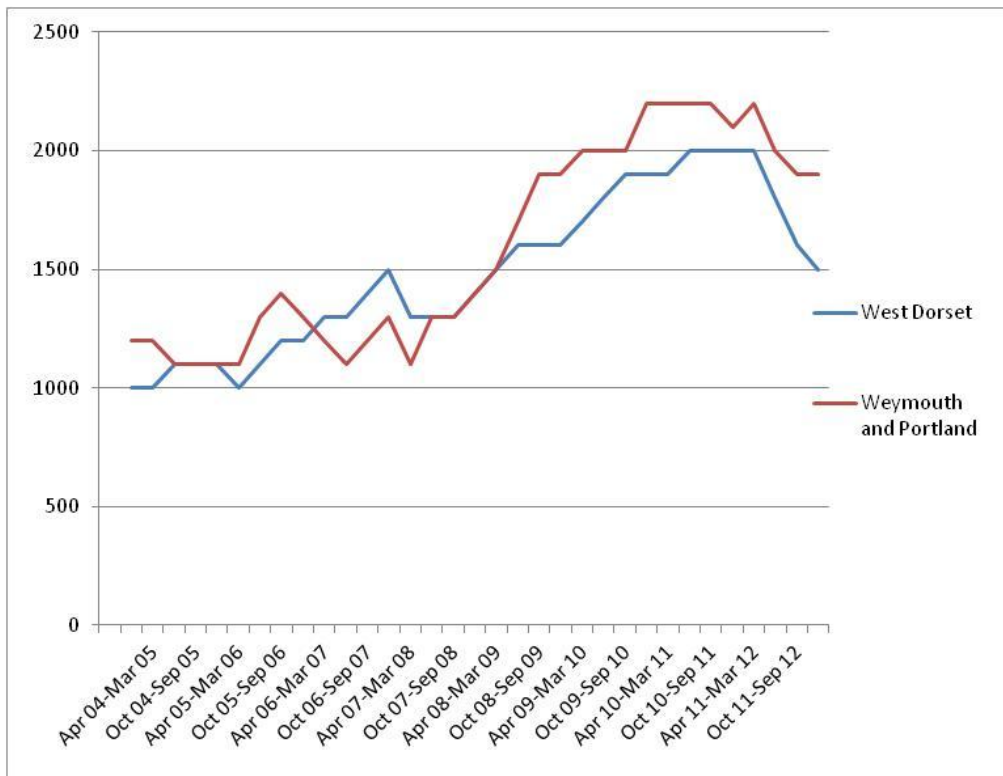
4.42 Levels of unemployment amongst people resident in West Dorset/ Weymouth accelerated during the recession, but the latter has been by far harder hit (Table 10, Figs 16,17). Weymouth’s unemployment reached almost 8% during 2010 and has been slow to come down again, whereas West Dorset “only” reached 4.4% that year, although this in itself is high for an area that in better times has been used to rates of little more than 2%. It is notable that since 2009, the number unemployed in Weymouth has overtaken West Dorset even though its resident total labour force is only two thirds the size of of its neighbour.

**Table 10 All people - Economically active - Unemployed**

	West Dorset (%)	Weymouth and Portland (%)	South West (%)	Great Britain (%)
Jan 04-Dec 04	2.2	3.7	3.4	4.8
Jan 05-Dec 05	2.5	3.4	3.4	4.9
Jan 06-Dec 06	2.6	4.1	3.8	5.4
Jan 07-Dec 07	3.2	4.1	4.0	5.2
Jan 08-Dec 08	3.1	4.5	4.2	5.7
Jan 09-Dec 09	3.7	7.2	6.2	7.7
Jan 10-Dec 10	4.4	7.8	6.0	7.7
Jan 11-Dec 11	4.3	7.5	6.1	8.0
Jan 12-Dec 12	3.2	6.1	6.0	7.9

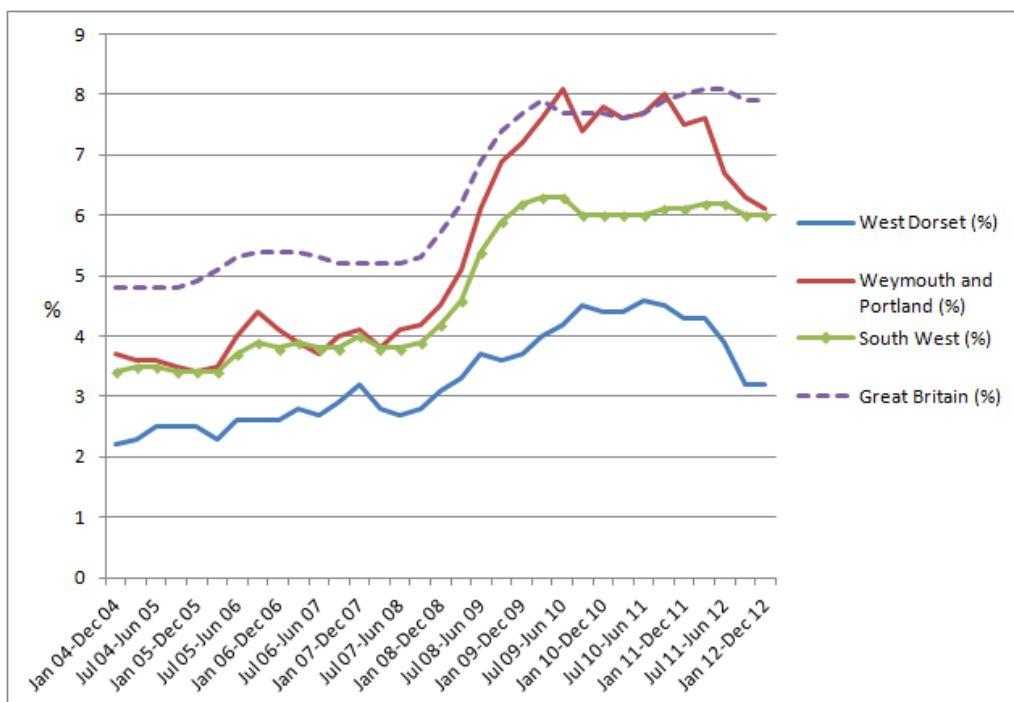
Source: ONS Annual Population Survey & Nomis (model based data)

**Figure 16 Total number unemployed**



Source: ONS Annual Population Survey & Nomis (model based data)

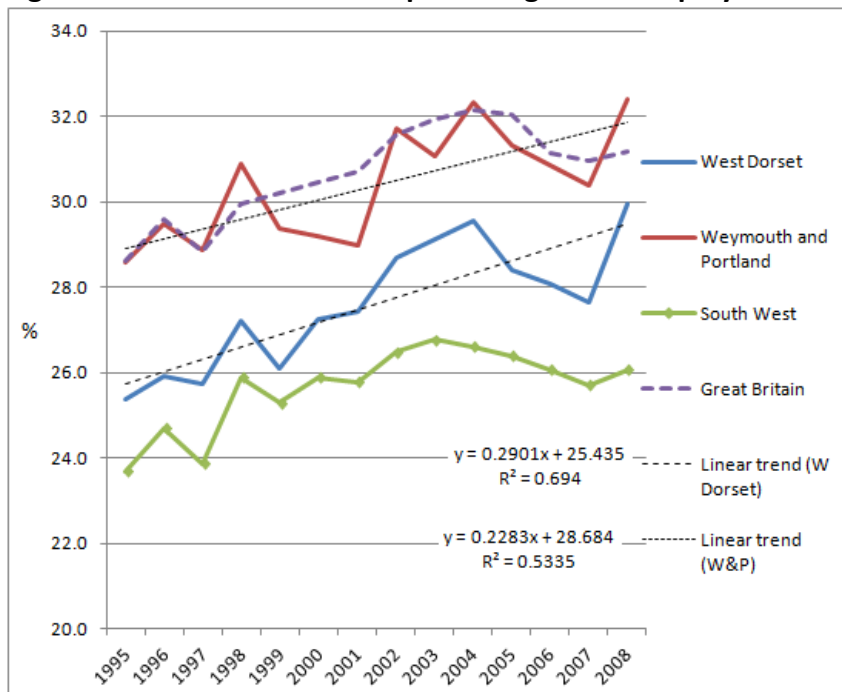
**Figure 17 West Dorset, Weymouth & Portland, South West & UK: average % unemployment**



Source: ONS Annual Population Survey & Nomis (model based data)

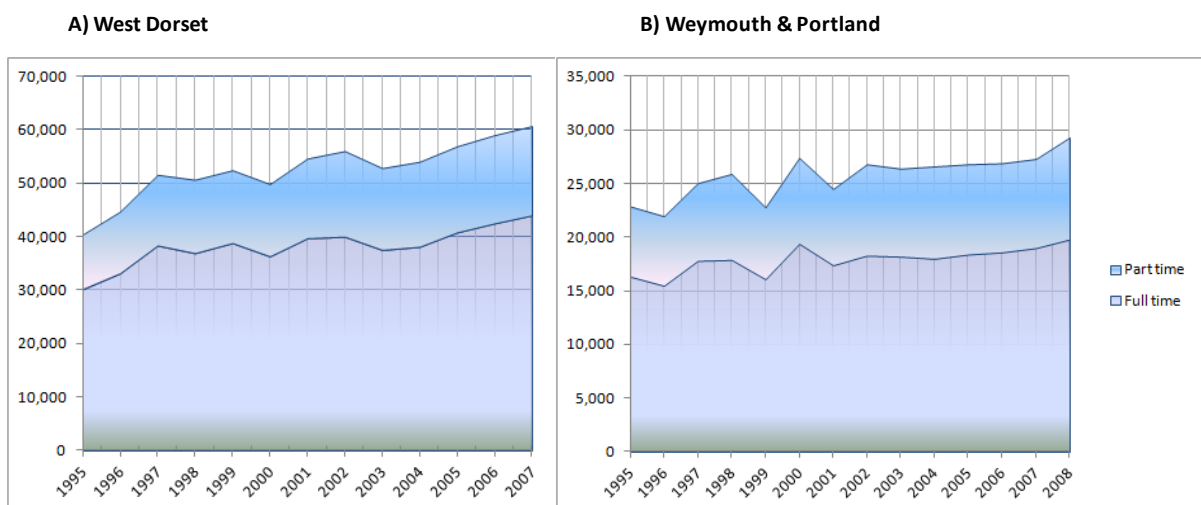
4.43 Rising unemployment has an obvious impact on household income and is obvious major issue affecting housing affordability. One of the consequences of relative work scarcity is the increased willingness of people to take on part-time work and the past few years have seen a growth trend in numbers of part-time workers in the two Districts with levels in Weymouth close to the national average. Even West Dorset has a considerably higher percentage of its workforce in part-time work than the South West average (Figs 18,19). It should be noted however that this trend started well before the recession, which has simply added some momentum to the change as more workers who would normally look for full-time employment have to take on part-time jobs.

**Figure 18 Part time work as a percentage of all employment**



Source: ONS Annual Business Inquiry / BRES employee analysis

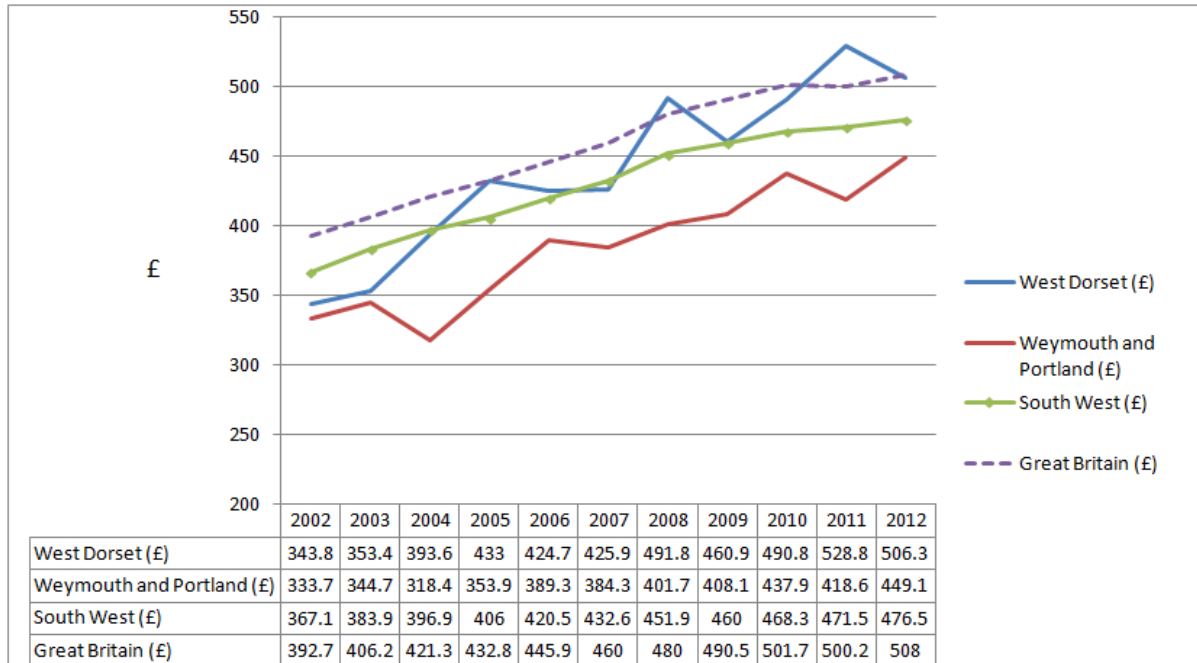
**Figure 19 Total employment by full time & part time**



Source: ONS Annual Business Inquiry / BRES employee analysis

4.44 In spite of reports that increasing levels of low wage part-time employment are a feature of the labour market,<sup>50</sup> general data on wages suggests that the pay of West Dorset's employees has broadly kept pace with that of Great Britain and has exceeded that of the South West as a whole over the past decade, a further indication of the relative good health of the local economy (Fig 20). Weymouth in contrast falls short of even the South West average.

**Figure 20 Gross Weekly Pay - All Full Time Workers**



Source: ONS annual survey of hours and earnings - resident analysis

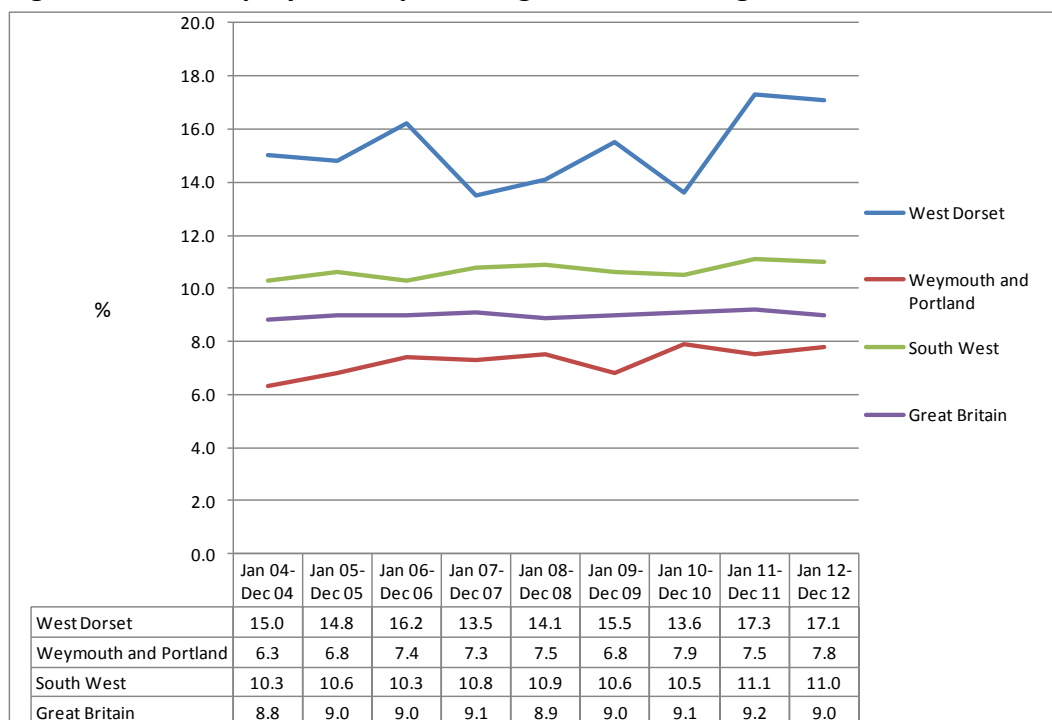
4.45 A further indication of labour market stress during a recession is often seen in a sharp rise in self-employment. However, as Fig 21 shows, West Dorset was characterised by relatively high, and rising, levels of self employment even before the recession, while Weymouth with its higher levels of unemployment, has remained well below the national average.

4.46 To sum up, it is clear that while important indicators such as unemployment remain comparatively low, the West Dorset local economy has still been noticeably affected by the recession since 2008 and is only now beginning to show signs of concrete recovery. Factors such as reduced labour force participation (the unemployed are still regarded as economically active and seeking work), increased part-time working and fluctuating levels of self-employment all point to turbulence in the labour market than the more gradual shifts of total employment and unemployment would suggest. In Weymouth the situation has been,

<sup>50</sup> E.g. "Number of part-time workers hits record high as firms reluctant to take on full-time staff", Telegraph 23/4/2013; this is neither a new nor an exclusively British phenomenon as other countries such as Germany have also seen increases (EWCO "Increase in low-wage 'marginal' part-time jobs" (12/12/2006) <http://www.eurofound.europa.eu/ewco/2006/11/DE06110191.htm>) For more on the impact of "under-employment see: DNF Bell and DG Blanchflower (2013) Underemployment in the UK revisited University of Stirling Management School, 21/03/13.

and still remains, far more serious with a generally quite slow recovery from the recession. This may of course have been boosted in 2012 by the effect of the Olympic Games sailing venue in the town. Certainly unemployment levels reduced while there was no equivalent improvement nationally or regionally as Fig 16 shows.

**Figure 21 Self employed as a percentage of residents aged 16-64**



Source: ONS annual population survey

4.47 The labour force is operating at higher levels of obvious spare capacity than was the case pre-recession. Difficult though this might be at the level of an individual experiencing un- or under-employment, or trying to finance a home purchase in a situation of increased job insecurity and declining real incomes, there are a few positive as well as several negative aspects to this. In particular, the 2007 Economy Study had shown a number of signs of overheating in the labour market, with employers reporting recruitment difficulties and the appearance of more slack in the market should in theory create better potential to exploit future opportunities to expand output as markets eventually recover.

### **Future prospects for employment and economic growth: 2011-2029 and 2031**

4.48 Where does this leave West Dorset / Weymouth and Portland's future economic growth prospects? We saw in Fig 5 that even the OBR is not forecasting a return to anything like historically normal rates of economic growth until 2015. The latest Cambridge Econometrics LEFM forecasts (October 2012) suggest that rates of growth in economic output (GVA)<sup>51</sup> will rise nationally from 1.7% p.a. in 2013-2015<sup>52</sup> to a peak of 2.8% in 2017-

<sup>51</sup> Gross Value Added: the value of all goods and services produced.

<sup>52</sup> This is already looking a little on the optimistic side in April 2013.



18 and then settling at an average of around 2.3-2.4% p.a. after 2021. Values for for the two Districts are typically 0.1 - 0.2 percentage points higher although initially recovery in West Dorset post 2014 is forecast at significantly higher rates than the UK as a whole (Table 11, Fig 22).

4.49 These forecasts of economic output have obvious significance for future employment growth and potential pressures on the local housing market. Critically, in this context it is worth remembering that growth of around 1.5 – 2.0% GVA pa is normally required just to hold employment numbers steady. This is due to the effects of constant productivity rises in the wider economy due in particular to global competition. The typical components of economic growth and the role played by productivity improvement are shown in Table 9 (“trend output per hour worked”). Of an average annual growth in economic output between 1986 and 1997 of 2.5%, no less than 2% was accounted for by productivity improvement. Between 1997 and 2006 this had risen to 2.3% out of total annual growth of 2.9%. Obviously the impact of this will vary according to local economic structure but the fact remains that a relatively brisk rate of economic output growth is required to support even modest increases in employment.

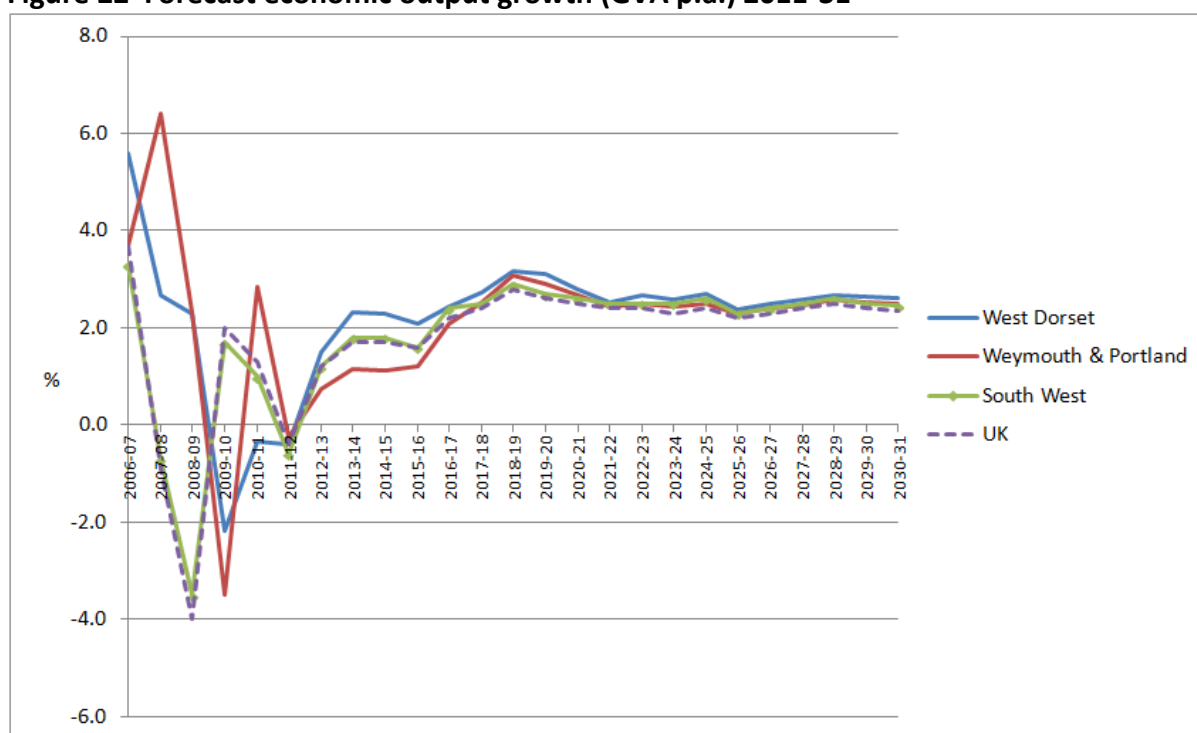
**Table 11 Forecast economic output growth (GVA p.a.) 2011-31**

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-31 average*
West Dorset	5.6	2.7	2.3	-2.2	-0.3	-0.4	1.5	2.3	2.3	2.1	2.4	2.7	3.2	3.1	2.8	2.5	2.6
Weymouth & Portland	3.7	6.4	2.3	-3.5	2.8	-0.3	0.7	1.2	1.1	1.2	2.1	2.5	3.1	2.9	2.7	2.4	2.5
South West	3.3	-0.7	-3.5	1.7	1.0	-0.6	1.2	1.8	1.8	1.6	2.4	2.5	2.9	2.7	2.6	2.5	2.5
UK	3.7	-0.9	-4.0	2.0	1.3	-0.4	1.2	1.7	1.7	1.6	2.2	2.4	2.8	2.6	2.5	2.4	2.4

Source: CamEcon LEFM Oct 2012

Note: \* Compound growth % p.a

**Figure 22 Forecast economic output growth (GVA p.a.) 2011-31**



Source: CamEcon LEFM Oct 2012

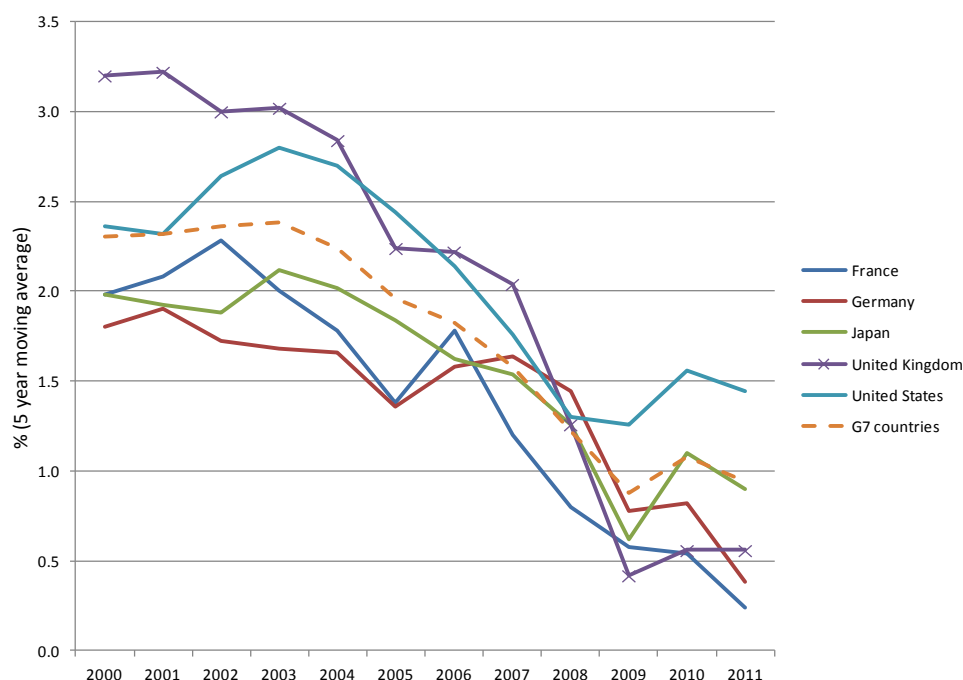
**Table 12 Historical contributions to UK potential output growth (% per annum)**

	1986 Q2 – 1997 H1	1997 H1 – 2006 H2	Change
Trend output per hour worked	2.0	2.3	+0.3
Trend in average hours worked	-0.2	-0.4	-0.2
Trend employment rate	0.4	0.4	0
Population growth	0.2	0.6	+0.4
<b>Total Potential Output</b>	<b>2.5</b>	<b>2.9</b>	<b>+0.4</b>

Source: Oxford Economics, 2010

4.50 Against this, the seemingly relentless improvements in productivity seen in the past have been slowing gradually in most developed countries as the “law” of diminishing returns takes effect. This was apparent even before the recession (see Fig 23). The economy of the future may have less scope to improve productivity as the shift towards service employment continues. To take a rather prosaic example, it is difficult for a hairdresser to deal with more than a certain number of clients in the course of an hour.<sup>53</sup> This decline is certainly not an exclusively UK phenomenon and is apparent across the economies of the former G7 countries (Fig 23).<sup>54</sup>

**Fig 23 Labour productivity: average annual growth rate (%)**



Source: OECD

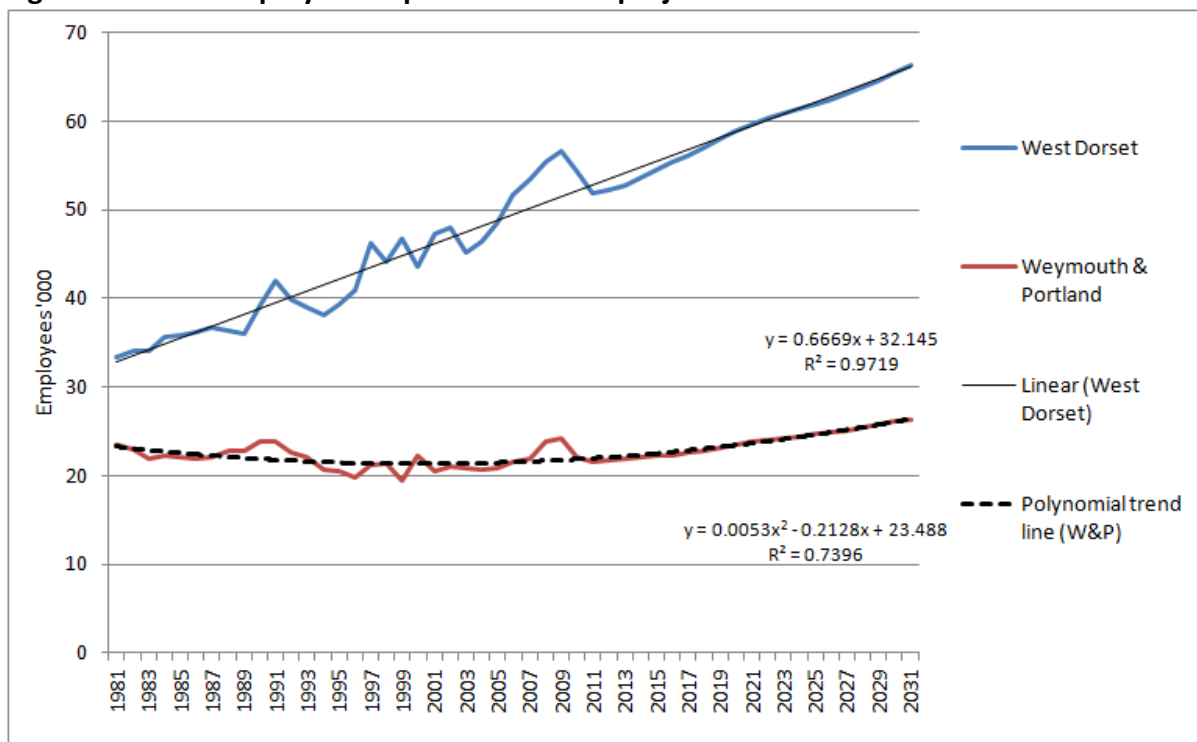
<sup>53</sup> Though even here there could be some scope for a haircutting robot perhaps (!)

<sup>54</sup> The former G7 comprised France, West Germany, Italy, Japan, United Kingdom, Canada and United States.

4.51 Fig 24 shows the latest Cambridge Econometrics (CamEcon) LEFM forecast for West Dorset and Weymouth and Portland while the details, by employment sector, are given in Tables 13 and 14 and Figs 26 and 27. Fig 25 shows relative employment growth patterns comparing West Dorset and Weymouth and Portland with the South West and UK over the period 1981-2011, and during the 2011-31 forecast period.

4.52 The sharp difference in the past and projected rates of growth in employment in the two Districts is shown in sharp relief in Figs 24 and 25. Whereas the projected growth trend for West Dorset continues on a similar track to the pre-recession period, Weymouth’s 2011-31 forecast shows a gentle “dish shaped” recovery from the pattern of slow decline of most of the preceding thirty years. This contrast in growth paths is emphasised by the very different “best fit” statistical trend lines shown in Fig 24.

**Figure 24 Total employment: past trends and projections to 2031**



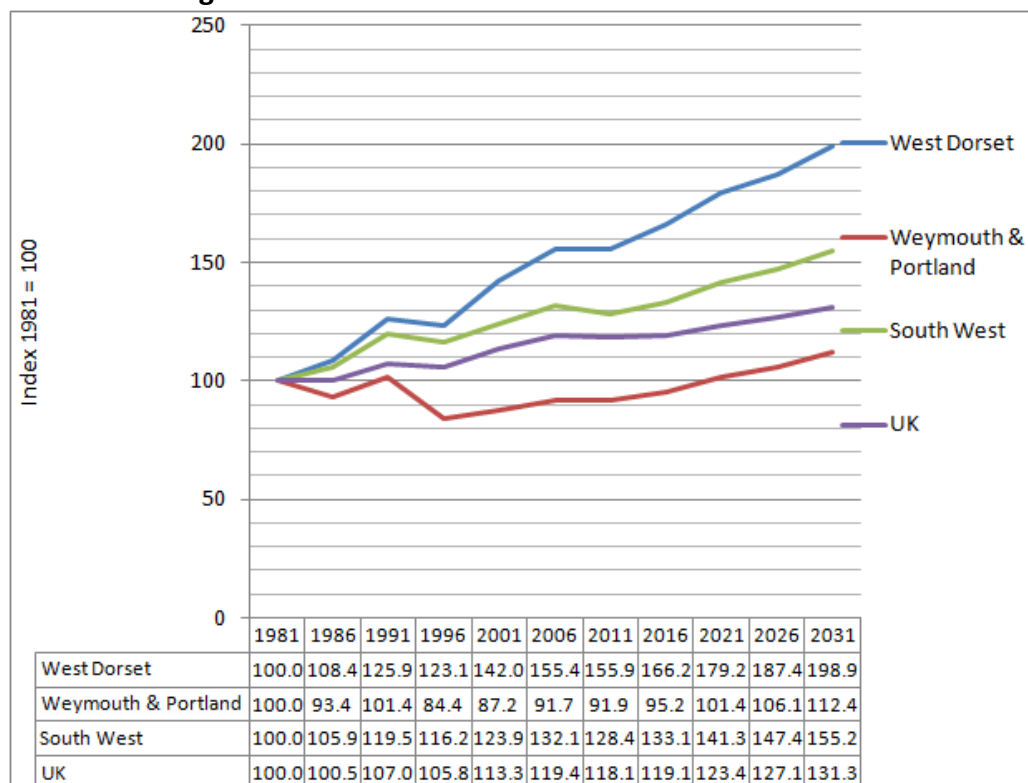
Source: CamEcon LEFM Oct 2012

4.53 Fig 25 also shows the very different past and projected future growth paths for the two Districts. Using indexed employment growth with a 1981 base (and setting 1981 levels of employment to the value of 100) we can compare them with regional and national rates. West Dorset grows on a far steeper path throughout the period than either Great Britain or the South West, reaching an index value of 156 in 2011 and almost 200 in 2031, compared with South West figures of 133 and 155 respectively. Most of this difference in performance is of course due to the effects of fairly rapid population increase creating employment in the services and care industries in particular.

4.54 Weymouth on the other hand shows far slower employment growth than even the UK throughout the 1981-2031 period. As the graph shows quite clearly, this was largely as a long term consequence of Weymouth and Portland’s decline in the early 1990s when the

Navy dockyard finally closed followed later by the military air station at HMS Osprey. The fact that the trend curve in Fig 24 shows that the local economy was coming out of decline before the 2008/9 recession is very much to the area's credit.

**Figure 25 West Dorset/ Weymouth & Portland: 1981 based comparative employment growth index 1981-2031**



Source: CE LEFM

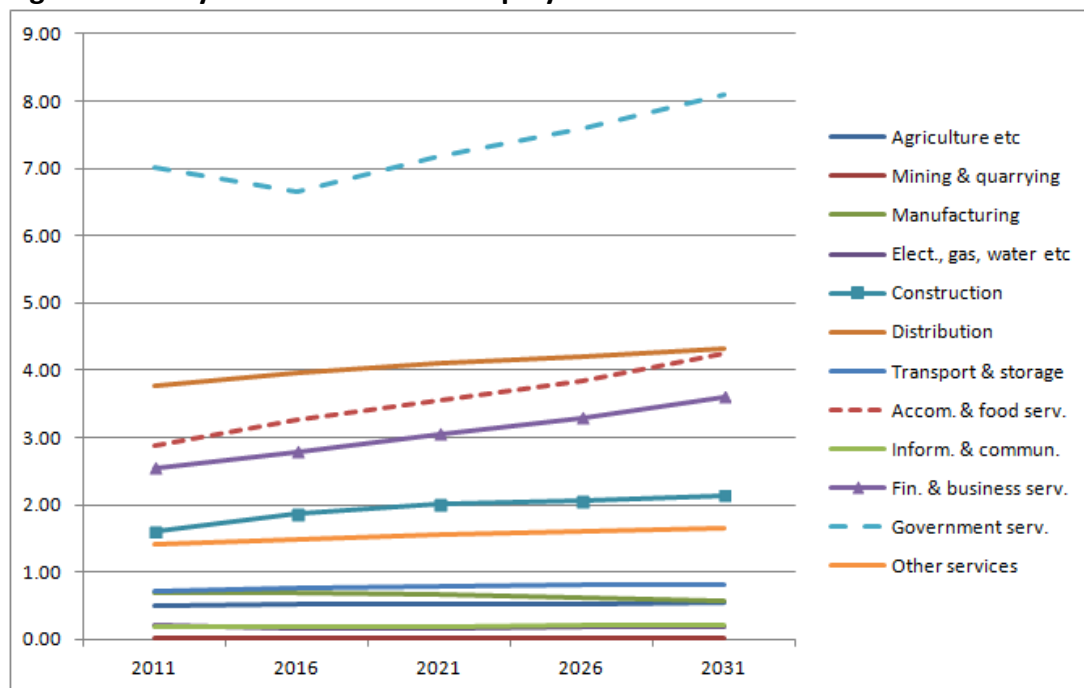
**Table 13 Weymouth & Portland employment forecast**

Employment in Weymouth and Portland (000s)							
	2011	2016	2021	2026	2031	Change 2011-31	Change 2011-32 (%)
Agriculture etc	0.50	0.53	0.53	0.52	0.55	0.05	10.00
Mining & quarrying	0.01	0.01	0.01	0.01	0.01	0.00	0.00
Manufacturing	0.70	0.69	0.66	0.61	0.58	-0.12	-17.14
Elect., gas, water etc	0.21	0.17	0.17	0.18	0.19	-0.02	-9.52
Construction	1.61	1.86	2.01	2.06	2.14	0.53	32.92
Distribution	3.77	3.95	4.11	4.19	4.32	0.55	14.59
Transport & storage	0.72	0.76	0.79	0.81	0.82	0.10	13.89
Accom. & food serv.	2.88	3.26	3.54	3.83	4.24	1.36	47.22
Inform. & commun.	0.19	0.19	0.19	0.20	0.20	0.01	5.26
Fin. & business serv.	2.55	2.79	3.05	3.29	3.60	1.05	41.18
Government serv.	7.01	6.65	7.17	7.58	8.09	1.08	15.41
Other services	1.41	1.49	1.56	1.61	1.65	0.24	17.02
<b>Total Employment</b>	<b>21.56</b>	<b>22.33</b>	<b>23.78</b>	<b>24.89</b>	<b>26.38</b>	<b>4.82</b>	<b>22.36</b>

Source: CamEcon LEFM (Oct 2013)

Note: 2011 estimated base.

**Figure 26 Weymouth & Portland employment forecast**



Source: CamEcoFM (Oct 2013)

4.55 Table 13 and Fig 26 show the detail of the forecast by employment sector. The biggest numerical contributions to growth by 2031 are forecast by CamEcon to come from Financial and business services and, following an initial decline 2011-2016, by Government services. Employment in the latter gains around 1,000 overall by 2031, although whether this is a realistic expectation in our current climate of public sector cutbacks is very difficult to say. CamEcon evidently feels that future Government's policy, plus services such as education and health, will bring some measure of at least population related growth back to public services (or at least the privatised descendants of currently public services).

4.56 As expected, the Manufacturing sector's employment will continue its long term steady decline due in large part to the productivity effect described above. In terms of value of output, however, the sector is projected to increase by over 60% at constant prices. Growth in total for Weymouth and Portland 2011-31 is projected at 4,800 jobs net.<sup>55</sup>

4.57 Table 14 and Fig 27 show the detail for the West Dorset CamEcon forecast. Again Financial and business services show a considerable increase to 2031 with 3,300 additional jobs, an increase of 51%. The Government services sector, in contrast to Weymouth, increases throughout the period to grow by 4,900 (27%). This is surprising given the current pattern of public sector cut backs as, in the short term at least, we know that severe

<sup>55</sup> This total jobs figure compares with the superficially similar total of 4,900 jobs forecast over 2011-31 based on the Autumn 2011 projections for the South West Observatory by Experian Ltd. (see [Bournemouth, Dorset and Poole Workplace Study Employment Land Projections: Evidence update 2012](#)). However, the Experian figures are for full-time equivalent (FTE) jobs and, at a rate of 30% of all jobs being part-time (assuming an average of c.15 hrs per week) this would equate to a total jobs increase of about 5,750. It has to be borne in mind of course that the Experian figures are now almost two years old and, as Fig 5 of this report shows, were produced at a time when an early and rapid recovery from the post 2008 recession/ depression was expected from 2012 onwards.

employment reductions are already happening. In fact in Local Government, West Dorset has been severely affected by financial cutbacks and might properly be expected to follow the pattern shown in the Weymouth projection. This is even once the potential growth in the care sector due to the combined effects of population growth and ageing, for example, has been allowed for. A further surprise is the Construction sector forecast which shows a growth of 4,300, a massive 96% rise. As far as is currently known at the present, West Dorset just does not have anywhere near the potential for this. Together, these two sectors account for 9,100 out of the total employment growth forecast of 14,300.

**Table 14 West Dorset employment forecast Scenario 1: unmodified CamEcon LEFM**

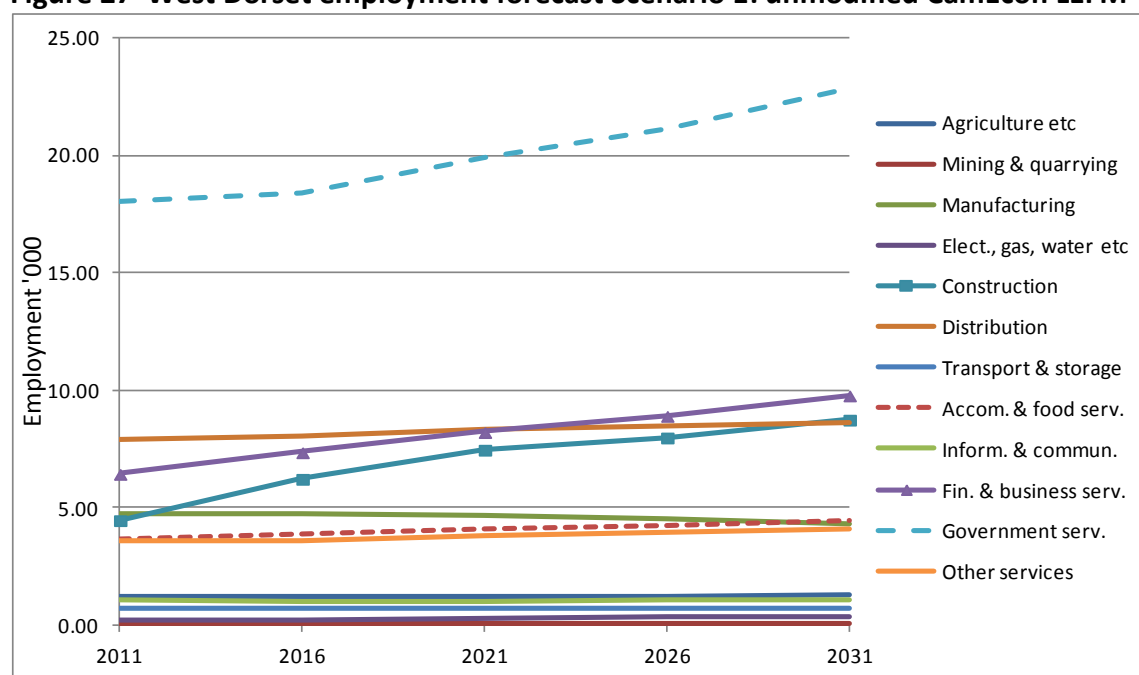
Employment in West Dorset (000s)

	2011	2016	2021	2026	2031	Change 2011-31	Change 2011-32 (%)
Agriculture etc	1.20	1.23	1.24	1.24	1.27	0.07	5.83
Mining & quarrying	0.03	0.03	0.02	0.02	0.02	-0.01	-33.33
Manufacturing	4.70	4.73	4.69	4.49	4.29	-0.41	-8.72
Elect., gas, water etc	0.22	0.22	0.27	0.31	0.35	0.13	59.09
Construction	4.47	6.23	7.47	7.99	8.75	4.28	95.75
Distribution	7.86	8.02	8.30	8.47	8.62	0.76	9.67
Transport & storage	0.68	0.70	0.71	0.72	0.73	0.05	7.35
Accom. & food serv.	3.63	3.90	4.08	4.22	4.43	0.80	22.04
Inform. & commun.	1.08	0.98	1.00	1.03	1.06	-0.02	-1.85
Fin. & business serv.	6.44	7.36	8.22	8.91	9.78	3.34	51.86
Government serv.	18.02	18.40	19.90	21.10	22.87	4.85	26.91
Other services	3.59	3.56	3.77	3.92	4.06	0.47	13.09
<b>Total Employment</b>	<b>51.91</b>	<b>55.36</b>	<b>59.67</b>	<b>62.42</b>	<b>66.24</b>	<b>14.33</b>	<b>27.61</b>

Source: CamEcon LEFM (Oct 2013)

Note: 2011 estimated base.

**Figure 27 West Dorset employment forecast Scenario 1: unmodified CamEcon LEFM**



Source: CamEcon LEFM Oct 2012

5.58 Bearing this in mind, steps were therefore taken to recast the forecast using Government services and Construction sector percentage rates of growth from the Weymouth forecast. The results of this are shown below in Table 15 and Fig 27. This reduces Government services overall growth during the period to 2,800 net and Construction to 1,500. This results in a more believable, but still substantial, forecast of 9,400 additional jobs in total for the District during 2011-31.<sup>56</sup>

**Table 15 West Dorset employment forecast Scenario 2: modified CamEcon LEFM**  
(Growth of Government services & construction sectors grow at Weymouth & Portland rate)

Employment in West Dorset (000s)

	2011	2016	2021	2026	2031	Change 2011-31	Change 2011-32 (%)
Agriculture etc	1.20	1.23	1.24	1.24	1.27	0.07	5.83
Mining & quarrying	0.03	0.03	0.02	0.02	0.02	-0.01	-33.33
Manufacturing	4.70	4.73	4.69	4.49	4.29	-0.41	-8.72
Elect., gas, water etc	0.22	0.22	0.27	0.31	0.35	0.13	59.09
Construction	4.47	5.16	5.58	5.72	5.94	1.47	32.92
Distribution	7.86	8.02	8.30	8.47	8.62	0.76	9.67
Transport & storage	0.68	0.70	0.71	0.72	0.73	0.05	7.35
Accom. & food serv.	3.63	3.90	4.08	4.22	4.43	0.80	22.04
Inform. & commun.	1.08	0.98	1.00	1.03	1.06	-0.02	-1.85
Fin. & business serv.	6.44	7.36	8.22	8.91	9.78	3.34	51.86
Government serv.	18.02	17.09	18.43	19.49	20.80	2.78	15.41
Other services	3.59	3.56	3.77	3.92	4.06	0.47	13.09
<b>Total Employment</b>	<b>51.92</b>	<b>52.99</b>	<b>56.31</b>	<b>58.53</b>	<b>61.35</b>	<b>9.43</b>	<b>18.16</b>

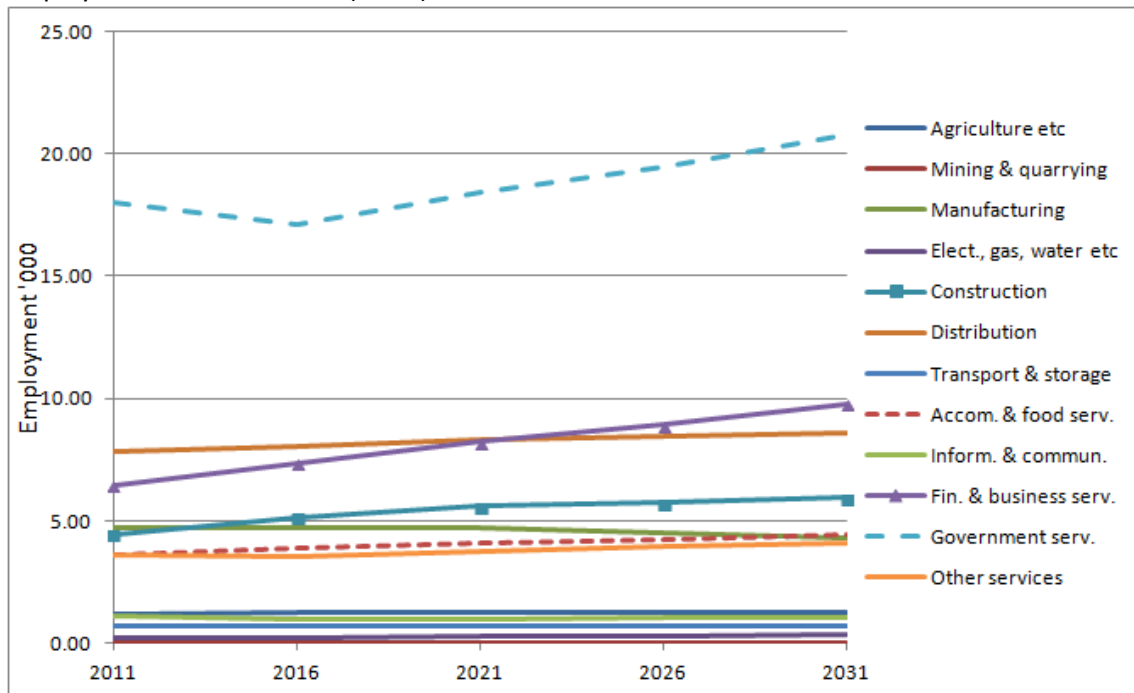
Source: CamEcon LEFM Oct 2012 & KWoodhead

4.59 Even with the modification to the West Dorset forecasts, how realistic are these assumptions as it is national economic growth that has the most critical influence on rates of local change? In particular, why is the longer term forecast of 2.3% GVA growth p.a. set lower than that of the pre-recession growth trend for the UK of around 2.7%? After all, a better performing national economy might reasonably be expected to further benefit growth rates in the Local Plan area.

<sup>56</sup> Comparing this total to the now rather optimistic Autumn 2011 Experian FTE forecast figure of 11,200 for West Dorset (see previous footnote) and again assuming 30% of all jobs being part-time the modified CamEcon total of 9,400 total jobs would compare with an Experian equivalent of about 13,000 total jobs.

**Figure 27 West Dorset employment forecast Scenario 2: modified CamEcon LEFM**

(Growth of Government services & construction sectors grow at Weymouth & Pt rate)  
Employment in West Dorset ('000s)



Source: CamEcon LEFM Oct 2012 & KWoodhead

4.60 The answer lies in the rather more difficult economic conditions expected to prevail in the world economy over the medium to longer term, and certainly during the remainder of both this and the next decade. In addition, many economists are of the opinion that the UK's longer term productive capacity is likely to be damaged by the effects of prolonged recession.<sup>57</sup> The UK faces factors such as the current growth problems across most of the Eurozone countries and subdued growth in the USA, the UK's two largest export markets, together with the rise of competition from the so-called BRICS<sup>58</sup> countries and other developing economies. This has greatly increased international competition both for markets for traded goods and services and for access to raw material resources.

4.61 Past experience, even discounting the likelihood of a recession of the severity of 2008-12,<sup>59</sup> shows that recessions tend to happen with monotonous regularity every 7 to 9 years or so.<sup>60</sup> To assume that there will not be at least one period of reduced or negative job growth during the 2020s is therefore being highly optimistic, to say the least. Given current performance and the huge challenges that we know face the UK economy in the future we can have some confidence that the CamEcon forecasts for West Dorset/ Weymouth are not unduly modest.

<sup>57</sup> For example see NIESR "Prospects for the UK economy" 4 May 2012

<http://www.niesr.ac.uk/press/prospects-uk-economy-3244#.U6AXIVOwc61> ; also John Irons (2009)

"Economic scarring: The long-term impacts of the recession", Economic Policy Institute, 30/09/09 [http://](http://www.economicpolicyinstitute.org.uk/)

<sup>58</sup> Brazil, Russia, India, China and South Africa.

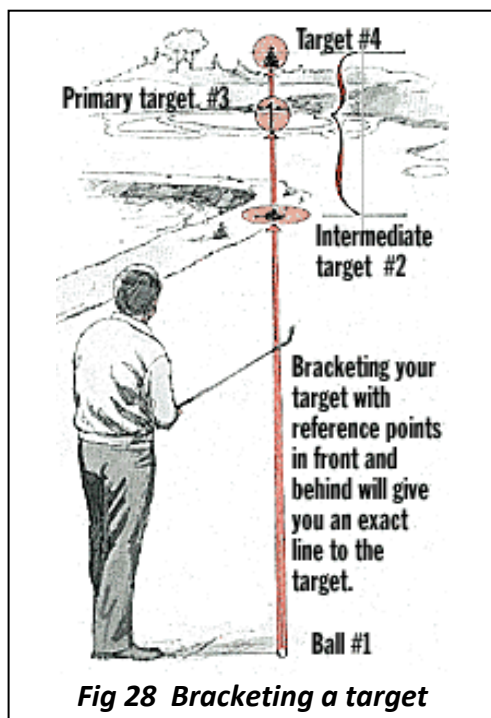
<sup>59</sup> Though improbable, given the factors levels of international debt plus the increasing effects of climate change

<sup>60</sup> For a discussion see for example Paul Ormerod and Amy Heineike (2008) Global recessions as a cascade phenomenon with interacting agents Volterra Ltd.



4.62 In the next section of the report, the findings of Section 4 will be reviewed and conclusions drawn regarding where the evidence points regarding the household and dwelling projections set out earlier in this report.

## 5. Getting to the Local Plan housing requirement: conclusions and recommendation



5.1 Given the body of evidence discussed above, it is clear that there are a range of factors – demographic/ housing stock based and economic based – which can influence West Dorset and Weymouth and Portland’s future housing requirement. In developing these themes it is important to bear in mind again that there is no single “right” answer to this; instead we look at the lines of evidence to narrow down the range of solutions. In this way we can aim to arrive at a reasonable figure or range of figures for housing provision. This process of “bracketing the target” is analogous to the process of range-finding in golf or artillery, or getting the right exposure in using a manual camera in photography (Fig 28).

5.2 The problem of identifying a future dwelling requirement has been approached from two main directions:

- Demand / trend growth based factors based on demographic trends and projections;
- Supply/ capacity based factors based on economic and physical land capacity/ construction capacity.

5.3 In the section on demand driven change, we saw that the evidence from projections produced using data that post-dates the onset of the recession in 2008 suggested a slowing of the rate of household formation in the Plan area but not, based on the currently partial evidence from the 2011 Census, a decrease in the projected rate of population growth. Whether this will be borne out by eventual experience is unknowable of course at this stage, especially when the housing market is far from buoyant still from the effects of current national economic difficulties.

5.4 However, it does seem prudent to take a cautious approach to the results of the Interim 2011 based projections until projections based on the full results of migration data from the Census become available. The fact that the Extended Interim 2011 based projection (EH2011)<sup>61</sup> also shows a modest acceleration in the rate of household

<sup>61</sup> The derivation of the EH2011 projection is described in full in para 4.16.

increase after 2021 (see Table 5) gives cause to look again at reconsidering the projection based on a simple extrapolation of the 2011-21 household increase rates. These were given in para 4.15 and stated that this would result in total household growth of twice the 2011-21 figure of 4,200 (i.e. 8,400) for West Dorset and twice 1,500 (i.e. 3,000) to arrive at a total for 2031. Applying the respective vacancy second homes rates of 7.9% and 5.7% we get a requirement on this basis of 9,000 for West Dorset and 3,200 for Weymouth and Portland. Even so, it is still notable that the extended EH2011 projection produced a somewhat lower housing requirement than the now out of date 2008 based DCLG figures (Table 5).

5.4 The evidence from the supply based factors shows that the area probably has the capacity to grow at the projected rate in terms of the capacity of available development land and the capacity of the market and construction industry. However, affordability will remain a problem given the impact of national factors driving house prices and rents at the local level. The susceptibility of the area to the transfer of housing costs from high house price areas to the east of the Plan area is also a major factor.

5.5 The review of the current state of the economy and the labour market shows, even in West Dorset, a considerable amount of spare capacity. Labour force activity rates are still well below their pre-recession peak and unemployment and part-time working levels suggest that jobs can theoretically grow some way based on the current labour force alone before real labour shortages will take effect, particularly in Weymouth. The increasing activity rates among older workers to deal with the twin effects of rising retirement age and less generous pension provision will further increase this existing latent capacity, even before the effects of future population growth are taken into account.

5.6 The economy and employment forecasts, especially when corrected for anomalies in two of West Dorset's economic sectors, show steady but not spectacular growth prospects for the next 20 years. These figures together with the current evidence of unused labour force capacity suggest that the EH2011 based housing requirement projections are realistic.

5.7 Taking this last point it is therefore recommended that the housing requirement 2011-31 should lie within the range indicated by the EH2011 projection in Table 5 at the upper end, and the continuation of the DCLG Interim 2011 based projection rate at the lower end ( para 5.4 and 4.15 above).

5.8 The recommendation therefore is that the housing requirement 2011-31 should lie within the range:

9,000 to 9,600 dwellings for West Dorset (450 to 480 p.a.);

3,200 to 3,300 dwellings for Weymouth and Portland (160 to 180 p.a.).

## Appendix 1

### The relationship between house building and local economic growth

DTZ (2006) Housing, Economic Development and Productivity: Literature Review (Report to the Dept of Trade and Industry), one of the pieces of work commissioned in the wake of the Barker Review of Housing Supply (2004), found that:

- Regarding impact of housing shortages on labour supply and mobility:

*“Frequently, areas of high unemployment are within travelling distance of areas with high levels of vacancies (for example in London). It is clearly desirable to remove housing related barriers to labour mobility but they are just one of a number of factors that lead to mismatches between labour demand and supply.”*

- As for productivity related issues:

*“**Skills:** There is limited evidence that the housing market is constraining the mobility of higher level skills in the economy – at least in the private sector. In the public sector, skill shortages linked to high housing costs are more prevalent.*

*“**Investment:** The evidence is mixed on whether there is a relationship between the housing market and capital investment by businesses. One hypothesis is that if businesses are facing rising labour costs due to the high cost of housing, they will have less capital to invest in the business. There is some evidence to support this hypothesis. A business survey in South East England found 13% of companies affected by high housing costs, were deferring or cancelling investment in their company due to rising costs or a lack of competitiveness.*

*However, the same survey found that 25% of companies that had experienced difficulty in recruiting and retaining staff due to high housing costs, had increased investment in capital in order to reduce their demand for labour. There is even evidence that this can take place in people-intensive industries where it is commonly thought to be difficult to substitute capital for labour. For example, an employer in the hotel sector reduced the need for kitchen staff through investment in a large steam oven which could heat pre-prepared meals for a large quantity of people. This shows how a tight housing market can be a spur for investment and innovation in some situations.*

*There is concern that the pressure to release land for housing may make it more difficult for businesses to invest in new premises when they need to expand or change working practices. This could undermine productivity. However, there is no evidence that PPG3 or general housing pressures are constraining employment land allocations.” ....“There is an issue about the protection of existing employment sites....”*

*“**Enterprise:** Banks are the main source of finance for start-up businesses and they are reluctant to sanction unsecured lending. Thus, the family home (which is usually the most valuable asset people own in the UK) could have an important influence on new firm foundation in this country. This may be one of the reasons why business start-up rates are highest in Southern England where high house prices have given people the opportunity to*

*build up most equity in their homes. However, this will not be the only reason why business start-up rates are high in Southern England.”*

*“**Innovation:** There is no hard evidence of a link between housing and innovation except to the extent that businesses may be encouraged to find new ways of doing things that reduce their need for staff, in a tight housing and labour market.*

***“Impact of Housing On Business Competitiveness***

*There is evidence that high housing costs are creating problems for a small (but still significant) proportion of private sector businesses: 12% of businesses are experiencing labour shortages / recruitment difficulties due to high housing costs in South East England. The main difficulty is recruiting workers at the lower end of the pay scale.*

*“There is no evidence of a rapid change in business sentiment towards being located in parts of the country with high housing costs.”*

*(DTZ 2006 op cit., paras 9-20)*

## Appendix 2: WDW Interim 2011-21 Household Representative Rates (HRRs), extended to 2021-31 (Part 1)

Household Representative Rates													
AreaName	Age	Gender	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
West Dors	15_24	M	0.12714	0.12584	0.12467	0.12311	0.12009	0.11917	0.11839	0.11668	0.11613	0.11587	0.11458
West Dors	25_34	M	0.71664	0.71226	0.70873	0.70362	0.70033	0.69825	0.70017	0.70110	0.70187	0.70343	0.70330
West Dors	35_44	M	0.89173	0.89116	0.88999	0.88808	0.88619	0.88452	0.88222	0.88046	0.87893	0.87676	0.87559
West Dors	45_54	M	0.94263	0.94252	0.94263	0.94244	0.94282	0.94284	0.94284	0.94284	0.94289	0.94311	0.94350
West Dors	55_59	M	0.97168	0.97171	0.97194	0.97190	0.97185	0.97195	0.97216	0.97201	0.97198	0.97235	0.97246
West Dors	60_64	M	0.97841	0.97847	0.97853	0.97842	0.97865	0.97808	0.97827	0.97823	0.97805	0.97781	0.97760
West Dors	65_74	M	0.98713	0.98746	0.98761	0.98758	0.98758	0.98774	0.98764	0.98770	0.98772	0.98754	0.98753
West Dors	75_84	M	0.98991	0.99006	0.99060	0.99123	0.99133	0.99146	0.99209	0.99247	0.99256	0.99300	0.99327
West Dors	85&	M	0.97878	0.98051	0.98065	0.98226	0.98246	0.98384	0.98406	0.98517	0.98577	0.98632	0.98695
West Dors	TOT	M	0.70399	0.70648	0.70756	0.70863	0.70977	0.71083	0.71160	0.71167	0.71187	0.71191	0.71200
West Dors	15_24	F	0.06331	0.06445	0.06419	0.06404	0.06391	0.06384	0.06464	0.06586	0.06651	0.06641	0.06564
West Dors	25_34	F	0.17771	0.17875	0.18054	0.18106	0.18228	0.18350	0.18492	0.18653	0.18856	0.19018	0.19188
West Dors	35_44	F	0.21597	0.21842	0.22081	0.22393	0.22728	0.22983	0.23246	0.23546	0.23781	0.24033	0.24307
West Dors	45_54	F	0.22421	0.22652	0.22845	0.22989	0.23121	0.23202	0.23262	0.23338	0.23349	0.23391	0.23415
West Dors	55_59	F	0.22256	0.22620	0.22993	0.23370	0.23722	0.24101	0.24471	0.24775	0.25034	0.25233	0.25389
West Dors	60_64	F	0.21312	0.21634	0.21951	0.22219	0.22489	0.22775	0.23058	0.23284	0.23551	0.23824	0.24084
West Dors	65_74	F	0.28343	0.28149	0.28079	0.28150	0.28287	0.28539	0.28763	0.28991	0.29225	0.29500	0.29812
West Dors	75_84	F	0.52780	0.52094	0.51507	0.50658	0.49980	0.49225	0.48407	0.47605	0.47031	0.46423	0.45828
West Dors	85&	F	0.73198	0.72811	0.72386	0.71876	0.71226	0.70476	0.69847	0.69165	0.68547	0.67862	0.67188
West Dors	TOT	F	0.23209	0.23337	0.23461	0.23585	0.23707	0.23801	0.23939	0.24071	0.24208	0.24331	0.24444
	TOT	M&F	0.45947	0.46142	0.46263	0.46379	0.46497	0.46591	0.46703	0.46775	0.46851	0.46915	0.46969
Weymout	15_24	M	0.16604	0.16997	0.17218	0.17362	0.17027	0.16810	0.16735	0.16683	0.16633	0.16447	0.16247
Weymout	25_34	M	0.68251	0.67793	0.67364	0.66872	0.66035	0.65185	0.64757	0.64458	0.64138	0.64224	0.64260
Weymout	35_44	M	0.89138	0.89135	0.89085	0.88979	0.88762	0.88598	0.88479	0.88262	0.88151	0.88028	0.87919
Weymout	45_54	M	0.93552	0.93559	0.93604	0.93692	0.93721	0.93808	0.93837	0.93890	0.93905	0.93976	0.94029
Weymout	55_59	M	0.95568	0.95508	0.95476	0.95467	0.95431	0.95423	0.95424	0.95407	0.95386	0.95345	0.95333
Weymout	60_64	M	0.95934	0.95869	0.95712	0.95671	0.95499	0.95459	0.95403	0.95287	0.95161	0.95007	0.94932
Weymout	65_74	M	0.98151	0.98182	0.98178	0.98212	0.98177	0.98237	0.98268	0.98244	0.98264	0.98253	0.98225
Weymout	75_84	M	0.98172	0.98284	0.98338	0.98422	0.98461	0.98481	0.98573	0.98600	0.98696	0.98718	0.98731
Weymout	85&	M	0.95345	0.95497	0.95748	0.96033	0.96224	0.96393	0.96694	0.96918	0.96963	0.97023	0.97146
Weymout	TOT	M	0.67066	0.67215	0.67264	0.67350	0.67500	0.67712	0.67877	0.67971	0.68040	0.68123	0.68210
Weymout	15_24	F	0.10483	0.10474	0.10436	0.10303	0.10222	0.10230	0.10430	0.10479	0.10626	0.10606	0.10487
Weymout	25_34	F	0.24274	0.24641	0.24953	0.25211	0.25470	0.25658	0.25890	0.26155	0.26378	0.26638	0.26910
Weymout	35_44	F	0.26563	0.26803	0.27127	0.27322	0.27615	0.27846	0.28021	0.28230	0.28426	0.28620	0.28853
Weymout	45_54	F	0.24016	0.24335	0.24572	0.24796	0.24937	0.25069	0.25134	0.25245	0.25287	0.25311	0.25320
Weymout	55_59	F	0.22140	0.22406	0.22647	0.22813	0.23054	0.23274	0.23443	0.23549	0.23601	0.23628	0.23616
Weymout	60_64	F	0.24223	0.24591	0.24978	0.25306	0.25623	0.25945	0.26261	0.26585	0.26881	0.27199	0.27522
Weymout	65_74	F	0.32230	0.31903	0.31810	0.31983	0.32210	0.32505	0.32925	0.33303	0.33591	0.33880	0.34097
Weymout	75_84	F	0.54298	0.53957	0.53206	0.52786	0.52335	0.51841	0.51388	0.50869	0.50222	0.49678	0.49241
Weymout	85&	F	0.71940	0.71485	0.71035	0.70519	0.69739	0.69134	0.68395	0.67940	0.67415	0.66816	0.66207
Weymout	TOT	F	0.23669	0.23826	0.23991	0.24133	0.24273	0.24406	0.24551	0.24728	0.24875	0.25017	0.25143
	TOT	M&F	0.45029	0.45205	0.45333	0.45462	0.45620	0.45805	0.45969	0.46113	0.46226	0.46344	0.46451

## Appendix 2: West Dorset / Weymouth and Portland Interim 2011-21 Household Representative Rates (HRRs), extended to 2021-31 (Part 2)

Household Representative Rates													
AreaName	Age	Gender	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
West Dors	15_24	M	0.11332	0.11207	0.11081	0.10955	0.10830	0.10704	0.10704	0.10704	0.10704	0.10704	0.10704
West Dors	25_34	M	0.70196	0.70063	0.69929	0.69796	0.69663	0.69529	0.69529	0.69529	0.69529	0.69529	0.69529
West Dors	35_44	M	0.87398	0.87236	0.87075	0.86914	0.86752	0.86591	0.86591	0.86591	0.86591	0.86591	0.86591
West Dors	45_54	M	0.94359	0.94367	0.94376	0.94385	0.94394	0.94402	0.94402	0.94402	0.94402	0.94402	0.94402
West Dors	55_59	M	0.97254	0.97262	0.97270	0.97278	0.97285	0.97293	0.97293	0.97293	0.97293	0.97293	0.97293
West Dors	60_64	M	0.97752	0.97743	0.97735	0.97727	0.97719	0.97711	0.97711	0.97711	0.97711	0.97711	0.97711
West Dors	65_74	M	0.98757	0.98761	0.98765	0.98769	0.98773	0.98777	0.98777	0.98777	0.98777	0.98777	0.98777
West Dors	75_84	M	0.99360	0.99394	0.99428	0.99461	0.99495	0.99528	0.99528	0.99528	0.99528	0.99528	0.99528
West Dors	85&	M	0.98776	0.98858	0.98940	0.99021	0.99103	0.99185	0.99185	0.99185	0.99185	0.99185	0.99185
West Dors	TOT	M	0.71280	0.71361	0.71441	0.71521	0.71601	0.71681	0.71681	0.71681	0.71681	0.71681	0.71681
West Dors	15_24	F	0.06587	0.06611	0.06634	0.06657	0.06681	0.06704	0.06704	0.06704	0.06704	0.06704	0.06704
West Dors	25_34	F	0.19330	0.19472	0.19613	0.19755	0.19897	0.20039	0.20039	0.20039	0.20039	0.20039	0.20039
West Dors	35_44	F	0.24578	0.24849	0.25120	0.25391	0.25662	0.25933	0.25933	0.25933	0.25933	0.25933	0.25933
West Dors	45_54	F	0.23514	0.23614	0.23713	0.23813	0.23912	0.24012	0.24012	0.24012	0.24012	0.24012	0.24012
West Dors	55_59	F	0.25702	0.26016	0.26329	0.26642	0.26956	0.27269	0.27269	0.27269	0.27269	0.27269	0.27269
West Dors	60_64	F	0.24361	0.24638	0.24915	0.25192	0.25470	0.25747	0.25747	0.25747	0.25747	0.25747	0.25747
West Dors	65_74	F	0.29959	0.30106	0.30252	0.30399	0.30546	0.30693	0.30693	0.30693	0.30693	0.30693	0.30693
West Dors	75_84	F	0.45133	0.44437	0.43742	0.43047	0.42352	0.41657	0.41657	0.41657	0.41657	0.41657	0.41657
West Dors	85&	F	0.66587	0.65986	0.65385	0.64784	0.64183	0.63582	0.63582	0.63582	0.63582	0.63582	0.63582
West Dors	TOT	F	0.24567	0.24690	0.24814	0.24937	0.25061	0.25184	0.25184	0.25184	0.25184	0.25184	0.25184
	TOT	M&F	0.47071	0.47173	0.47275	0.47378	0.47480	0.47582	0.47582	0.47582	0.47582	0.47582	0.47582
Weymouth	15_24	M	0.16211	0.16175	0.16140	0.16104	0.16068	0.16032	0.16032	0.16032	0.16032	0.16032	0.16032
Weymouth	25_34	M	0.63861	0.63462	0.63063	0.62664	0.62265	0.61866	0.61866	0.61866	0.61866	0.61866	0.61866
Weymouth	35_44	M	0.87797	0.87675	0.87553	0.87431	0.87310	0.87188	0.87188	0.87188	0.87188	0.87188	0.87188
Weymouth	45_54	M	0.94076	0.94124	0.94172	0.94220	0.94267	0.94315	0.94315	0.94315	0.94315	0.94315	0.94315
Weymouth	55_59	M	0.95310	0.95286	0.95262	0.95239	0.95215	0.95192	0.95192	0.95192	0.95192	0.95192	0.95192
Weymouth	60_64	M	0.94831	0.94731	0.94631	0.94531	0.94430	0.94330	0.94330	0.94330	0.94330	0.94330	0.94330
Weymouth	65_74	M	0.98232	0.98239	0.98247	0.98254	0.98261	0.98269	0.98269	0.98269	0.98269	0.98269	0.98269
Weymouth	75_84	M	0.98787	0.98843	0.98899	0.98955	0.99010	0.99066	0.99066	0.99066	0.99066	0.99066	0.99066
Weymouth	85&	M	0.97326	0.97506	0.97686	0.97866	0.98046	0.98226	0.98226	0.98226	0.98226	0.98226	0.98226
Weymouth	TOT	M	0.68325	0.68439	0.68554	0.68668	0.68783	0.68897	0.68897	0.68897	0.68897	0.68897	0.68897
Weymouth	15_24	F	0.10487	0.10487	0.10487	0.10488	0.10488	0.10488	0.10488	0.10488	0.10488	0.10488	0.10488
Weymouth	25_34	F	0.27174	0.27437	0.27701	0.27965	0.28228	0.28492	0.28492	0.28492	0.28492	0.28492	0.28492
Weymouth	35_44	F	0.29082	0.29311	0.29540	0.29770	0.29999	0.30228	0.30228	0.30228	0.30228	0.30228	0.30228
Weymouth	45_54	F	0.25450	0.25580	0.25711	0.25841	0.25972	0.26102	0.26102	0.26102	0.26102	0.26102	0.26102
Weymouth	55_59	F	0.23763	0.23911	0.24058	0.24206	0.24353	0.24501	0.24501	0.24501	0.24501	0.24501	0.24501
Weymouth	60_64	F	0.27852	0.28182	0.28511	0.28841	0.29171	0.29501	0.29501	0.29501	0.29501	0.29501	0.29501
Weymouth	65_74	F	0.34283	0.34470	0.34657	0.34843	0.35030	0.35217	0.35217	0.35217	0.35217	0.35217	0.35217
Weymouth	75_84	F	0.48736	0.48230	0.47724	0.47219	0.46713	0.46208	0.46208	0.46208	0.46208	0.46208	0.46208
Weymouth	85&	F	0.65634	0.65061	0.64488	0.63914	0.63341	0.62768	0.62768	0.62768	0.62768	0.62768	0.62768
Weymouth	TOT	F	0.25290	0.25438	0.25585	0.25733	0.25880	0.26027	0.26027	0.26027	0.26027	0.26027	0.26027
	TOT	M&F	0.46594	0.46736	0.46878	0.47020	0.47163	0.47305	0.47305	0.47305	0.47305	0.47305	0.47305

### Appendix 3

#### Extended Interim 2011 based population projection 2021-31

(2011-21 as for ONS Interim 2011 based sub national population projections)

FINAL EXTENDED 2011 BASED PROJECTION with year total corrections											
W Dorset											
Males											
AGE GROUP	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-4	2,575	2586	2576	2467	2475	2484	2490	2498	2506	2382	2393
5-9	3,084	3097	2966	2983	2992	3004	2890	2899	2909	2911	2923
10-14	3,034	3149	3136	3154	3164	3176	3184	3090	3101	3103	3116
15-19	2,693	2804	2793	2910	2918	3031	3038	3047	3058	3059	3072
20-24	1,603	1486	1480	1489	1493	1499	1628	1633	1639	1639	1773
25-29	1,985	1994	1854	1864	1870	1743	1747	1752	1759	1759	1767
30-34	2,214	2347	2214	2227	2110	2118	2123	2004	2011	2012	1895
35-39	2,132	2253	2357	2370	2378	2500	2507	2514	2408	2409	2304
40-44	2,363	2373	2482	2496	2504	2633	2640	2768	2898	2900	2912
45-49	2,730	2627	2503	2518	2525	2535	2541	2664	2674	2791	2804
50-54	3,433	3239	3226	3035	2939	2740	2641	2543	2552	2553	2564
55-59	4,050	4067	4051	3970	3877	3787	3691	3596	3396	3291	3199
60-64	3,943	4061	4146	4272	4285	4404	4414	4427	4340	4238	4153
65-69	3,737	3752	3836	3957	3969	4084	4194	4306	4422	4525	4645
70-74	4,064	3877	3760	3782	3691	3808	3817	3932	4050	4155	4278
75-79	3,177	3499	3690	3815	3827	3841	3747	3549	3561	3563	3579
80-84	2,111	2221	2312	2427	2536	2749	2960	3173	3287	3289	3303
85-89	1,381	1386	1480	1488	1592	1598	1702	1808	1915	2017	2127
90+	776	780	874	879	979	983	1084	1087	1190	1290	1296
<b>Total</b>	<b>51,084</b>	51597	51735	52104	52124	52718	53039	53290	53675	53888	54104
W Dorset											
Females											
AGE GROUP	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-4	2,522	2533	2523	2538	2545	2555	2433	2440	2449	2450	2461
5-9	3,031	2927	2915	2932	2941	2834	2841	2849	2859	2861	2753
10-14	2,868	2880	2967	2984	2993	2905	2912	2920	2931	2831	2843
15-19	2,354	2364	2453	2566	2672	2683	2689	2697	2706	2708	2720
20-24	1,452	1326	1320	1328	1332	1337	1475	1479	1484	1485	1627
25-29	1,905	1913	1770	1780	1785	1792	1797	1663	1669	1809	1817
30-34	2,113	2122	2113	2126	2132	2014	2019	2025	2032	2033	1915
35-39	2,265	2274	2384	2398	2405	2535	2542	2549	2436	2437	2448
40-44	2,592	2603	2593	2608	2616	2626	2752	2760	2890	2891	3025
45-49	3,041	2949	2727	2743	2646	2656	2662	2670	2679	2681	2692
50-54	3,897	3810	3795	3611	3518	3324	3124	3029	2935	2936	2949
55-59	4,589	4608	4490	4416	4429	4345	4255	4165	4078	3978	3791
60-64	4,410	4529	4711	4840	4955	5076	5089	5103	5019	4919	4940
65-69	4,113	4231	4315	4340	4454	4573	4788	5006	5126	5231	5357
70-74	4,417	4234	4217	4141	4153	4169	4179	4294	4309	4516	4639
75-79	3,654	3868	4050	4173	4186	4202	4012	3923	3937	3938	3956
80-84	2,514	2626	2817	2934	3146	3362	3575	3790	3906	3908	3925
85-89	1,882	1890	1982	1994	2100	2108	2213	2321	2430	2634	2747
90+	1,604	1711	1804	1815	1922	1929	2035	2143	2253	2357	2470
<b>Total</b>	<b>55,223</b>	55397	55947	56265	56932	57025	57391	57827	58129	58604	59075
<b>Total M&amp;F</b>	<b>106,307</b>	106,994	107,682	108,369	109,056	109,743	110,430	111,118	111,805	112,492	113,179

Weymouth & Portland											
Males											
AGE GROUP	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-4	1798	1705	1702	1704	1706	1705	1715	1711	1606	1608	1612
5-9	1958	1863	1860	1861	1864	1863	1874	1759	1761	1763	1768
10-14	1687	1700	1697	1698	1801	1800	1710	1706	1707	1709	1714
15-19	1626	1638	1738	1739	1742	1741	1751	1849	1851	1853	1858
20-24	1706	1617	1614	1616	1618	1617	1627	1724	1726	1728	1834
25-29	1960	1870	1867	1869	1767	1767	1672	1668	1670	1672	1781
30-34	1951	1965	1962	1963	1863	1759	1769	1764	1766	1664	1668
35-39	1705	1718	1715	1716	1815	1814	1920	1820	1821	1824	1732
40-44	1801	1936	1932	2055	2058	2178	2190	2307	2309	2312	2439
45-49	1916	1817	1700	1701	1704	1703	1827	1823	1938	2055	2060
50-54	2367	2276	2272	2165	2060	1951	1853	1740	1741	1744	1748
55-59	2546	2565	2453	2455	2459	2351	2257	2252	2146	2042	1939
60-64	2216	2334	2330	2433	2437	2436	2449	2444	2446	2347	2353
65-69	2039	2054	2152	2154	2158	2259	2272	2370	2372	2478	2484
70-74	2160	2072	1965	1967	1866	1969	1980	2079	2081	2084	2194
75-79	1698	1811	1908	1910	1913	1912	1822	1716	1718	1720	1724
80-84	1075	1083	1180	1181	1281	1379	1486	1581	1583	1585	1589
85-89	637	749	748	748	750	856	861	859	967	969	1079
90+	494	498	596	597	597	697	701	699	800	801	903
<b>Total</b>	<b>33340</b>	<b>33272</b>	<b>33390</b>	<b>33534</b>	<b>33460</b>	<b>33756</b>	<b>33734</b>	<b>33871</b>	<b>34009</b>	<b>33957</b>	<b>34478</b>
Weymouth & Portland											
Females											
AGE GROUP	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0-4	1784	1692	1688	1690	1693	1692	1701	1591	1593	1595	1599
5-9	2015	2030	2026	2028	1918	1917	1928	1923	1925	1928	1819
10-14	1812	1825	1822	1824	1826	1825	1836	1832	1737	1739	1743
15-19	1623	1635	1734	1838	1841	1840	1953	1948	1950	1953	1957
20-24	1426	1437	1332	1333	1335	1334	1445	1442	1546	1548	1552
25-29	1484	1496	1493	1494	1496	1389	1397	1393	1395	1397	1400
30-34	1516	1528	1525	1526	1419	1418	1427	1423	1425	1426	1320
35-39	1563	1575	1693	1695	1819	1818	1828	1824	1825	1706	1710
40-44	1689	1702	1699	1700	1703	1702	1712	1830	1832	1834	1838
45-49	1857	1663	1556	1557	1560	1559	1568	1564	1565	1567	1571
50-54	2393	2411	2302	2199	2098	1992	1898	1788	1684	1687	1691
55-59	2537	2556	2551	2452	2455	2454	2365	2360	2259	2159	2061
60-64	2419	2538	2534	2637	2642	2640	2553	2547	2549	2553	2457
65-69	2118	2134	2232	2234	2339	2338	2453	2447	2552	2555	2561
70-74	2301	2213	2209	2105	2109	2108	2119	2220	2222	2331	2337
75-79	1804	2019	2116	2118	2121	2120	2031	1925	1926	1929	1934
80-84	1241	1355	1352	1458	1564	1667	1782	1882	1884	1991	1891
85-89	886	893	891	892	993	992	998	995	1096	1197	1300
90+	819	825	824	825	918	917	922	1012	1013	1107	1109
<b>Total</b>	<b>33289</b>	<b>33526</b>	<b>33578</b>	<b>33604</b>	<b>33848</b>	<b>33722</b>	<b>33914</b>	<b>33947</b>	<b>33978</b>	<b>34200</b>	<b>33850</b>
<b>Total M&amp;F</b>	<b>66628</b>	<b>66798</b>	<b>66968</b>	<b>67138</b>	<b>67308</b>	<b>67478</b>	<b>67648</b>	<b>67818</b>	<b>67988</b>	<b>68158</b>	<b>68328</b>



## APPENDIX 4

### Author's biographical details:

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Keith Woodhead, Chartered Town Planner  
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#### Career Profile

Dr Woodhead is a widely experienced local government manager and Chartered Town Planner in the fields of strategic planning policy, and social and economic research. He has a long established record of successful innovation in plan development and delivery, technical research, corporate service delivery and problem solving in local government and multi-organisational/ multi sectoral partnerships.

#### Career Summary

**Current and most recent role:** Keith Woodhead is an independent planning consultant specialising in strategic planning policy and research matters, demographic and economic research, strategic planning for housing, town centres and rural development. The practice was founded in 2010. Recent work includes reports on strategic housing policy and supporting research evidence for a number of local authorities mainly in the South West, including South Gloucestershire Council, Bath and North East Somerset Council, North Somerset Council, and Wiltshire and Cornwall Councils under the planning reforms introduced by the UK Coalition Government. In the case of the three West of England authorities the work included representing the Council at the Core Strategy public examinations. Recent work has also been carried out for Stroud, West Oxfordshire and Cotswold District Councils to identify and to test an appropriate growth level for the emerging Local Plan.

Other recent projects include work for the Planning Advisory Service on guidance for councils on the Duty to Co-operate requirement in the NPPF. Dr Woodhead is a Visiting Lecturer in Planning at Plymouth University, teaching aspects of planning theory and forecasting methodology on the Planning MSc course and until 2013 he was acting as RTPI representative on the South West Housing Initiative.

Between 2008 and 2010 he was Senior Policy Manager responsible for evidence base and related preparation for the then projected Single Regional Strategy at South West Councils

and for managing the transition from the Strategic Leaders' Board duty as Regional Planning Body (RPB) in the light of legislation in 2009. He left SW Councils on the closure of the RPB on 31 March 2010.

**Areas of expertise:** include Planning policy development, spatial statistical analysis and research, demographic and economic analysis, modelling and forecasting, housing development planning and research, household surveys, tourism surveys and research and retail planning and analysis.

Dr Woodhead joined South West Councils' predecessor organisation, the SW Regional Assembly, in late 2002 as Head of Planning to help lead development of the region's new Regional Spatial Strategy and its newly assumed role as Regional Planning Body. Other work ranged from managing development of the Annual Monitoring Reports for RPG10, and the RPB's role as a statutory planning consultee. The RSS Examination in Public in 2007 was his eighth EiP, building on earlier experience of Structure Plan examinations and local planning inquiries. Later work included joint working with the SWRDA to develop aspects of the evidence base for the new Single Strategy for the region.

**Previous experience and achievements:** Following a PhD in Geography (University of Hull) for a study of migration decision making and retirement migration, Dr Woodhead worked on general housing policy and housing mix in new settlements and on the management of demographic change for Peterborough New Town Development Corporation (1972-74). Later he worked on policy for Cambridgeshire Structure Plan, corporate demographic demand forecasting and economic policy for Cambridgeshire County Council (1974-80) before moving to manage the Dorset Structure Plan Research and Intelligence unit in Bournemouth and in client side management of a large departmental IT network. (1980-97). In a subsequent move to Dorchester as Group Manager for Research and Information for Dorset County Council (1997-2002), he managed a large team working on strategic planning policy development and monitoring, corporate (and wider partnership) research and intelligence and GIS services.

In 1990 Dr Woodhead was awarded a joint Diploma in Town and Country Planning (Distance Learning) by Bristol and Leeds Polytechnics (now respectively University of the West of England and Leeds Metropolitan University). He became a Corporate Member of the Royal Town Planning Institute in 1991.

Achievements during this time included successful development and delivery of policy and evidence for four successive Structure Plan alterations, developing corporate research services to the county council, the then eight District Councils of Dorset, and a number of external partners including the Dorset and New Forest Tourism Partnership, the Dorset Crime and Disorder Reduction Partnership, Dorset Fire and Rescue, Emergency Planning and Police, Dorset LSC, and, earlier, Dorset Training Consortium, and Dorset Training and Enterprise Council. Other activities included managing two successful Single Regeneration Budget (SRB2) project bids (one relating to urban social and economic regeneration and the other to tourism business skills development) and a related European Social Fund financed multi partner tourism business development project.

*[Ends]*