

Statement from Bishop's Tachbrook Parish Council relating to the Matters and Issues identified by the Inspector.

Represented by Councillor Ray Bullen Dipl. Arch RIBA.

Matter 2 – Overall provision for housing

Issue

Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the overall provision for housing.

Policies DS2, DS6 and DS20

Questions

- 1) ***Does the Coventry and Warwickshire Joint Strategic Housing Market Assessment (SHMA) of September 2015 provide a robust evidence base for Objectively assessed Need (OAN) in the Housing Market Area (HMA) and individual authorities and is the methodology appropriate?***

The joint SHMA was prepared in September 2015 and was based on the 2012-based Household Projections published by DCLG in February 2015 which were the latest official household projections at that time. Para 1.14 points out that the Planning Practice Guidance says that the starting point for establishing the need for housing should be the latest household projections published by the DCLG. This found that the FOAN for the HMA was 4,004 dwellings per annum. At the initial hearing of the examination in June 2015 the Inspector agreed to use the DCLG figures as the minimum that the Local plan should achieve.

The SHMA reviewed those figures taking into account the 2013 and 2014 population estimates and other matters. The conclusion it reached was given in table 53 of the SHMA as

Table 1 SHMA assessment Sept 2015	Demographic based need	Support economic growth	Improving affordability	Total
Coventry	2,099	0	21	2,120
North Warwickshire	163	47	27	237
Nuneaton & Bedworth	423	73	6	502
Rugby	464	0	16	480
Stratford on Avon	449	201	9	659
Warwick	600	0	0	600
Coventry/Warwickshire	4,197	-	75	4,272

Note, that in the totals given for Coventry/Warwickshire, economic growth is excluded as GL Hearn considers *that where an authority is meeting unmet needs from another, this will support population and workforce growth within the receiving authority's area. On this basis it is important not to double count unmet needs and provision to meet economic growth.* (para 7.23 of Hearn report). The overall total is given as 4,272, which is correct for bottom line but is not the total of the column above as this totals 4,598 because it includes economic growth and corrects the summation of affordability shown as 75 but adding up to 79. Although the SHMA intention is correctly set out at 4,272 (or 4,277) it appears to have been misinterpreted at the Memorandum of Understanding stage and this will be addressed in Question 11.

For comparison, Table 2 below shows the breakdown of the 4004 HMA FOAN agreed at the initial hearing. It also shows the 18 year plan period OAN for each authority in each case.

Table 2 Housing need projection

Housing Market Area authorities	mid 2012 DCLG 18 year FOAN accepted by Exam Inspector - Feb 2015		Hearn table 2 exc economic growth - Sept 2015	
	dwellings per annum	18 year plan need	dwellings per annum	18 year plan need
Coventry	1811	32598	2120	38160
North Warwickshire	204	3672	190	3420
Nuneaton & Bedworth	422	7596	429	7722
Rugby	453	8154	480	8640
Stratford on Avon	508	9144	458	8244
Warwick	606	10908	600	10800
Total	4004	72072	4272	76986
dwellings per annum		4004		4277

The right hand columns of Table 2 shows that after allowing for demographic based need, support for economic growth being double counting and affordability, the conclusion was that the plan should seek to provide 4,272 (or 4277?) dwellings per annum or 76,896 (or 76,986?) dwellings over the 18 year plan period.

However, since September 2015

- a) The mid-2014based ONS population projections and the related DCLG household projections have been published and supersede the SHMA report; and
- b) The European referendum took place on June 23rd 2016 and the result is now being addressed by a new Prime Minister's government. It means that the effect on economic matters and migration patterns may not be as assumed so

far, so in assessing housing need, more caution is necessary in making planning decisions too soon that cannot be undone once they are made.

Hence, the resultant Memorandum of Understanding needs to be reviewed in the light, certainly, of the new projections and to a degree to the referendum result until the directions of new policies begin to manifest themselves.

2) What are the assumptions in terms of population change, migration, household size and household formation rates? What is the basis for these and are they justified?

Since the SHMA is based on the mid-2012 based projections, it's reinterpretation from 1,811 to 2,120 for Coventry needs review in the light of the 2014 based projections. Para 7.8 of the SHMA admits that *The demographic analysis does highlight that accurately projecting population growth for Coventry is more difficult than for other areas; and subject to therefore a larger potential margin of error (particularly in terms of the scale of population growth / housing need). This should be recognised in interpreting the analysis.*

Across the HMA the population projections for Coventry have risen and, for Rugby, risen marginally. The remaining authorities' projections have fallen with a net marginal increase across the HMA. DCLG household projections have risen for Coventry but fallen for the rest of the HMA. This is, in part, due to updates to household size projections up to 2029.

Table 3 % changes between 2012 and 2014 based projections	% change between 2012 and 2014 population projections	% change between 2012 and 2014 household projections
Coventry	+24%	+4.4%
North Warwickshire	-33%	-1.4%
Nuneaton & Bedworth	-28%	-2.68%
Rugby	+1%	-1.01%
Stratford on Avon	-13%	-1.66%
Warwick	-19%	-3.28%
Overall change between the projections	+1%	+0.31%

The Household Size is an extremely sensitive number as very small changes translate, potentially, into large changes in the number of dwellings needed. Given that DCLG are projecting different household sizes between the 2 projections, examination of the data is essential. A detailed analysis of household size projections has been undertaken and this is attached as Appendix 1 to this Statement.

The adjustments already made to the DCLG household size by 2029 on the basis of updated figures between 2012 and 2014 indicate that, as household size approaches a lower figure the rate of household size reduction may be slower than currently predicted. That figure will be different for each authority with the city urban areas maintaining a higher household size than town urban areas.

The analysis concludes that it is more probable the 2029 average household size will be higher than currently predicted by DCLG and could result in a reduced total housing need of 426,637. This is 5,794 less than currently predicted by amending the DGLG household size to one that better relates to the known past data as shown in table 4.

Table 4 Effect of adjusting the household size for 2029

Household size in	amend 2029 hh size to	revised housing need	2014 projection	reduction
Coventry	2.425	168825	169,520	695
North Warwickshire	2.3	28097	28,353	256
Nuneaton & Bedworth	2.3	58210	58,982	772
Rugby	2.35	48957	49,698	741
Stratford	2.25	57508	59,310	1,802
Warwick	2.3	65267	66,768	1,501
TOTAL		426,863	432,631	5,768

Clearly, this will not be known until later data is available, but since it is a cardinal rule that public authorities should not make financial commitments on public expenditure until the need is established, at the very least this potential reduction in the housing need should be considered as the contingency to cover non-achievement of part of the HMA housing programme. The plan should then work to the lower number in selection of sites at this stage since planning permission for more than may be needed cannot be rescinded.

3) *How has the issue of unattributable population change been dealt with and is this justified?*

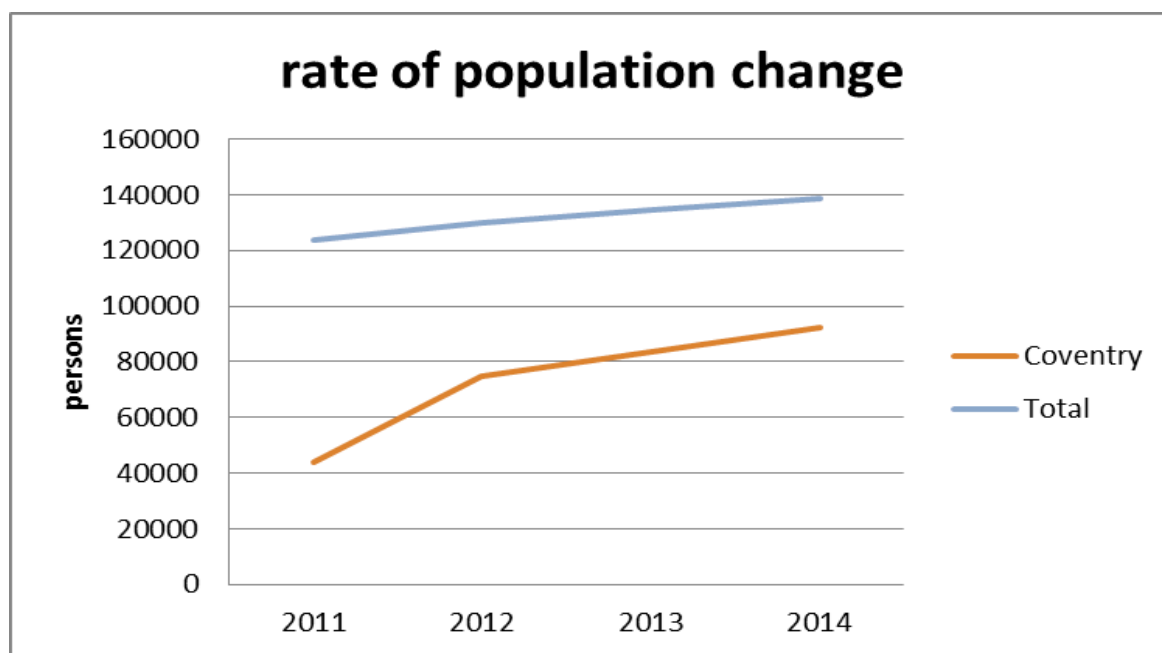
Unattributable population change has been discontinued by the ONS since 2011 as I understand it. The only HMA authority that any other than a negligible number included in it's projections was Coventry.

The following extract, in Table 5, of Coventry's population estimates from 2001 to 2012 shows that a deduction was made annually of about 1500, said to be due to, inter alia, late notification by students of moves they made at the end of courses which eventually come to light. Between the 2001 and 2011 census the result if its inclusion brought the population estimates in line with the census. Since the census is a careful physical count it is seen to be more accurate than population estimates that depend on a wide range of data from a number of sources that may not include all the changes that have occurred certainly at the time they occur.

Table 5 Coventry's unattributable population history

	Coventry							2011 projection		316,915	322,625	
mid-year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
population estimate from last year	302804	302804	301295	300665	298174	298386	300129	301429	305186	307393	311674	316915
population calculated	0	-1509	-630	-2491	212	1743	1300	3757	2207	4281	5241	6217
births (actual no migrtn)		3601	3676	3920	3941	4071	4241	4550	4540	4746	4843	4728
deaths		2894	3004	3073	3031	2918	2853	2815	2849	2667	2591	2650
internal in		11718	13036	12621	12840	13747	13180	13575	13974	14700	14802	16392
internal out		14284	14935	15482	15120	15479	15955	15062	15329	15646	15576	17384
internat in		4750	5066	4821	5657	7179	7293	6921	6548	7455	9043	7051
internat out		2863	2957	3816	2564	3354	3087	1927	3172	2787	3837	1935
special change		-23	-12	32	-8	-14	-19	0	-14	-33	48	15
unattributable		-1514	-1498	-1510	-1498	-1484	-1494	-1481	-1489	-1487	-1491	0
other		0	-2	-4	-5	-5	-6	-4	-2	0	0	0
total mid-year to take to next year	302804	301295	300665	298174	298386	300129	301429	305186	307393	311674	316915	323132
												6217

When the unattributable category was discontinued it was explained by ONS that over time, the estimates will include these matters in the other headings but it will take some time for it be worked through. A new category called cross border migration – between the countries of the UK – may include some of the data that was previously allocated to unattributable.



This graph from Appendix 2 - ONS 2014-based Subnational population projections- page 4 shows the Coventry rate of change of population increase.

The mid-2011based projections gave 360,799 as the 2029 expected population, an increase of 43,884 over the mid-2011 actual.

The mid-2012 based projection gave 391,710 as the 2029 population, an increase of 74,795 over the mid-2011 actual. This is a rate of change in the projection for 2029 of 30,910 in one year.

The mid-2014 based projection gave 409,400 as the 2029 population, an increase of 92,485 over the mid-2011 actual. This is a rate of change in the projection for 2029 of 17,690 in two years, demonstrating a significant reduction in the rate of change. This may support the intention of ONS that unattributable population change omission will correct itself over time.

There does not seem to be any reason for any other action than to accept the figures as they are. If the 2021 census shows a disagreement with the ONS estimates then no doubt adjustments will be made as they were in 2011.

4) Are the figures it arrives at for demographic based housing need appropriate? What would alternative assumptions suggest and is there a justification to use these?

Para 7.53 of the September 2015 SHMA suggests that Coventry Demographic based housing need is 2099 with affordability adding 21 to that figure giving a total of 2,120 dwellings per annum.

The May 2016 ONS projection gives an increased projection for Coventry by 2029 of 2,280 dwellings per annum or 41,050 dwellings in 18 years. This exceeds the SHMA assessment and is required by Planning Practice Guidance to be the latest data that should determine the provision for housing.

For the same reasons, the 2014 projections should be used across the whole HMA and should be as set out in Table 4 of Appendix 2 page 6 reproduced here as table 6.

mid-2014 based DCLG projection	18 year housing need		
	actual 2011	2029 projection	additional need
Coventry	128,447	169,520	41,073
North Warwickshire	25,856	28,353	2,497
Nuneaton & Bedworth	52,800	58,982	6,182
Rugby	42,085	49,698	7,613
Stratford on Avon	52,090	59,310	7,220
Warwick	58,714	66,768	8,054
C & W total	359,992	432,631	72,639
FOAN excluding Coventry			31,566

Table 6 HMA FOAN and additional need over actual at 2011

5) Now that the 2014 based population projections and 2014 based household projections are available should they be used to review the figures? How do they differ from previous projections and what effect would this have?

Yes, the 2014 based projections should be the lead documents when reviewing the figures. Please refer to appendices 1 and 2 and question 10. The effect would be to meet the 2014 projected OAN across the HMA but in a way that would be more acceptable to the HMA authorities and be more consistent with the NPPF in terms of losing less Green Belt and valued landscape and countryside.

6) What are the assumptions regarding economic/employment growth and are these justified?

The SHMA suggest that building this volume of housing would exceed the anticipated economic and employment growth so should not be double counted by adding this factor to the mix.

7) *How have market signals and affordable housing needs been taken into account? Is this justified?*

Market conditions are described by the SHMA as average with some house types down and others up in value. Increasing housing supply should increase affordability or so the theory goes. But the housing market, as most people's main purchase, is subject to other factors, including the ability of the better off to close deals excluding those less well off. The low bank interest rates are encouraging those with cash to save to enter the rental market and get a better return than the low bank interest rates now in place. This tends to make all housing less affordable when purchasers have to compete to buy. Greater effort is needed to change the way the market operates to get house prices back to a level related to the average family income.

Affordable housing to the level of the assessed need is being achieved by the requirement of 40% affordable housing on all sites over 10 dwellings. Planning permissions have so far been granted that give at least 3,400 dwellings which is close to the current need for Warwick District.

8) *What effect have all of these factors had on the figures for OAN in individual authorities and the HMA as a whole? i.e. how have demographic projections been adjusted?*

The plan suggested in question 10 would meet all the demographic, economic and affordability issues identified in the SHMA.

9) *Are the figures in the September 2015 SHMA for OAN in the HMA and Warwick District appropriate? Is there a basis to arrive at alternative figures?*

The SHMA figures are no longer appropriate, as using the plan in the answer to question 10 is better.

10) *How will unmet needs from Coventry be met? What is the basis for calculating the distribution of unmet needs to other authorities and is this justified?*

It is suggested that, now the mid-2014 DCLG projection is known, the HMA projection of 72,639 is used with Coventry's unmet need of 18,933 split between the shire districts by adding the unmet need to the shire district individual need in the same proportion that each shire district is of the total shire district need. For example, for Warwick, the 2029 need is 8,054. This is 25.91% of the total shire district need of 31,566. 25.91% of Coventry's unmet need of 18,933 is 4,831 giving a total for Warwick of 12,885 as shown in Table 7. See also Appendix 2 for further detail.

mid-2014 based DCLG projection	18 year housing need				
	2029 additional need	% of shire districts FOAN	same % of Coventry's unmet need	total authority need	households per annum
Coventry - claimed max possible				22,140	1230
North Warwickshire	2,497	7.91%	1,498	3,995	222
Nuneaton & Bedworth	6,182	19.58%	3,708	9,890	549
Rugby	7,613	24.12%	4,566	12,179	677
Stratford on Avon	7,220	22.87%	4,330	11,550	642
Warwick	8,054	25.51%	4,831	12,885	716
		100.00%			
FOAN to meet duty to cooperate	31,566	+	18,933	72,639	4,036

Table 7 Revised distribution of Coventry's unmet need across the HMA

At the initial hearing of the examination of the DLP in May 2015, it was found that the 2012 based projection of 4,004 dwellings per annum should be regarded as the minimum that the plan should provide. By the same token, using the 2014 based DCLG projection of 4,036 dwellings per annum is the equivalent figure and therefore, the MoU figure of 4,408 is out of date. The difference between the MoU and the 2014 projections is large, being 6,075 dwellings and redistribution of the OAN is justified. As well as other benefits, the 2014 based projections permit a wider choice of sites to get a better spatial distribution in relation to where the unmet need is located.

- 11) Does the Memorandum of Understanding (MOU) between authorities effectively deal with this issue? What does this commit authorities to and is this sufficient? How does this relate to existing and emerging plans?**

No it does not. The latest projections demonstrate that the MoU goes way beyond the projection needed by the HMA providing 6,705 sites more than the projection. In addition, the more likely household size than the current DCLG projection suggests could mean that even this volume is excessive. This table compares the MoU with the revised distribution in Question 10

Table 8 Compariogn of the MoU with a revised distribution

Memorandum of Understanding	Revised distribution			
	dpa	18 year	dpa	18 year
Coventry	1,230	22,140	1,230	22,140
North Warwickshire	264	4,752	222	3,995
Nuneaton & Bedworth	703	12,654	549	9,890
Rugby	620	11,160	677	12,179
Stratford on Avon	659	11,862	642	11,550
Warwick	932	16,776	716	12,885
C & W total	4,408	79,344	4,036	72,639

The reason for the high level of the MoU is also partly due to the fact that in its table 2 in para 7 it adds back in the support for economic growth of 131 to the SHMA figure of 4,277 to get 4,408 that the SHMA said was double counting. It does so on the grounds of taking account of commuting patterns outside the C & W HMA. But commuting patterns should be reduced where possible to be consistent with the NPPF and the provision of workplace and housing should be related. This leads to a need to establish the correct spatial strategy that over provision in one area will not solve. For example, to provide social housing for Coventry or Birmingham in remoter parts of Warwickshire will fail to meet the Coventry need due to cost travel and time factors for the people involved.

12) *What is the position with Nuneaton and Bedworth Borough Council and the MOU? How does this affect the situation? What are the implications for other authorities?*

The revised distribution helps the situation with Nuneaton & Bedworth reducing its requirement from 703 to 549 dwellings per annum. There are also significant reductions for North Warwickshire and Warwick District and a smaller reduction for Stratford. There is a small increase for Rugby arising from the increased population projection and its resultant proportion of the unmet Coventry need, but this could be located on the eastern boundary of Coventry, north of Coombe Abbey Country Park and west of the Rolls Royce factory.

13) *What effect does the situation in Birmingham have i.e. in terms of unmet need, the relationship to Coventry and Warwickshire authorities and the Birmingham Development Plan? Has this been taken into account?*

Birmingham has a large potential for renewal across major parts of the city with large unused or poor areas. It also relates to adjacent major conurbations that have similar problems and these are closer in geographical distance to reduce travel to work distances. Stratford is the only C & W HMA that shares a boundary with Birmingham. The small reduction in Stratford's need shown in the answer to question 11 may help Stratford to meet any demand they experience from Birmingham.

14) *Is the level of housing now proposed by the Council i.e. 932 dwellings per annum appropriate? Would it meet OAN in the District and make an appropriate contribution to meeting unmet needs from Coventry?*

No it is not appropriate and should be reduced to 716 as set out in question 10 which will provide for the district OAN and meet over 25% of Coventry's unmet need. But it also needs to be said that Coventry should look harder at its ability to accommodate more of its own need. This could be done by

- a) Increasing its policy of development at 30 dwellings per hectare to 35 as is the case in Warwick. After all, the unmet Coventry need that spills over into Warwick will be provided at 35 dw/ha so would be better located in Coventry's own urban area to provide for those working in Coventry.

- b) Coventry still has a large area of Green Belt within its own boundary. Maybe this has to be released further to allow it to grow towards Birmingham but still maintain a substantial break between the two conurbations. If this doesn't happen and development leapfrogs over green belt into remoter countryside consequentially, green area of equal or better quality will be lost as well as travel distances increased. Neither of these results are consistent with the NPPF in terms of sustainability.
- c) Increase its policy of providing student accommodation to release some of the existing housing for normal population use. In 2011 there were 10,413 all student households. If 50% of these were released back to the city that provides 5,000 dwellings to an expanding city that needs 41,050 new dwellings by 2029. That is 12.5% of that need. Student accommodation can be better located close to the city centre where students want to be for recreational purposes as well as academic.

15) *What would be the implications for population change, migration and employment growth? Is this realistic and how does it sit with other aspects of the Local Plan e.g. employment and infrastructure growth?*

Employment

– Warwick - Nomis Feb 2016 labour supply report; 2000 unemployed or 2.6%. no figure given for numbers seeking work as survey sample too small to give a reliable result. Warwick has a good job to dwelling ratio of 1.615. Out of work benefits are at 0.7% or 600 people. Warwick has 98,000 jobs and a job density of 1.08. Although in more or less full employment, the existing population has some potential for economic growth. In 2015, internal migration was a net outflow of about 300 and an international migration net inflow of about 450.

Warwick has a good employment record but with some potential for economic growth. It is important to keep the labour supply and demand in balance. New populations will need corresponding jobs.

- Coventry - Nomis Feb 2016 labour supply report; 9,500 unemployed or 5.9%. 7,400 seeking work; has a good job to dwelling ratio. Out of work benefits are at 2.0% or 4,445 people. Coventry has 171,000 jobs and a job density of 0.77. The existing population has potential for economic growth. In 2015, internal migration was a net outflow of about 400 and an international migration net inflow of about 6,600.

Coventry's high projection will need substantial employment expansion to accommodate both the existing population as well as the expansion. People follow jobs so without employment the nett internal outflow is likely to increase.

16) *Should the amount of housing now proposed (932 dwellings per annum) be increased or decreased? If so to what level and on what basis?*

Answered in previous questions.

17) *Is the approach to a review of the Local Plan (Council's suggested modification to Policy DS20) appropriate?*

In the consultation representation made by this Parish Council, an amendment to sub para a) was suggested.

Since that was written, two new matters would indicate that DS20 should be reworded .

1. 2014 projections do not support the level of growth currently in the MoU. The whole policy DS20 is written on the expectation that numbers will continue to rise and makes no provision for changes if numbers decline. Future government policy on migration may alter existing patterns so there should be provision to follow numbers going down as well as up.
2. The policy is too imprecise to say when the plan will be reviewed. It leaves too much to interpretation and as such may either never happen or take too long to be effective.

The policy should be anchored to the DCLG bi-annual housing projections and triggered by a % change in both the total HMA projection and any of the individual authority projections.

If for example, the change trigger was levied at 5% above the starting point of the plan, then if the next projection changed the HMA requirement by 200dpa, either up or down, or any of the authorities needs a 5% adjustment to their housing need, up or down, either within the overall HMA need or not, then the MoU(revised) would have a mechanism within it to adjust the Local Plan projections relatively seamlessly. An exception could be built in so that if any authority found it needed to change its OAN but because permissions already granted at the time were sufficient to meet the new projection, it would not need to trigger the adjustment procedure.

As this would happen on a biannual basis it would continuously keep the Plan up to date with marginal changes occurring as they happen.

This would require a rewrite of paras a) & b)

Statement from Bishop's Tachbrook Parish Council relating to the Matters and Issues identified by the Inspector.

Household sizes used by DCLG in its predictions for housing need.

Cllr Ray Bullen, Bishop's Tachbrook Parish Council

17 August 2016

1. The ONS produce population projections up to 2039. These are based on the way that the population in LA areas have changed in the last 5 or 6 years by averaging those numbers forward. The DCLG convert those numbers into the number of dwellings needed from an average Household Size obtained by dividing the population in any year by the number of dwellings available, assuming these are all single households.

The Household Size is an extremely sensitive number as very small changes translate, potentially, into large changes in the number of dwellings needed.

2. An analysis of the 2012 and 2014 DCLG projections of housing need shows that over the local plan period up to 2029 and beyond, the DCLG are forecasting a considerable drop in household size. However, there are changes in household size between the 2012 and 2014 based projections.

The analysis shows that across the HMA, based on the mid-2014 projections, a substantial fall in household size is assumed by DCLG, varying across the HMA authorities, but having an overall reduction of 4.11% in household size between 2011 and 2029. The 2012 projections resulted in a 4.54% fall. For example, in Warwick District the 2011 household size was 2.3459. The 2014 projections for 2029 show the household size to be 2.2483, but this is not as low as the 2012 projections that projected a household size of 2.217.

This factor alone is responsible for 17,907 new households and if it did not occur would reduce the current 2029 new HMA household need from 74,483 to 56,576. In terms of land take, at 35 dwellings per hectare this reduces the land required by 511ha plus infrastructure support.

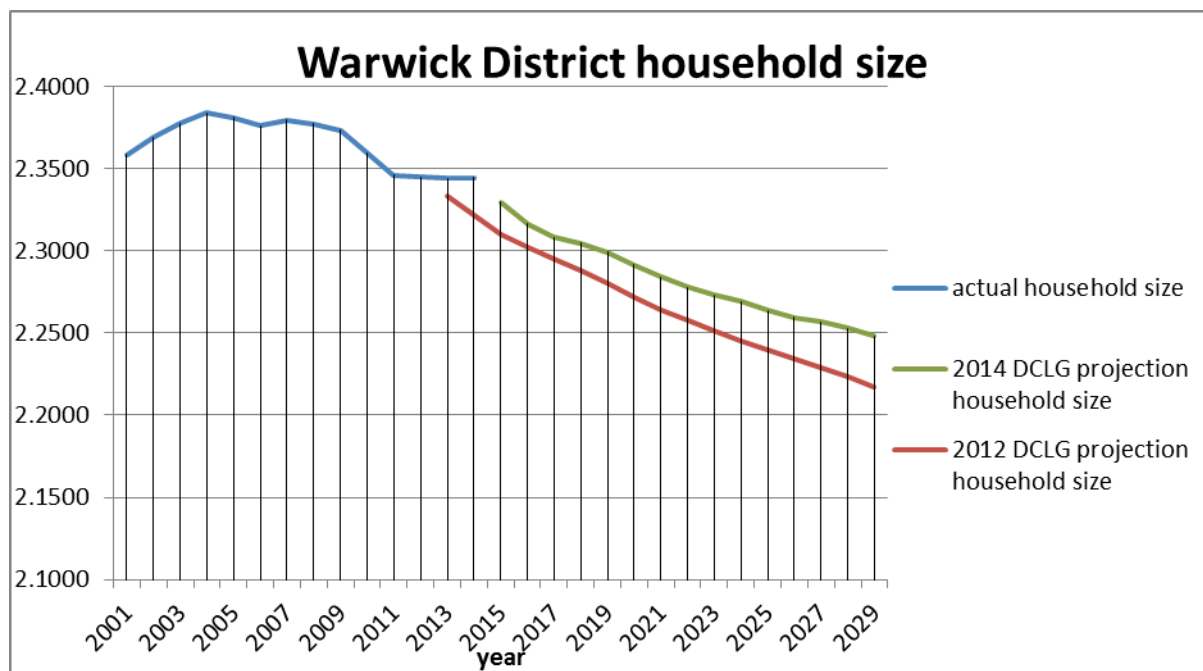
Across each authority, the distribution is

Household size reduction based on DCLG 2014 projections.

Household size in	2011	2029	reduction	% reduction
Coventry	2.4668	2.4151	0.0518	2.1%
North Warwickshire	2.4013	2.2784	0.1229	5.1%
Nuneaton & Bedworth	2.3752	2.2702	0.1050	4.4%
Rugby	2.3879	2.3140	0.0740	3.1%
Stratford	2.3195	2.1818	0.1378	5.9%
Warwick	2.3459	2.2481	0.0978	4.2%
TOTAL	14.2967	13.7075	0.5892	4.11%

3. The same analysis on DCLG mid-2012 projections showed a larger reduction of household size at 4.54%, equivalent to 19,583 new households. So over the 2 years between the two projections DCLG has revised its view on the household size by 2029.

The following graph for Warwick District household size illustrates the comparison of the two projections.



The blue line shows the household size between 2001 to 2014. It is mostly substantially more than 2.35 persons per household dipping to just below 2.35 between 2011 and 2014 with its lowest point in 2013 rising slightly in 2014.

The 2012 based projection is shown as the red line and it projected a continuing fall of the reduction experienced between 2007 and 2011. It expected the 2014 figure to be 2.3218 whereas it turned out to be 2.3445. Consequently, the 2014 projection increased the 2015 household size from 2.3098 to 2.3296 and reduced the reduction over the remaining period slightly as shown on the green line.

4. There are two main reasons why the DCLG household size projection is likely to be too low.

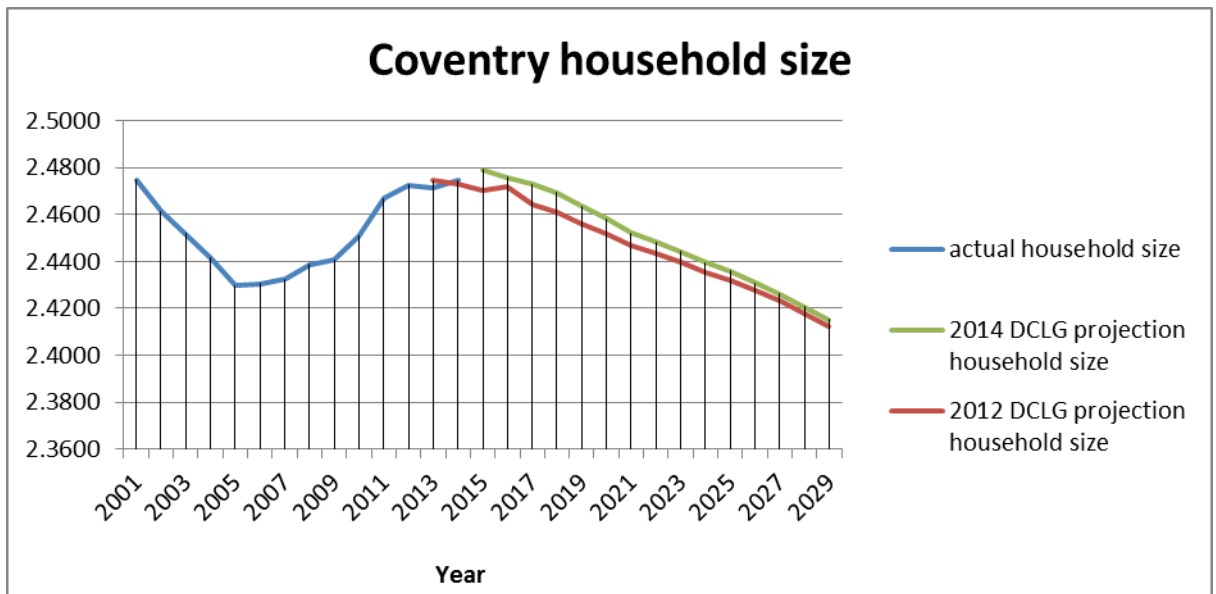
At no time in the past has the household size ever reduced to the 2029 level projected of 2.2481 persons per household. The 1991 census for example records 2.4979, considerably more than 2.35, which is generally regarded as about a normal level of household size.

The majority of the new homes being built are of family size and again, analysis of the census returns indicate that detached and semi-detached homes tend to support larger household size. In the 2011 census in Warwick District, detached houses or bungalows had an average

household size of 2.585, semi-detached had an average household size of 2.511 and terraced homes 2.369. This accounted for about 80% of the housing stock. Overall the household size was 2.349.

5. Coventry has the largest effect on the HMA housing need and this is the most stable authority in the comparison between the 2012 and 2014 projections.

In 2001, the Household Size was 2.4748 reducing to its lowest point in 2005 at 2.4298. By 2014 it had risen to its 2001 level at 2.4746. This has led to an upward revision of the 2012 projection (the red line) to the first few years from now, but projecting a similar level at 2029 (the green line).

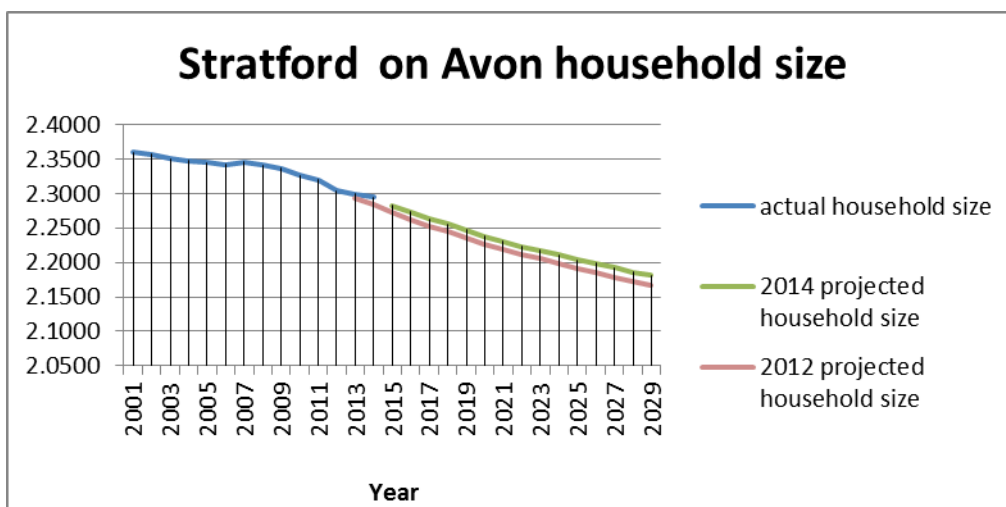
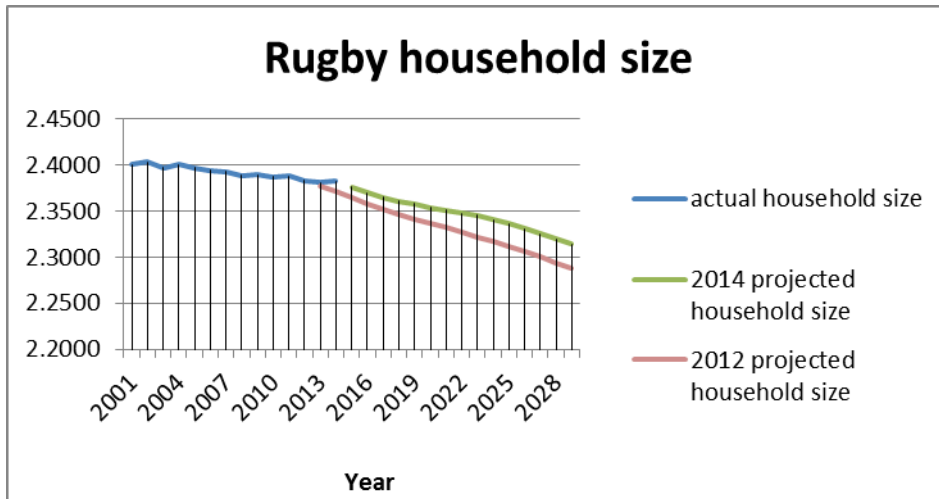


Given the city's population profile and the ebb & flow of the household size graph it is probably unlikely that household size will reduce to less than 2.425 in the plan period and is more likely to fluctuate rather than take a downward fall.

It should also be noted that Coventry reached its peak population in 1971 at 336,136 persons. These were all housed within the city but since then, mainly due to the decline in manufacturing industries, the population fell to 310,233 in 1981, 305,342 in 1991 and 300,844 in 2001 to its lowest point in 2004 of 298,174 after which it has risen again so that by 2014 it was 337,428 slightly above its 1971 level.

Hence, for the period up to 2011, the city was able to accommodate its expansion within its housing stock as supplemented by new housing built at the time. Since then a further 7,873 dwellings have been built and the household size has stabilised at about 2.47pph.

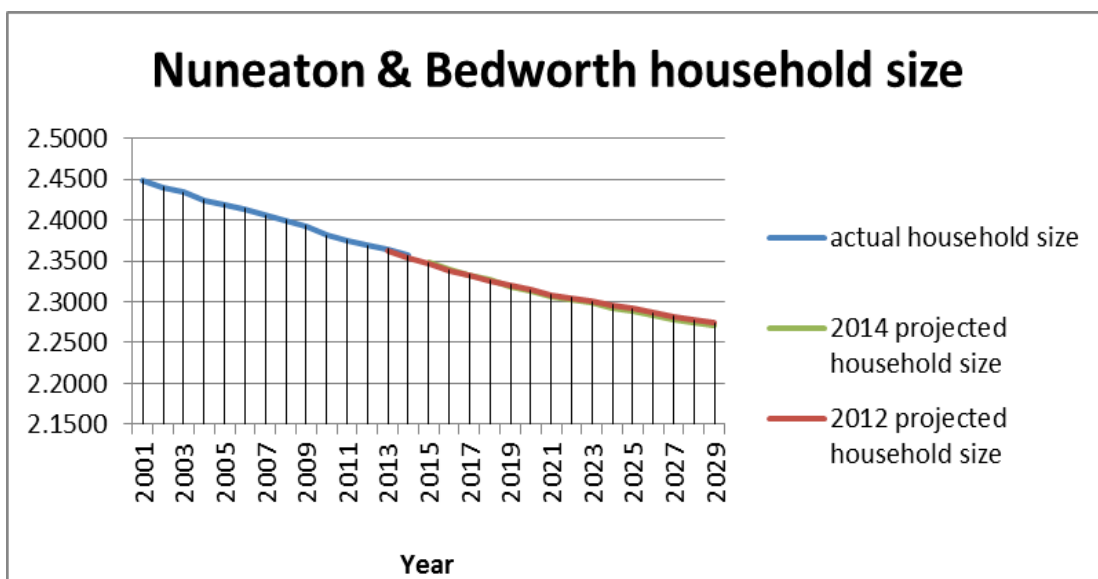
6. Rugby and Stratford have both exceeded the 2012 projected household size so the 2014 projection has increased the household size as shown in the following graphs.



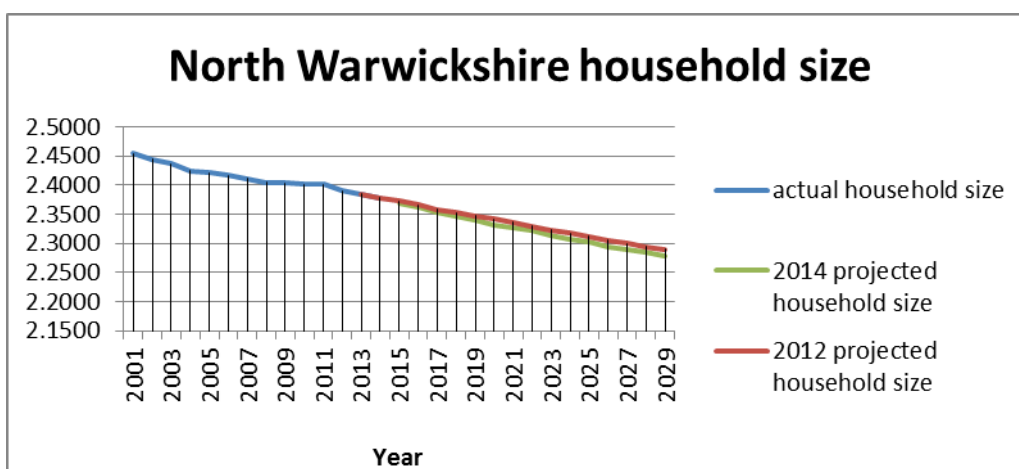
Both have slightly increased their household size over 2013 and 2014 and the 2014 projection reflects this. But both are likely to stabilise around the 2.35 and 2.25 level respectively as, again, neither have ever dropped to the levels shown at 2029.

- 8 North Warwickshire and Nuneaton & Bedworth are the remaining 2 authorities where the 2012 and 2014 projections are largely the same.

The 2013 and 2014 figures for Nuneaton & Bedworth show a slightly higher household size and these carry on in the projection until 2018 after which the 2014 projection shows a marginally small reduction over the 2012 projection. The red and green lines in the graph are indistinguishable at this scale. It is however based on a relatively high figure of 2.44 in 2001, falling to 2.3563 in 2014. This is marginally higher than the 2012 projection of 2.3544 but may indicate a reduction in the rate of fall as the level approaches 2.3. In an urbanised area it would be unusual if it were to fall below 2.3.



In North Warwickshire, the 2001 figure of 2.455 reduced to 2.374 in 2014, the rate of change slowing down as it approaches 2.35. The 2014 projection now indicates it may have fallen to 2.2784 by 2029. However, the 2008 to 2011 figures are almost a flatline at about 2.40 indicating that as it approaches 2.35 the rate of fall may slow down and not reach that 2029 projection figure.



- The adjustments already made to the DCLG household size by 2029 on the basis of updated figures between 2012 and 2014 indicate that, as household size approaches a lower figure the rate of household size reduction may be slower than currently predicted. That figure will be different for each authority with the urban areas maintaining a higher household size than urban areas.

The effect of adjusting the household size for 2029 to the levels shown in the following table, would alter the housing needed as compared with the current 2014 projection. Overall, to accommodate the populations currently predicted at a higher household size than the 2014

DCLG projection, could result in a reduced housing need of 426,637, that is 5,794 less than currently predicted.

Effect of adjusting the household size for 2029

Household size in	amend 2029 hh size to	revised housing need	2014 projection	reduction
Coventry	2.425	168825	169,520	695
North Warwickshire	2.3	28097	28,353	256
Nuneaton & Bedworth	2.3	58210	58,982	772
Rugby	2.35	48957	49,698	741
Stratford	2.25	57508	59,310	1,802
Warwick	2.3	65267	66,768	1,501
TOTAL		426,863	432,631	5,768

Clearly, this will not be known until later data is available, but since it is a cardinal rule that public authorities should not make financial commitments on public expenditure until the need is established, at the very least this potential reduction in the housing need should be considered as the contingency to cover non-achievement of part of the HMA housing programme. The plan should then work to the lower number in selection of sites at this stage since planning permission for more than may be needed cannot be rescinded.

Statement from Bishop's Tachbrook Parish Council relating to the Matters and Issues identified by the Inspector.

ONS 2014-based Subnational population projections published 25th May 2016

Update to include DCLG mid-2014 based housing projections 22nd August 2016

Extract of the Warwickshire & Coventry Housing Market Area.

1 Introduction

Long-term subnational population projections are an indication of the future trends in population by age and sex over the next 25 years. They are trend-based projections that are based on the average of levels of births, deaths and migration over the previous 5 years. They show what the population will be if recent trends continue.

The projected resident population of an area includes all people who usually live there, whatever their nationality. People moving into or out of the country are only included in the resident population if their total stay in that area is for 12 months or more. Thus visitors and short-term migrants are not included. Students are taken to be resident at their term-time address.

The projections generally do not take into account any policy changes that have not yet occurred, or those that have not yet had an impact on observed trends. They are constrained at the national level to the national projections.

From the ONS population projections, commencing with the mid-2012 data, DCLG produce related household projections.

2. Comparing projections.

Projections are normally published every 2 years. Since the commencement of the local plan period on 1st April 2011 ONS have produced the mid 2011 based projections, then followed with mid-2012 based projections and now for mid-2014.

With 3 projections now published they can be compared with each other and also with the population estimates produce by ONS that give the actual numbers that can be compared with the projection.

2.1 Warwick.

Using the mid-2011 based actuals the ONS projected population increase from 2011 to 2029 was an additional 21,474 persons by 2029.

This compares with the projected populations based on mid-2012 data and now the mid- 2014 data that shows reduced increases of 15,313 and 12,364 respectively as set out in Table 1. The projected growth in the mid-2014 projection for Warwick is 41% less than the projection of mid-2011 that set the scene for the current local plan housing need.

Base projection	2011	2012	2014	2021	2029	Projected growth 2011 to 2019
Mid-2011	137756	138517	140617	148655	159210	21,474
Mid-2012		138640	139404	145643	153049	15,313
Mid-2014			139396	143900	150100	12,364
Actual estimate	137756	138640	139396			

Table 1 Comparison of the 3 population projections for Warwick District

The population growth reduction is of a magnitude that will reflect in the mid-2016 projections and beyond so that further falls can be expected.

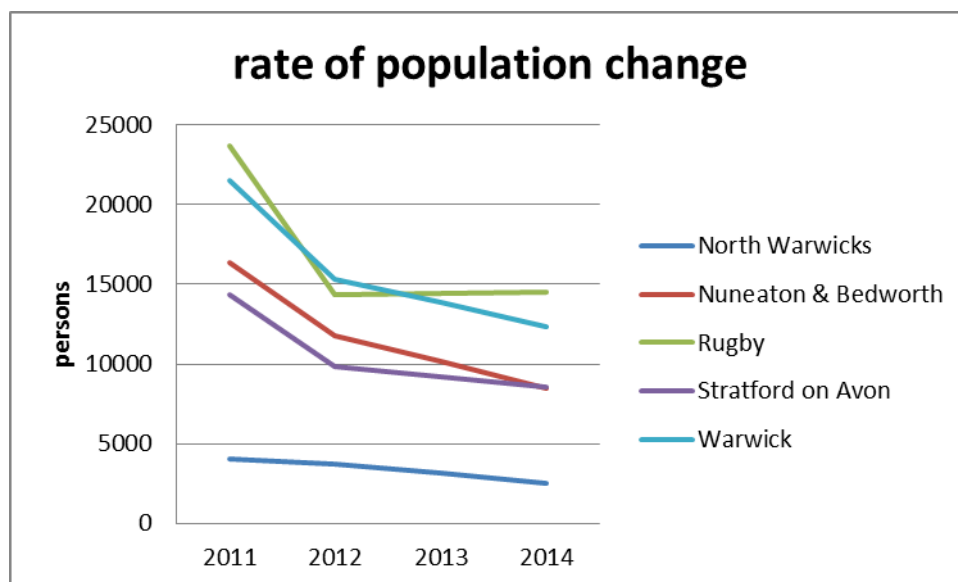
Other shire districts

Similar reductions in the other shire districts have occurred as can be seen in Table 2.

Authority	Mid-2011 actual	2029 projected population			Population growth by 2029 over 2011 actual			% change between	
		2011 base	2012 base	2014 base	2011 base	2012 base	2014 base	2011 to 2014	2012 to 2014
North Warwicks	62089	66163	65847	64600	4074	3758	2511	-38%	-33%
Nuneaton & Bedworth	125409	141789	137162	133900	16380	11753	8491	-48%	-28%
Rugby	100496	124202	114856	115000	23706	14360	14504	-39%	+1%
Stratford on Avon	120824	135188	130672	129400	14364	9848	8576	-40%	-13%
Warwick	137736	159210	153049	150100	21474	15313	12364	-42%	-19%
Coventry	316915	360799	391710	409400	43884	74795	92485	+111%	+24%
Total	863,469	987,351	993,296	1,002,400	123,882	129,827	138,931	+12%	+7%
Overall change from mid2011 actual					987,351	993,296	1,002,400	+2%	+1%

Table 2 Comparative table of population projections across the HMA.

Over the 3 projections, there has been a fall in the projected additional population of between 38 to 48%. In the period between 2012 and 2014, 4 of the shire district have reduced by between 13 and 33%. Graph 1 illustrates the continuing reduction of all the shire Districts, save one, Rugby, that experienced a 1% increase between 2012 and 2014.



Graph 1 rate of population change of the shire districts.

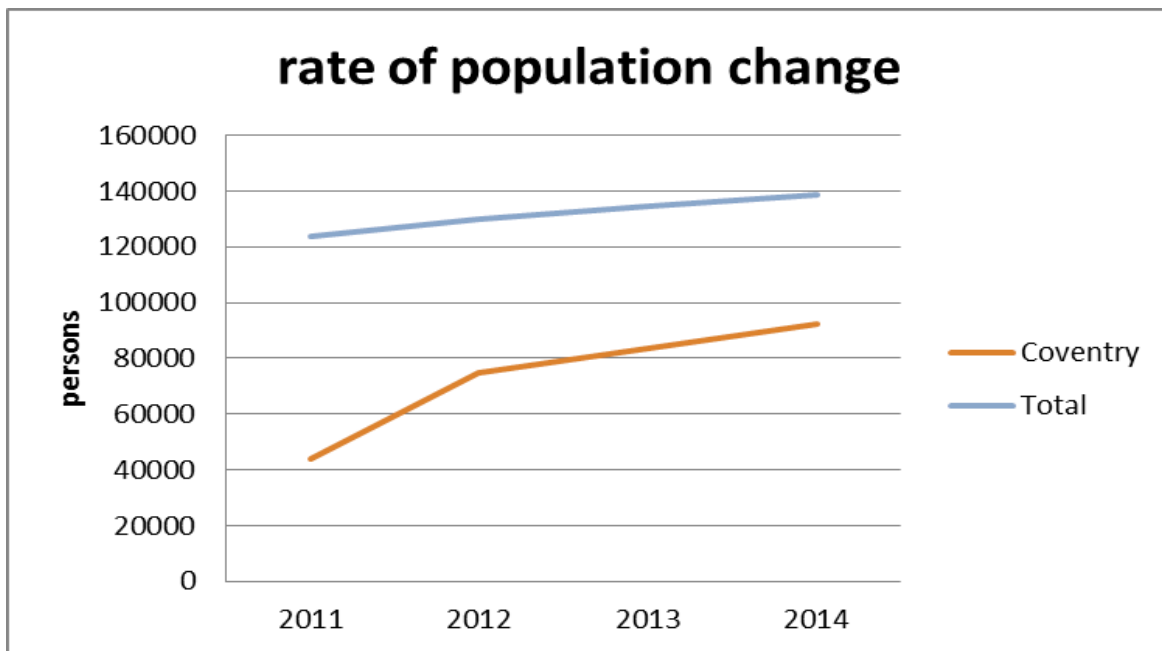
Coventry and overall change.

By contrast, between 2011 and 2012 based projections, Coventry’s projected additional population increased from 43,884 to 74,795. Between 2012 and 2014 based projections it increased further to 92,485 from 43,884, but at a slower rate of increase as shown in Graph 2.

An explanation for this may be that the initial problem for the steep and sudden change to Coventry’s increase was due to the discontinuance by ONS of the unattributable change component.

Up to 2011 this was just under 1500 a year outflow, but from 2012 this component is missing and when added back over the 18 years, represents some 26,370 of the Coventry sudden increase.

ONS say that this will work itself out over time and perhaps this demonstrates this is the case as Graph 2 indicates.



Graph 2 rate of population change of Coventry and the total HMA

Overall the HMA, there is a 2% increase of the overall change emanating from the 2014 based projections, rising from 987,351 to 1,002,400 as Table 2

Planning Practice Guidance determines that the ONS projections will form the basis of the DCLG assessment of housing need at a local level for the evidence to be used to assess the full objectively assessed housing need of Housing Market Areas and the authorities within them and they should be kept up to date to the latest projections.

Housing need projections.

Method to date

Until May 2012, the mid-2011 based ONS projections formed the basis on which housing projections were calculated and included in the draft Local Plan. This established a FOAN of 3800 dwellings per annum. See table 3, left hand columns.

Following the publication of the ONS mid-2012 based population projections, the DCLG published its resultant calculation of housing need in local authority areas with the instruction through Planning Practice Guidance that these were to be used to determine the full objectively assessed need. This found that the FOAN for the HMA was 4,004 dwellings per annum. See Table 3.

The Inspector of the Warwick District Local Plan used the DCLG figures and agreed these as the minimum that the Local plan should achieve. The initial hearing of the examination of the Local Plan took place in May 2015. The findings were received on 1st June 2015 and found the plan unsound as there was not a strategy in the HMA to meet the full HMA need.

HOUSING NEED PROJECTION

Table 3

Housing Market Area authorities	mid-2011 extended by Hearn to 2029		mid 2012 DCLG 18 year FOAN accepted by Exam Inspector - Feb 2015		Hearn table 2 exc economic growth - Sept 2015	
	dwellings per annum	18 year plan need	dwellings per annum	18 year plan need	dwellings per annum	18 year plan need
North Warwickshire	175	3150	204	3672	190	3420
Nuneaton & Bedworth	495	8910	422	7596	429	7722
Rugby	660	11880	453	8154	480	8640
Stratford on Avon	570	10260	508	9144	458	8244
Warwick	720	12960	606	10908	600	10800
Coventry	1180	21240	1811	32598	2120	38160
Total	3800	68400	4004	72072	4277	76986
dwellings per annum		3800		4004		4277

In September 2015, Hearn produced an up-dated assessment of housing need in the Coventry Warwickshire HMA. This took into account ONS population estimates for 2013 and 2014 establishing a new demographic based need that supported economic growth and improved Affordability. Table 3, right hand columns, show the effect of these adjustments on all the HMA authorities.

Coventry had made it clear that the city could not provide sites to meet the DCLG mid 2012 FOAN of 1,811 dwellings per annum without taking out an unacceptable level of green belt within the city boundary. It therefore relied on the rest of the HMA to provide sites under the Duty to Cooperate to resolve the established housing need. It found that it could provide 1230 dwellings per annum, leaving a balance of 581 dwellings per annum to be found elsewhere.

The Shadow Economic Prosperity Board met on 29th September 2015 and reached a Memorandum of Understanding (MoU) on the way that the Coventry unmet need would be spread across the HMA. It is however, a confusing document since its Table 1 does not seem to be mathematically connected to the other tables and evidence quoted. It does not provide a strategy for taking into account changes in the bi-annual projections, 12885 which has been shown are very significant, except to say it will be reviewed.

Establish the new housing need using the mid-2014 DCLG household projections.

From the published tables available on the 6th July 2016, The HMA FOAN should be as table 4.

mid-2014 based DCLG projection	18 year housing need		
	actual 2011	2029 projection	additional need
Coventry	128,447	169,520	41,073
North Warwickshire	25,856	28,353	2,497
Nuneaton & Bedworth	52,800	58,982	6,182
Rugby	42,085	49,698	7,613
Stratford on Avon	52,090	59,310	7,220
Warwick	58,714	66,768	8,054
C & W total	359,992	432,631	72,639
FOAN excluding Coventry			31,566

Table 4 HMA FOAN and additional need over actual at 2011

Appendix 1 shows the 2014 ONS population projections and the 2014 DCLG household projections for each authority and each year in the Warwick 18-year programme 2011-2029.

Due to limited capacity within the city, Coventry says that, without losing all green belt within the city boundary, it can only provide sites for 22,140 households, or at an average rate of 1,230 households per year. If that is accepted, then there arises a need for the remainder of the HMA to provide the balance of 18,933 households.

The intention of the Memorandum of Understanding is to agree how any unmet need in one or more authorities should be met. However, it does not establish how any change in the overall need should be dealt with and includes this table (Table 5) that results in the provision of 79,344 households. This is 6,705 more than the 2014 DCLG projection.

MoU table 1	dpa	18 year
Coventry	1,230	22,140
North Warwickshire	264	4,752
Nuneaton & Bedworth	703	12,654
Rugby	620	11,160
Stratford on Avon	659	11,862
Warwick	932	16,776
C & W total	4,408	79,344

Table 5 Projection used by the memorandum of Understanding

Since the shire districts are all finding accommodation of this large additional requirement of the unmet Coventry need through the MoU difficult, then the MoU shire districts supply should be adjusted. The MoU does not say how this should be done.

The total FOAN of the shire districts is 31,566 (see Table 4).

It is suggested that, now the mid-2014 DCLG projection is known, the HMA projection of 72,639 is used with Coventry's unmet need of 18,933 split between the shire districts by adding the unmet need to the shire district individual need in the same proportion that each shire district is of the

total shire district need. For example, for Warwick, the 2029 need is 8,054. This is 25.91% of the total shire district need of 31,566. 25.91% of Coventry's unmet need of 18,933 is 4,831 giving a total for Warwick of 12,885 as shown in Table 6.

mid-2014 based DCLG projection	18 year housing need				
	2029 additional need	% of shire districts FOAN	same % of Coventry unmet need	total authority need	households per annum
Coventry				22,140	1230
North Warwickshire	2,497	7.91%	1,498	3,995	222
Nuneaton & Bedworth	6,182	19.58%	3,708	9,890	549
Rugby	7,613	24.12%	4,566	12,179	677
Stratford on Avon	7,220	22.87%	4,330	11,550	642
Warwick	8,054	25.51%	4,831	12,885	716
		100.00%			
FOAN to meet duty to cooperate	31,566	+	18,933	72,639	4,036

Table 6 Revised distribution of Coventry's unmet need across the HMA

At the initial hearing of the examination of the DLP in May 2015, it was found that the 2012 based projection of 4,004 dwellings per annum should be regarded as the minimum that the plan should provide. By the same token, using the 2014 based DCLG projection of 4,036 dwellings per annum is the equivalent figure and therefore, the MoU figure of 4,408 is out of date.

To determine the 2029 projection, DCLG has used a reducing household size to convert the population projection to the number of households required. In Appendix 1, an assessment of the future household size is given. It shows that the sharp falls in household size used in the 2012 based projection is less in the 2014 based projections. Because the 2029 assessments of household size used by DCLG drop to levels not experienced before and these have already been modified upwards between 2012 and 2014, it is suggested that it would be more realistic to take a higher household size as suggested in the following table for 2029. This could result in up to a requirement of 5,794 fewer dwellings needed in the HMA to accommodate the population.

Effect of adjusting the household size for 2029

Household size in	amend 2029 hh size to	revised housing need	2014 projection	reduction
Coventry	2.425	168825	169,520	695
North Warwickshire	2.3	28087	28,353	266
Nuneaton & Bedworth	2.3	58217	58,982	765
Rugby	2.35	48936	49,698	762
Stratford	2.25	57511	59,310	1,799
Warwick	2.3	65261	66,768	1,507
TOTAL		426,837	432,631	5,794

If fewer households are needed, then the 4,036 households per annum required would be less. It would therefore be inappropriate to increase the 4,036 households per annum at this stage and there no need to see this figure as a minimum.

Spatial strategy Warwick is 8,054 and Coventry need is 4,831 and these should be proximal to Coventry.