Matter 2: Strategic Housing Growth: Implications of DCLG's 2012-based Household Projections (published on 27 February 2015)

What the new projections suggest for Maldon

The new projections suggest that the number of households in Maldon will increase from 26,466 in 2014 to 29,883 in 2029[1], an increase of 3,417 households. Allowing for 5.1% vacant or second homes, this would imply 3,601 additional homes – an average of **240 homes a year**.

A direct comparison with DCLG's earlier, 2011-based, household projections is not possible over this time period as those earlier projections only extended to 2021. However, over the period 2011-21 the new projections suggest that there will be 2,228 additional households in Maldon compared with 2,754 suggested by the earlier projections. The new projections are therefore projecting an increase in households that is 19% smaller than suggested by the earlier projections.

How the new projections compare with the Maldon District Local Development Plan

The Maldon District Local Development Plan is based on analysis carried out by NMSS[2] which suggests an increase in households (rounded to the nearest 100) from 26,600 in 2014 to 31,000 in 2029. That is an increase of 4,390 households which implies a need for 4,620 additional homes if an allowance is made for 5.1% vacant or second homes. This equates to an average of **310 homes a year** (all rounded to the nearest 10).

The NMSS analysis is based on DCLG's 2011-based household projections updated to reflect the ONS's 2012-based Subnational Population Projections (2012 SNPP). Adjustments have then been made:

- to reflect the average flows to and from the rest of the UK for the 10 years to 2012 rather than the 5 years to 2012 used by the ONS – a period that has been significantly affected by the economic downturn; and,
- to allow for a partial return to the household formation rate trends suggested in DCLG's 2008-based projections. This was on the basis that the household formation rate projections in DCLG's 2011-based projections appeared to have been affected by a range of factors including increased international migration, the growing unaffordability of housing and the credit crunch, which affected the availability of mortgages.

This invites the question, "Should similar adjustments be made to the new DCLG projections?"

[1] From DCLG Live Table 406
[2] "Assessing Maldon's Housing Requirement", NMSS, August 2014

Should adjustments be made to DCLG's new household projections when estimating Maldon's objectively assessed need for housing?

The Planning Practice guidance advises that DCLG's household projections should be taken as the starting point for assessing the need for housing. It acknowledges that it may be appropriate to make adjustment for factors not reflected in the trends on which the projections are based. This applies equally to DCLG's new projections. Some have already warned that the data on which the new projections are based has been influenced by the recession and that care is needed in interpreting them[3].

DCLG has helpfully provided some analysis to aid the understanding of the new projections and how they relate to their 2011-based set.

For any authority there are two main factors which drive the change in the number of households: changes in the population and changes in household formation rates. DCLG's Live Table 415 suggests that for Maldon 96.3% of the household change is due to population change and only 0.7% to changes in household formation rates. This indicates that population change is by a considerable distance the much more influential factor in determining the number of households there are likely to be in Maldon in the future.

DCLG have also provided in Live Tables 429a and 429b some sensitivity analysis to enable us to understand the reasons for the changes between the 2011-based projections and the new set. As already noted, the new projections suggest household growth that is 19% slower than indicated by the earlier projections. The analysis presented in Live Table 429b indicates that the effect of updating the DCLG 2011-based projections by using ONS's 2012-based population projections (rather than the 2011-based projections) is to reduce the projected household growth by 27%. In contrast, Live Table 429a suggests that the effect of updating the household formation rate projections is to increase the projected household growth by 9%.

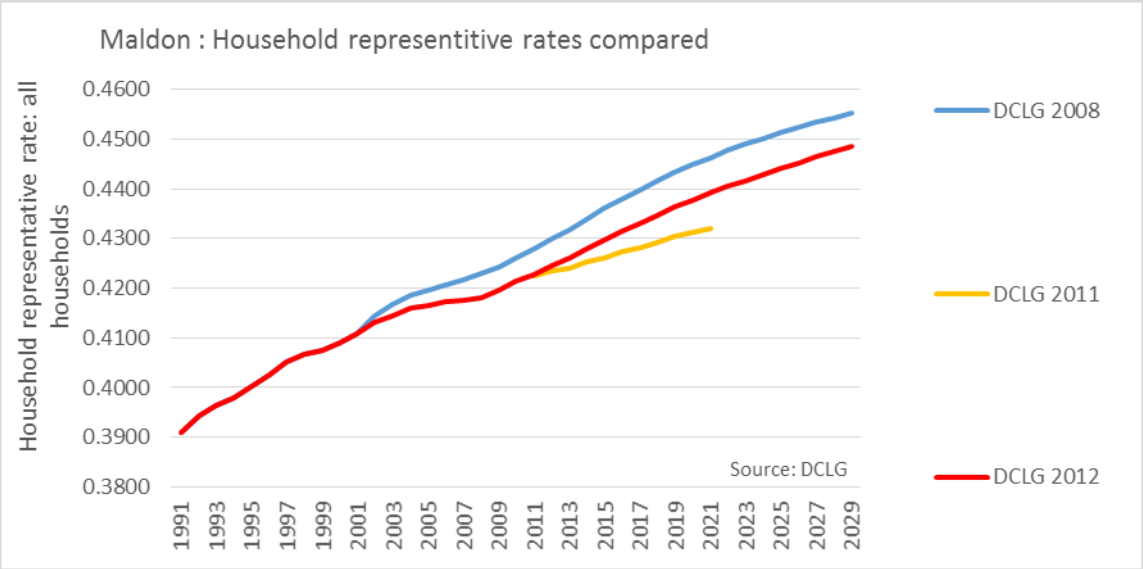
The reduction due to the use of 2012 SNPP is largely due to those population projections being based on flow rates between local authorities in the UK estimated from the period 2007-12 rather than 2005-10. This illustrates clearly the impact which the choice of a trend period that was so heavily affected by the economic downturn has had. The case for adjusting to reflect 10-year flows to and from the rest of the UK is very strong. When that adjustment is made[4] and a 5.1% allowance for vacant and second homes is added, the number of homes needed over the

[3] See Simon Coop of Nathaniel Lichfield and Partners "Sub-national Election Promise" at http://nlpplanning.com/blog/sub-national-election-promises/. This was written before the new projections were published.

[4] The same methodology has been used here as in the earlier NMSS analysis. See paragraph 45 of "Assessing Maldon's Housing Requirement", NMSS, August 2014.

period 2014-29 is increased from the 3601 suggested by the unadjusted new projections to 4250. This equates to **280 homes a year.**

DCLG's sensitivity analysis in Live Table 429a indicates that the effect of updating the household formation rate projections with more recent data has not been simply to replicate the household formation rate trends in the 2011-based projections as some commentators feared. In Maldon's case the impact has been to increase the rate at which household formation rates are projected to rise. The chart below shows that the "all households" household representative rates in the latest projections compared with both the 2011 and 2008-based projections:



As can be seen, the new projections suggest a trajectory that is much closer to the 2008-based projections. Indeed, the new projections track the 2008-based projections fairly closely. (The detailed numbers[5] show that from 2023 the 2012-based rates begin to move slightly towards the 2008-based rates.)

In assessing whether it is appropriate to plan on the basis that there is a larger move back toward the 2008-based rates consideration ought to be given to the extent to which those rates represent a reliable indication of the long term trend. The NMSS August 2014 Report (EB098a) noted[6] that there are a number of reasons for believing that the 2008-based projections overestimated the likely growth in household formation rates including the lack of any adjustment for the impact of increased international migration and the fact that the departure from the earlier long term trend started well before the recession. Professor Ludi Simpson[7] went further in his article in the December 2014 edition of Town and Country

[5] This is drawn from the spreadsheet "household representative rates1" published as part of the detailed unrounded tables for modelling purposes published with the latest projections. The equivalent rates for the 2008-based projections can be calculated by dividing the "households1" spreadsheet in the detailed tables for the 2008-based projections by the "household population1" spreadsheet.

[6] See paragraphs 54-57 of "Assessing Maldon's Housing Requirement", NMSS, August 2014

[7] Ludi Simpson is Professor of Population Studies at the University of Manchester. He works to support demographic modelling in local authorities and nationally and is the originator and designer of the POPGROUP demographic modelling software

Planning. In that he noted that the DCLG had said at the time that Labour Force Survey data had suggested that there had been some steep falls in household representative rates for some age groups since the 2011 census and that if those shifts were sustained in the longer term the household projections would turn out to be too high. DCLG had also warned that their method took no account of 'cohort effects' including the possibility that falls in household representative rates for younger age groups might be carried forward to older age groups as those cohorts aged – something which has since happened. This led Professor Simpson to conclude that "The 2008-based projections were presented at the time not as a solid trend, but as insecure, because the past steady trends had already been broken prior to the recession" and should not be thought of as a benchmark. He adds that, "...the experience of the past two decades and not just the economic crisis of the late 2000s does suggest that we are not in a position to expect further increases in household formation rates of the same kind [as seen in earlier decades]".

This strongly suggests that a further adjustment back towards the 2008-based trend is not needed.

Summary and conclusions on the impact of the new DCLG projections

The DCLG's recently published 2012-based household projections suggest a lower increase in the number of households in Maldon than suggested by the 2011-based projections. This would indicate an annual average need for housing of 240 homes a year over the period 2014-29.

However, there is a strong case for adjusting the flow rates used to project flows to and from other UK local authorities to reflect flows over a 10 year period rather than the 5 year recession-influenced period used by the ONS. When this is done the annual need for housing increases to 280 homes a year.

Unlike the 2011-based projections, there is no need to build in a further return to the 2008-based household formation rate trends. Compared with the 2011-based projections, the new projections for Maldon already build in a partial return to those projections and there is growing evidence that a full return is unlikely. .

The conclusion therefore is that the new DCLG projections would suggest an average annual need for housing of 280 homes a year over the period 2014-29. This is consistent with the range of 280-310 homes a year suggested by the earlier NMSS analysis.

Given the inevitable uncertainties in any analysis of this type too much should not be made of the new projections indicating a figure at the bottom of the range suggested by the earlier NMSS analysis.

In this context it might also be noted that the NMSS report suggested that the OAN should be set at the top of the range given the likelihood that London will not be able to accommodate the projected increase in its population. Further weight has been given to this argument since the NMSS Report was prepared by the Inspector examining the London Plan accepting the GLA's proposal based on migration

patterns partially returning to previous trends[8]. The effect is that the draft London Plan is based on a net outflow over the period 2012-37 that is 380,000 more than that suggested by the 2012 SNPP. Unless local authorities outside London make complementary adjustments no one will be planning to house those people.

In view of this analysis Maldon District Council does not propose to amend its suggested housing requirement of 310 homes a year over the period 2014-29 following the publication of DCLG's new household projections.

Barton Willmore SHMA

In this context the context of this discussion of the implications for the OAN the Inspector may find it helpful to have a note on why the Council's view of the OAN differs from that set out in the 'Barton Willmore SHMA' for Braintree, Chelmsford, Colchester, Maldon and Tendring submitted as part of the representations on behalf of Gladman Developments Limited. This is at Annex A.

Implications of 'market signals' for the objective assessment of housing need

Also attached at Annex B is a brief note of the points made on behalf of the Council at the EiP on 20 January in response to oral representations made by Barton Willmore on 'market signals'. This responds to a request made by the Inspector at the time.

[8] See the London Plan Inspector's Report on the Examination in Public into the Further Alterations to the London Plan, 18 November 2014.
https://www.london.gov.uk/sites/default/files/FALP%20inspector%27s%20report%2018%20November%202014%20including%20annex.pdf

ANNEX A

Note on Barton Willmore SHMA

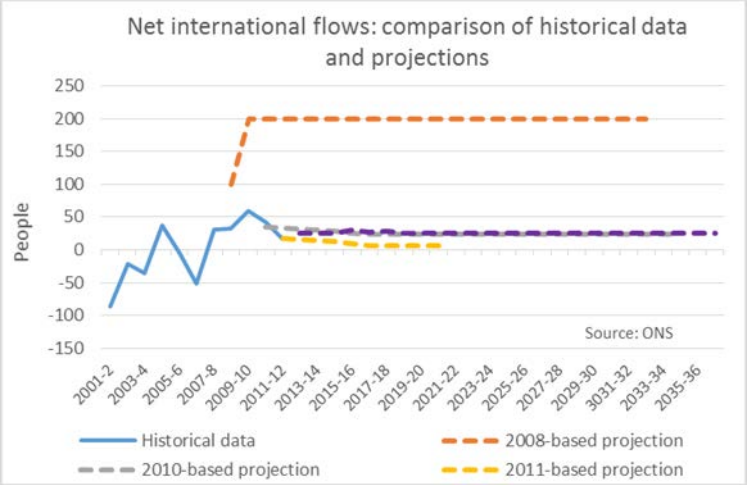
The 'Barton Willmore SHMA' for Braintree, Chelmsford, Colchester, Maldon and Tendring sets out an alternative view on the OAN. The key numbers for Maldon are set out in Table 10.1 (reproduced below for ease of reference.).

Row A in the table gives a housing need of 285 homes a year based on DCLG's 2011-based interim household projections. This is broadly consistent with the NMSS analysis. (The exact figure depends on how the DCLG's projections, which only run to 2021, are extrapolated to 2031.)

The line above Row B shows the effect of Barton Willmore's adjustments to accommodate the 2012 SNPP. This suggests a dwelling requirement of 5731 or 287 – almost exactly the same figure as in Row A. Barton Willmore have explained that this has been produced by updating DCLG's 2011-based household projection with ONS's 2012 SNPP and assuming that after 2021 household formation rates return fully to the 2008-based projected rates by 2031. The effect of updating to lower 2012-based population projections will have been to reduce the housing requirement significantly – perhaps by 60-70 homes a year. That reduction appears to have been almost exactly offset by the assumption that headship rates return to the 2008-based projected levels. As discussed in the main note, the Council believes that a full return to the 2008-based household formation rates is highly unlikely. On that basis it believes that the housing requirement has been overestimated at this stage.

The line above Row C shows the effect of Barton Willmore's adjustment to a 10-year migration trend. This reduces the housing requirement from 287 homes a year to 209 homes a year. This is in stark contrast to the NMSS analysis for the Council which suggests that an adjustment to a 10-year migration trend should increase the housing requirement by around 50 homes a year. The Barton Willmore adjustment is based on total net migration, i.e. international and within the UK, whereas the NMSS adjustment is based solely on the flows to and from the rest of the UK.

The Barton Willmore approach here differs from the approach adopted by the ONS in its population projections. ONS project flows within the UK from flow rates over a trend period but international migration flows are produced by allocating the national projection for international migration flows to local authorities, not from trends in the historic flows to and from individual authorities. Net international migration into Maldon appears to have been on a steadily rising trend – see the chart in paragraph 33 of the NMSS Report, reproduced here:



By basing its 10-year migration adjustment on international as well as internal flows the Barton Willmore approach gives weight to the net outflows suggested by the ONS data for the earlier part of the last decade. There are two reasons why this might not be wise.

- It does not reflect the observed trends in the last 5 years. (Unlike internal migration, there is no evidence of the cyclical downturn in the 5 years to 2012 that justifies the use of a 10-year migration trend of flows within the UK.)
- The international migration flow data for the earlier part of the last decade pre-dates the ONS's Migration Statistics Improvement Programme which has sought to improve the estimation of international flows. The historical data for the earlier part of the decade is therefore likely to be less reliable than that for later years.

More generally, given that, as referred to in the main note, the Inspector examining the London Plan has approved a Plan based on net migration flows out of London that are substantially larger than projected by 2012 SNPP, it is highly likely that Maldon's population will grow faster than suggested by those projections, not slower. It therefore seems highly probable that the line above Row C underestimates the housing requirement of Maldon.

That underestimation, however, is much more than corrected for by the final step – the calculation of the extra homes (if any) needed to support economic growth.

The line above Row D shows that the housing requirement needs to be increased to 453 homes a year so that the population is large enough to support their projection for jobs growth. This is more than double their assessment of the homes needed based on their demographic approach, including their 10-year migration adjustment – 209 homes a year. This contrasts with the NMSS assessment that no additional homes are needed above the 310 homes a year suggested in their report.

The reasons for the difference between 453 and 310 homes a year are:

- The Barton Willmore SHMA is based on an Experian job growth projection of 211 jobs a year (2011-31) compared with the East of England Forecasting Model (EEFM) used by the Council which suggests 122 jobs a year. The

Experian projection is 85% faster than the job growth seen between 2001 and 2011 whereas the EEFM job growth is a more realistic 7% faster.

- Barton Willmore have provided the population growth figures that they believe would be needed to support Experian's job growth projection. These envisage the population of Maldon increasing from 61700 in 2011 to 76400 in 2031, an increase of 14,700 or 24%. This compares with the 2012 SNPP increase of 6,500 or 11%. Barton Willmore are therefore envisaging a population growth that is more than twice as fast as the ONS projection – in fact 125% faster. Whilst the ONS projection is probably too low due to the use of internal migration flow rates from a recessionary period, more than doubling the official projection strains plausibility.
- The high population growth which Barton Willmore suggest is necessary is compounded by their assumption of a full return to the 2008-based household formation rate projection for 2031. This further increases a household growth projection that the Council believes is already too high.

Conclusion on the Barton Willmore

The main reasons for the difference between the Barton Willmore estimate of Maldon's OAN and the NMSS analysis are that Barton Willmore's analysis is based on a full return to the 2008-based household formation rates and a job growth projection that approaches twice the job growth seen in the period 2001-11.

Acknowledgement and note on comment from Barton Willmore

The Council would like to record its appreciation of Barton Willmore's willingness to explore the reasons for the differences between their view of the OAN and the Council's with the Council's consultant. The above note has been shared with Barton Willmore who have commented that "the note is a fair reflection of where we differ."

Barton Willmore have also noted that the latest version of the East of England Forecasting Model shows a much higher job growth figure – 234 jobs per annum between 2011 and 2031. However, as the chart below shows, to measure job growth from 2011 would be to measure it from the low point of the economic downturn, thereby producing the highest possible annual increase in jobs. Not only does 2011 pre-date the start of the Council's Plan period in 2014, measuring from then also potentially exaggerates the additional workforce needed to support economic growth. For an accurate estimate of the additional workforce needed from a 2011 start date accurate adjustments would need to be made for the changes that will have occurred as the economy recovered from the jobs low point. These will have included reductions in unemployment and short time working and increases in economic activity as people who may have withdrawn from the workforce in the downturn return as the prospects of obtaining a job improve. The necessary detailed data to make such adjustments accurately in a changing job market does not exist. Even if the Council's Plan period had not started in 2014 that year would have been

a far more reliable date from which to have assessed the long term job growth potential.

The latest EEFM forecasts an increase of 134 jobs a year for the Council's Plan period of 2014-29.

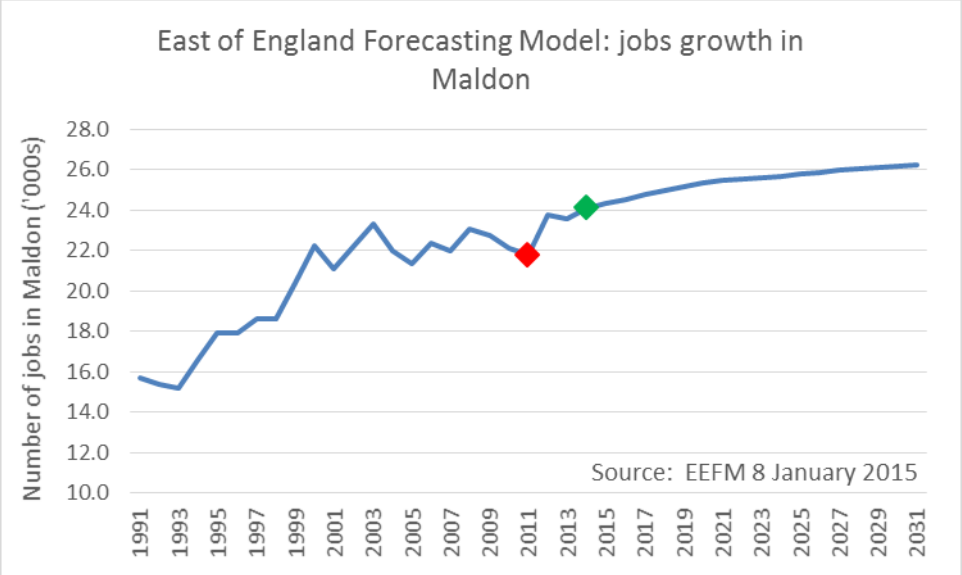


Table 10.1: Objective Assessment of Housing Need

		CHMA	Braintree	Chelmsford	Colchester	Maldon	Tendring
A	CLG 2011-based 'interim' Household Projections (dwellings pa)	4,068	777	674	1,258	285	1,073
Demographic Change	Projected Population Growth (SNPP 2012)	108,147 (5,407 pa)	23,912 (1,196 pa)	22,416 (1,121 pa)	35,511 (1,776 pa)	6,499 (325 pa)	19,808 (990 pa)
	Projected Household Growth	62,164 (3,108 pa)	15,763 (788 pa)	16,681 (834 pa)	12,097 (605 pa)	5,526 (276 pa)	12,097 (605 pa)
	Projected Dwelling Requirement	71,208 (3,560 pa)	16,219 (811 pa)	17,069 (853 pa)	19,294 (965 pa)	5,731 (287 pa)	12,895 (645 pa)
B	Adjustment to (A) required to accommodate ONS 2012-based SNPP	**-508 dpa**	**+34 dpa**	**+179 dpa**	**-293 dpa**	**+1 dpa**	**-428 dpa**
Net Migration	ONS 2012-based SNPP Net Migration Projection Component	4,572	941	598	895	486	1,652
	10-year Net Migration Trend (ONS MYE 13)	4,972	904	353	1,736	328	1,651
	Migration-led Dwelling Requirement	78,435 (3,922 pa)	16,486 (824 pa)	14,675 (734 pa)	28,236 (1,412 pa)	4,180 (209 pa)	14,859 (743 pa)
C	Adjustment to (A+B) required to accommodate 10yr net migration trend	**+361 dpa**	**+13 dpa**	**-120 dpa**	**+447 dpa**	**-78 dpa**	**+98 dpa**
Economic Growth	Total Job Growth Forecast 2011-31	72,797	13,293	20,828	22,056	4,422	12,198
	Commuting Ratio (Census 2011)	1.19	1.32	1.08	1.07	1.48	1.35
	Required Labour Force	86,626	17,584	22,427	23,625	6,525	16,465
	Labour Force Arising from (A+B+C)	59,844	12,611	9,518	28,702	679	8,333
	Economic-led Dwelling Requirement	99,227 (4,961 pa)	20,477 (1,024 pa)	24,301 (1,215 pa)	24,150 (1,207 pa)	8,693 (435 pa)	21,606 (1,080 pa)
D	Adjustment to (A+B) Required to accommodate Economic growth	**+1,040 dpa**	**+200 dpa**	**+481 dpa**	**-204 dpa**	**+226 dpa**	**+337 dpa**
Market Signals Test	Subtotal Dwellings per Annum (A+B+C+D)	4,961	1,024	1,215	1,207	435	1,080
	Average delivery rate 2006/7 – 2012/13	2,199	426	408	906	110	348
	Increase/Decrease vs. Average Annual Delivery 2006-12	**126%**	**140%**	**198%**	**33%**	**296%**	**210%**
	Difference vs. Barker Review Threshold (86%)	**+40%**	**+54%**	**+112%**	**-53%**	**+210%**	**+124%**
=	FULL OBJECTIVELY ASSESSED NEED 2011-31 (A+B+C+D)	**99,227 (4,961 pa)**	**20,477 (1,024 pa)**	**24,301 (1,215 pa)**	**24,150 (1,207 pa)**	**8,693 (435 pa)**	**21,606 (1,080 pa)**
	% increase in Housing Stock	33% (1.4% pa)	33% (1.4% pa)	34% (1.5% pa)	33% (1.4% pa)	32% (1.4% pa)	33% (1.4% pa)
Affordable Housing Test	Affordable Housing Policy Rate	33%	35%	35%	35%	35%	25%
	Potential Affordable Housing supply from (A + B + C + D)	32,569	7,167	8,506	8,452	3,043	5,401
	Total Net Affordable Housing Need 2011-31	28,460	7,980	6,620	6,680	3,640	3,540
	% of total affordable need met over plan period	114%	90%	128%	127%	84%	153%

Source: BW Research, ONS, CLG, Experian

ANNEX B

Note on 'Market Signals'

At the EiP hearing on 20 January Barton Willmore drew attention to three market signals which they suggested justified an increase in the OAN above the level indicated by a demographically-based calculation. They referred to precedents which suggested an increase of 10% might be appropriate.

The indicators referred to were the lower quartile affordability ratio, residential rents and concealed households.

Lower quartile affordability ratio

Barton Willmore referred to the data on the lower quartile house price/earnings affordability ratio set out in Table 7.2 in the 'Barton Willmore SHMA' – reproduced below for ease of reference below

Table 7.2: Affordability ratio change 2002-2011

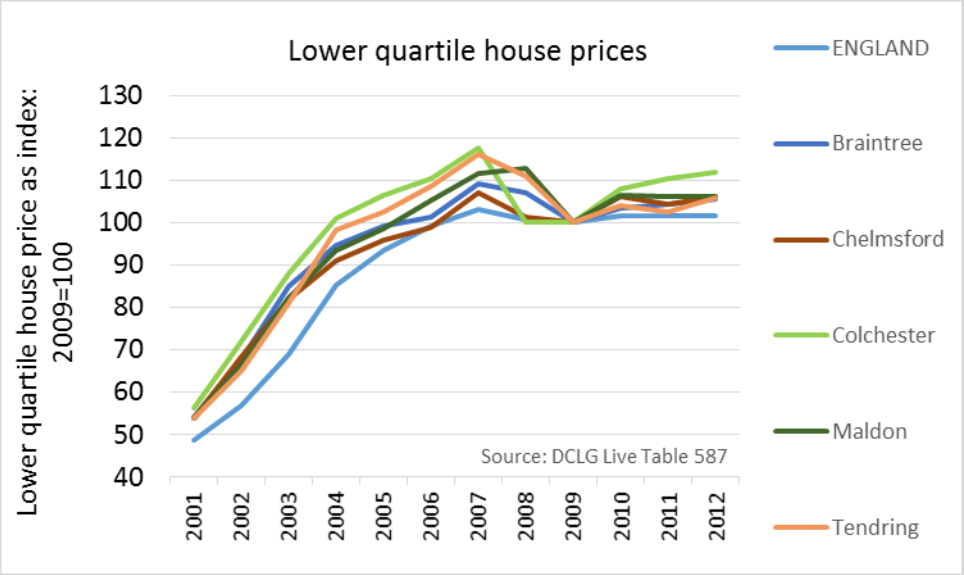
	1997	2002	2007	2012	Total Change 1997-2012		Total Change 2002-2012	
Braintree	4.4	6.6	8.9	8.3	3.9	88%	1.8	27%
Chelmsford	3.9	6.8	9.5	8.8	4.9	124%	2.1	31%
Colchester	3.9	6.0	8.7	7.4	3.5	91%	1.4	23%
Maldon	4.4	6.3	10.0	8.7	4.3	97%	2.4	39%
Tendring	3.3	5.1	8.5	8.2	4.9	146%	3.1	60%
CHMA	3.9	6.1	8.9	8.2	4.3	109%	2.1	34%
England	3.6	4.5	7.2	6.6	3.0	85%	2.1	48%

Source: Office for National Statistics/Land Registry, via CLG Live Table 576

Barton Willmore noted that the affordability ratio for Maldon was high and had increased by 2.4 or 39% between 2002 and 2012, more than for any other of the local authorities covered by the SHMA except for Tendring.

The Council's consultant noted that:

- The relative movements in many market signals fluctuate from year to year. Plotted on a graph the lines for different authorities often cross one another and weave in and out. There is therefore a danger in picking any particular period and comparing changes over that period as the choice of a slightly different period can produce very different results. Note, for example, that Barton Wilmore's comments on the increase in the affordability ratio for Maldon being high compared with the comparators between 2002 and 2012 does not hold good for 1997-2012. For that period Maldon is the middle ranking authority out of the 5 shown in Table 7.2, with Chelmsford and Tendring having larger absolute and percentage increases.
- A better approach is to look at the broader picture over time – which is best done by looking at the data graphically – see chart below. This shows that Maldon's affordability has moved broadly in line with that of the comparators.

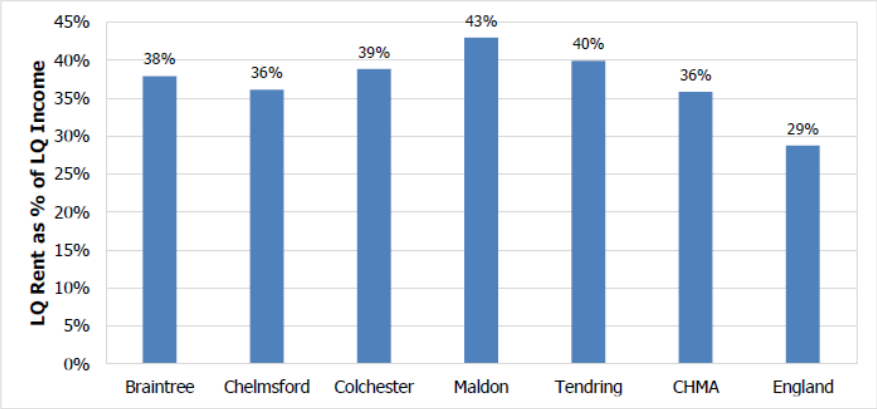


- High affordability ratios need not necessarily be conclusive evidence of market stress. A weakness with affordability ratios for local authorities is that they compare house prices in the local authority area with earnings in that area, ignoring the fact that some authorities may have out commuting. Those who commute out of the area often do so to fill higher paid jobs than they could find in the local area. They then bring back higher purchasing power to the area. For such people house prices that may be high compared with the earnings from local jobs need not necessarily be particularly unaffordable. There is no doubt that London's proximity to Maldon has upward pressure on Maldon's house prices. It is therefore more appropriate to compare changes in affordability ratios rather than the ratios themselves.
- As a rural district, Maldon is a little different compared to other authorities as there is a greater percentage of larger homes and limited 1 or 2 bed housing stock.

Rents

Barton Willmore drew attention to Figure 7.8 of their SHMA which shows that Maldon had a higher rent to earnings ratio than the comparators and England as a whole.

Figure 7.8: LQ Residential Rents as % of LQ Annual Earnings – 2010/11



Source: Valuation Office Agency

The Council's notes that

- This is a one-year comparison and not a comparison of relative price movements.
- As with the house price/earnings ratios, there is potentially an issue with some of the rents being paid by commuters filling higher paid jobs outside the area. This reinforces the importance of comparing relative price movements.
- The available data suggests that Maldon's rents may have increased less than those in comparator authorities. Indeed, Barton Willmore's own Table 7.3 suggests this (see below). Note that for the period shown both lower quartile and median rents in Maldon were unchanged whereas there was an increase of 1.3% for the "Colchester HMA" area.

Table 7.3: Residential Rents (per Month) 2010/11 – 2012/13

	Lower Quartile			Median		
	2010/11	2012/13	% Change	2010/11	2012/13	% Change
Braintree	£525	£560	6.7%	£625	£670	7.2%
Chelmsford	£595	£595	0.0%	£725	£720	-0.7%
Colchester	£530	£525	-0.9%	£625	£625	0.0%
Maldon	£575	£575	0.0%	£695	£695	0.0%
Tendring	£500	£500	0.0%	£600	£600	0.0%
CHMA	£535	£543	1.3%	£642	£651	1.3%
England	£450	£455	1.1%	£575	£595	3.5%

Source: Valuation Office Agency, Private Rental Market Statistics – All property types, data for year ending 30th September.

Concealed households

Barton Willmore referred to their Table 7.4 (below) and noted that the proportion of concealed households was higher than in the chosen comparators.

Table 7.4: Concealed Households by age of Family Reference Person (FRP) – Census 2001/11

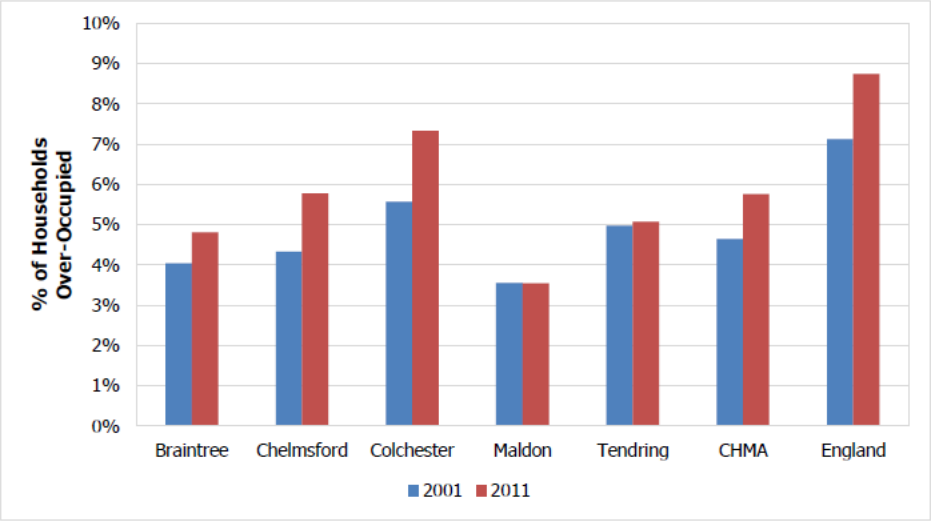
	Concealed - FRP Under 25 (2011)	Concealed - FRP 25-34 (2011)	Concealed - All Ages (2011)		Concealed - All Ages (2001)
Braintree	10.7%	2.7%	1.1%		0.5%
Chelmsford	12.8%	2.7%	1.1%		0.6%
Colchester	6.7%	2.2%	1.0%		0.6%
Maldon	16.6%	3.8%	1.3%		0.8%
Tendring	9.8%	3.3%	1.2%		0.9%
CHMA	10.0%	2.7%	1.1%		0.7%
England	12.8%	4.0%	1.9%		1.2%

Source: ONS, Census 2001/11

However:

- the figures for “All ages” and “25-34s” show that Maldon had a smaller proportion than England as a whole.
- The equivalent data for overcrowding (see Barton Willmore’s Figure 7.9 below) shows that Maldon has lower overcrowding than all the comparators by a modest margin.

Figure 7.9: Over-occupation, 2001 vs. 2011



Source: Office for National Statistics, Census 2001/2011

General comments

Focussing on particular indicators is not very helpful. The picture needs to be looked at overall and when that is done there is no evidence any particular market stress.

Were the view to be taken that there is evidence of market stress it should be borne in mind that Maldon is proposing to plan for more homes than were suggested by

what were then the latest official projections: the Plan is on the basis that allowance should be made for a partial return to previous household formation rate trends. This has the effect of adding some 50 homes a year to a projection based on the official projections updated only for the 2012-based population projections. (See the final column of the table in paragraph 60 of the NMSS Report (EB098a), *Assessing Maldon's Housing Requirements*, August 2014 which shows an increase from 210 to 260 homes a year – reproduced below for ease of reference.) This is an increase of 24% - rather more than the 10% suggested by the precedents referred to by Barton Willmore.

Comparison of household growth projections	Households in		Increase in households	Homes per year
	2014	2029		
Updated official projection	26400	29400	3000	210
2012 population + part return to trend	26400	30200	3750	260
10 year UK flows + part return to trend	26600	31000	4390	310
10 year UK flows + unattributable + part trend	26500	30400	3920	280