

Core Document 249A

Note from WMRA to the WMRSS Phase Two EiP Panel – 20 May 2009 Matter 4b Delivering Homes and Communities

Amends to figures taken from table 14 from CD249 (second table in Matter 4b Panel Note)

In preparation for Matter 4b the Assembly has held some discussions with Ecotec, the consultants that prepared CD249 from which tables 2 and 3 in the Matter 4b Panel note have been extracted.

The tables set out two comparisons of the SHMA figures with the CCHPR figures, including backlog (Table 2) and not including backlog (Table 3). Since backlog was not taken into account in the Cambridge work, the backlog figures from the SHMAs are applied to the Cambridge figures as a proxy.

In the course of discussions with Ecotec it has transpired that the original table 14 in CD249 contains errors due to a miscalculation in the backlog figures, and these errors are of course also present in table 2 in the Matter 4b panel note.

The correct figures are shown in the replacement table below:

Replacement for second table from Matter 4b Panel Note

| Comparison of CCHPR and SHMA outputs | | | | | | | | |
|---|-----------|-----------|----------|--------|--------|--------|--------------------------|--------|
| | South HMA | North HMA | West HMA | C1 HMA | C2 HMA | C3 HMA | <i>Central HMA total</i> | Total |
| SHMA net annual housing need | 3,625 | 2,180 | 2,930 | 7,401 | 1,613 | 4,916 | 13,930 | 22,664 |
| CCHPR + SHMA backlog reduction | 4,411 | 2,732 | 3,040 | 6,548 | 2,360 | 5,104 | 14,012 | 24,194 |

The errors are due to the method by which assumptions about future supply have been netted off from the backlog figures to give a 'policy off' position across all the SHMAs. The figures for the South and C3 HMAs remain the same as the methodology used in these two SHMAs was different and unaffected by the error.

Notwithstanding the above, given the differences in methodology and data sources, not only are the SHMA figures not directly comparable with the Cambridge figures, they are not actually very comparable with each other. In the original report Ecotec's view is that "this is at best an awkward comparison due to the fundamentally different nature of what is actually being measured, and due to crucial differences in the approaches taken to generate the figures" (p28, CD249); "direct comparison between the results of the

[Cambridge study] and those of the six SHMAs is not possible because the studies are not measuring the same thing” (p30); and “due to the significant differences in the approaches taken to measure housing need, the results produced by the six SHMAs cannot be considered to be truly comparable. They are therefore of limited use to the Regional Assembly in providing a robust quantitative picture of need for the West Midlands as a whole” (p32).

However, the Assembly’s position is that the reasoning behind the differing approaches in each HMA is due at least in part to the differing needs of the HMAs, and since the figures in each SHMA have been formally signed off by each respective HMA Partnership, the final figures represent an appropriate indicator of need within each HMA. On this basis we have accepted the SHMAs as a basis for informing affordable housing figures despite the issues regarding statistical comparability.