

## The Economic Demand for Housing in the West Midlands, 2006-2026: Tamworth

This two-page data dashboard provides an overview of the projections and analysis for the Tamworth Local Authority area, resulting from the SQW Consulting and CE work for the WMRA. Three growth scenarios were modelled to show how many additional dwellings could be required in the region's local authority areas between 2006-2026 to support economic growth.

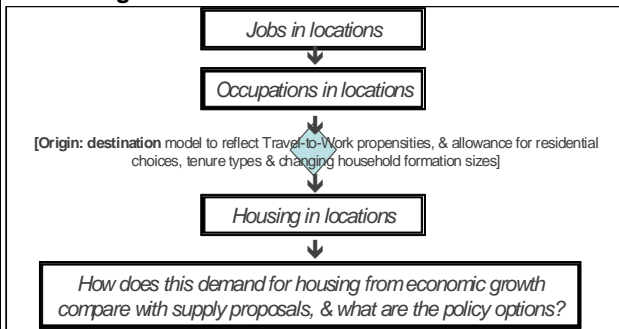
These projections are 'policy off', and do not take in to account any planned developments. Under the *Baseline* scenario, regional GVA growth is projected to be slower than that of the UK as a whole. Under the *Convergence* scenario, the regional GVA growth rate is projected to catch up with that of the UK, due to the performance of AWM's priority sectors. Under the *Austerity* scenario, there is a reduction in Public Sector employment and growth, as a result of current economic conditions.

**For the purpose of this dashboard, the most positive scenario, *Convergence*, is used to report the key findings**, although Box 3 shows the differential numbers of residents in employment projected by the three scenarios. All the figures in this document are taken from CE's economic projections as at the end of November 2009, and so make no allowance for the announcements in the Pre-Budget Report.

### Key Issues

- Tamworth is expected to recover from the recession relatively early, with steady job growth forecast from 2010.
- This reflects the projected industry sector mix and past performance.
- Although net out-commuting overall is expected to decrease, net out-commuting amongst managerial & professional workers is expected to grow significantly.
- The Study's projections to 2026 suggest that future housing provision to support economic growth will comprise, as shares of total dwellings: semi-detached housing (40%), followed by detached (28%), terraced (22%) and flats (10%). Tenure is projected to be 76% home ownership, 19% social rented and 5% private rented.

### 1. The logic of our Model . . .



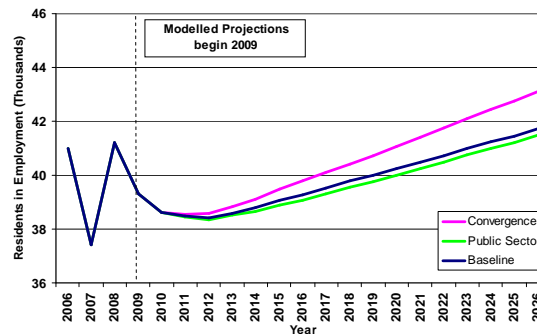
### 2. Projected Population Change. . .

Spatial level	Population (000)		% Change
	2006	2026	
Tamworth	75.4	79.7	6
Central 1 Housing Market Area	1381.6	1524.6	10
West Midlands	5366.7	5799.8	8

- The population of Tamworth is projected to grow modestly in the next twenty years, gaining just under 4,500 extra people.
- This represents an increase of 6%, two percentage points below the regional average of 8%.
- This percentage increase is lower than the forecast increase for the rest of the Central 1 Housing Market Area (10%).

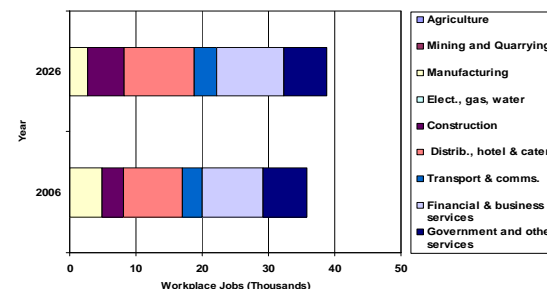
### 3. Number of Residents in Employment . . .

- Like other parts of the region, as a result of the recession, the number of Tamworth residents in employment fell between 2006 and 2009.
- Under all three scenarios, resident employment is projected to reach or exceed the 2006 level of 41,000 by 2026. Under the *Convergence* scenario, the number of residents in employment is expected to start increasing slowly by 2011 and grow by 2,100 to just over 43,000 by 2026.
- Under the more negative *Public Sector Austerity* scenario, employment is projected to grow slowly from 2013, reaching 41,500 by 2026.



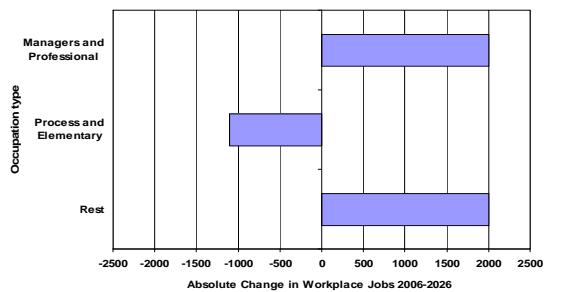
### 4. . . . and the Sectoral Changes

- The number of workplace jobs in Tamworth is projected to grow modestly between 2006 and 2026, rising by 3,000 from 35,800 in 2006 to 38,800 by 2026.
- The sector expected to suffer the most will be manufacturing, shedding about 2,200 jobs between 2006 and 2026.
- Many other sectors will remain largely unaffected. Three sectors are forecast to grow by 2026: construction (up by 2,300 jobs), distribution, hotels & catering (up by 1,700 jobs) and financial & business services (up by 1,000 jobs).



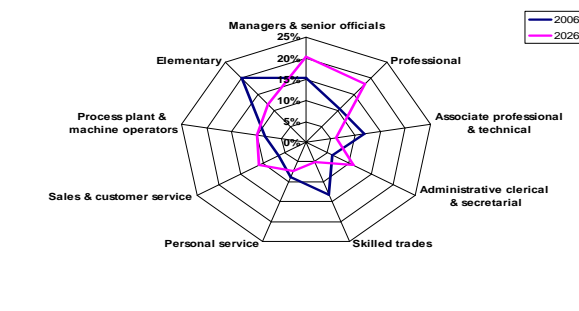
### 5. Changes in the Occupational Structure of Jobs

- The occupational make up of Tamworth is likely to become more high-level, with around 2,000 additional workplace jobs in the managerial or professional occupations by 2026.
- Process and elementary occupations are projected to lose the most employment, with approximately 1,100 job losses expected between 2006 and 2026.
- Those other occupations that make up the rest of the workplace are set to grow by around 2,000 jobs over the period 2006 to 2026.



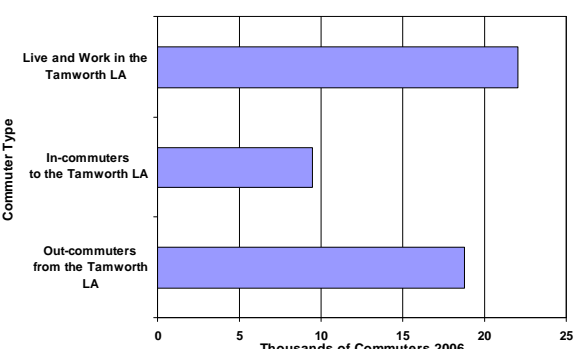
### 6. Residents' Changes in Occupations

- The occupations of Tamworth's residents are projected to change in a similar manner to those of workplace jobs in the area over the 20 year period.
- A decline is projected in resident employment in skilled trades, elementary occupations and associate professional & technical jobs.
- By 2026 a greater proportion of residents are likely to be employed as managers and senior officials or in professional occupation. This is likely to have implications for tenure demand and demand for type of dwelling.



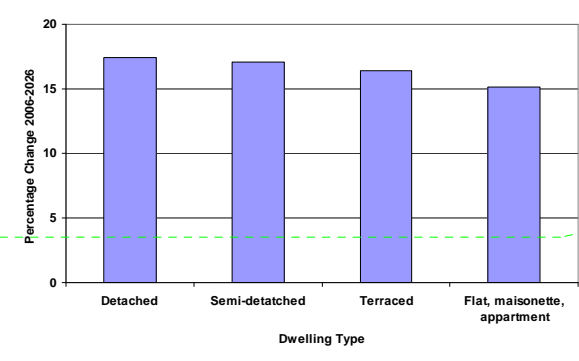
### 7. Travel-to-Work Patterns

- According to 2006 Travel-to-Work data, the majority of Tamworth's working population (22,000) live and work in the area, with a further 19,000 who travel outside of the local authority for work.
- The primary commuting destinations are Birmingham, North Warwickshire, Lichfield and, outside of the region, to the East Midlands (1,200).
- Almost 10,000 people commute in to Tamworth, the majority of these originating from Lichfield, North Warwickshire and Birmingham.



### 8. Changes in the demand for types of Dwellings

- Using patterns from the 2001 Census, we can look at how demand changes for types of dwelling and tenure.
- As suggested above, with resident occupation in Tamworth becoming more higher-end, there will be a particular increase in demand for detached (17%) and semi-detached housing, with lower proportionate increases projected for terraced housing and **flatted** accommodation.
- However, in absolute terms the actual projected number of increased dwellings is largest for semi-detached properties, followed by terraced and detached housing and only a small number of flats.



**Comment [B1]:** Not sure this is a word? Rephrase?

### 9. Changes in Tenure

- Tamworth is already an attractive place to live, with significant out-commuting of professionals, reflected in the projected increase in owner occupation to 2026 of 17%.
- The expected demand for social and private rented properties is likely to be much lower, reflecting a low level of housing need in the area.
- Following the recession and Credit Crunch, it is likely that a proportion of the projected numbers in home ownership may require intermediate housing solutions.

