

The Relationship Between Housing Completions and Migration from the Metropolitan Area

Prepared for the West Midlands Regional Assembly by the West Midlands Chief Engineers and Planning Officers Group (CEPOG) Support Team, Mott MacDonald, Worcestershire County Council and Staffordshire County Council.

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1.0 Introduction

- 1.1 The Nathaniel Lichfield and Partners Study (CD178) acknowledged that there had been evidence of out migration from the Metropolitan Authorities to the Shires but questioned whether there was a causal relationship between this and past patterns of development and whether a restriction in development outside the Major Urban Areas (MUAs) would prevent this movement from continuing. It suggested that the RSS process may further benefit from testing this issue.
- 1.2 Slowing down the rate of net out migration is fundamental to the delivery of the urban renaissance; at present net out migration from the Metropolitan Area runs at around 10,000 people per annum. Failure to make appropriate and timely policy interventions, therefore, could lead to a net loss of 200,000 people through out migration over the RSS period; this is equivalent to approximately 8% of its current population or a Borough the size of Solihull.
- 1.3 The Panel has identified this specifically for further testing and under matter 2B (i) has posed the following question:

What is the evidence for the view that the movement of people out of the MUA has been caused by the availability of development outside them?

- 1.4 The purpose of this paper is to specifically address this issue and provide the Panel with the requisite clarity.

2.0 Background

- 2.1 The underlying objective of the adopted RSS is to achieve simultaneous Urban and Rural Renaissance. One of the key means of achieving this is to re-weight the balance in favour of MUAs by seeking a step change in housing provision within these areas, whereby they increasingly meet their own needs.
- 2.2 Conversely, areas beyond the MUAs should no longer plan to accommodate out migrants, as was the case under the previous New Town programmes and planned migration to towns within the 'Central Crescent'. Instead, such communities should focus more on meeting indigenous needs.
- 2.3 In the 2002 Panel Report (CD55), WMLGA's position is described succinctly as follows:

Creating the conditions whereby choices made by people who have that choice move positively in favour of living in the MUAs (para. 1.1.4)

- 2.4 This is a 'carrot and stick approach' as it needs to coincide with investment and regeneration programmes within the MUAs to make them more attractive places to live, work and invest.

2.5 The principal reasons for this ‘step change’ in regional planning was to create a more sustainable development pattern by exploiting regeneration opportunities in the MUAs, reducing unnecessary Greenfield development beyond them, reducing the need to travel and enabling MUAs to fulfil their economic potential. These reasons remain equally valid today.

2.6 The Panel concluded that:

As a result, we consider that the strategy of no peripheral housing development around the MUAs should be adopted alongside the various initiatives for increasing the attractiveness of them as places to live (para. 2.1.34).

2.7 This was subsequently endorsed by the Secretary of State in para. 10.14 of the adopted 2004 RSS, which stated that “it is not anticipated that strategy will need to be changed in the short term” (CD18).

2.8 Indeed, in publishing the 2004 adopted RSS, the Secretary of State was of the view that:

An important factor in the trend of decentralisation from the MUAs has been the availability of development land in the settlements close to them. This has contributed to the loss of investment, abandonment and environmental degradation from the MUAs and increased environmental and environmental pressure in other parts of the Region. The dispersal of population and activities under-uses the social and physical resources of the MUAs and contributes to unsustainable development patterns that lead people to make more and longer journeys , more often than not by the private car (para. 3.2).

2.9 One of the principal factors for this policy shift is the fact that out migration is socially and economically selective in that it is the more affluent and economically active that tend to leave. This leads to a downward spiral whereby those remaining become socially excluded, communities become unbalanced, jobs are no longer created and private investment and services are displaced thus reducing accessibility. Considering that families tend to leave the conurbation whereas the MUA generally attracts single people, communities can become unbalanced.

2.10 There is a clear national policy basis for considering the issue of out migration. PPS1 Delivering Sustainable Development requires local authorities to consider development patterns which address climate change (para. 13ii), promote social cohesion and inclusion (para. 16) and protect and enhance the environment by recognising its limits (para. 19). It also promotes social cohesion and tackling social exclusion. Similarly, PPG 13 Transport seeks to reduce the need to travel and promoting more sustainable development patterns is a means of achieving this.

2.11 Map 1 (appendix) illustrates those who are likely to be more affluent tend to live outside the MUAs. If Urban Renaissance is to be achieved, therefore, these

groups need to be increasingly accommodated within the MUA rather than on its periphery and in settlements away from it.

- 2.12 This dynamic has been explicitly accepted by Government in the case of the West Midlands, as The Black Country Phase One Revision, approved in January 2008, specifically introduced this as an objective for the Black Country (CD16 para. 3.14A).
- 2.13 A Report by The University of Birmingham: The West Midlands Housing Markets, Changing Demand, Decentralisation and Urban Regeneration (2001) (443/8), which was cited in the 2002 Panel Report (CD55) referred to research by Champion in 2000 (para 1.21 of the 2001 report).
- 2.14 This suggested that in the West Midlands conurbation in 1997, 9 migrants per 1000 population left the area, which exceeded the migration rates in equivalent major conurbations; 4.3 people left Merseyside, 4.1 people left Greater Manchester, 3.9 people left Tyne and Wear. South and West Yorkshire both gained 2.6 people per 1000 population. Clearly this demonstrated a need for policy intervention and this continues to be relevant as stemming selective out migration is a policy objective that needs to be sustained in the long term.

3.0 **Evidence Examined**

3.1 In establishing migration patterns three key sources have been drawn upon:

- Analysis of the 2001 Census Migration Data
- Analysis of National Health Service Central Register (NHSCR) data
- Specific case studies / commissioned studies

3.2 Whilst the MUA includes both the West Midlands Metropolitan Area and the North Staffordshire Conurbation, this analysis focuses on the former.

4.0 **Analysis of 2001 Census Migration Data**

- 4.1 Analysis of the Census Migration datasets data enables a snapshot to be taken as to where those who moved house in the year prior to the Census lived beforehand.
- 4.2 Table 1 below indicates that of those moving in the previous years three quarters of moves were within the Metropolitan Area and less than 9% were to other parts of the Region. It is significant, however, that there is a ratio of 3:1 between migrants moving to local authorities immediately adjacent to the Metropolitan Area and those moving to other parts of the Region. Furthermore, 16,000 out migrants in a single year are significant in absolute terms.

Table 1: West Midlands Metropolitan Area Gross Out Migration Patterns (2001 Census)

Area	Within District/Other Met District	Local authorities adjoining the Met Area*	Rest of region	Outside the Region	Total
Metropolitan Area	192,312	16,060	5,970	36,142	250,484
% of Total	76.8	6.4	2.4	14.4	100

Source: 2001 Census origin destination dataset MG101

* Local authorities adjoining the Metropolitan Area comprise Cannock Chase, Lichfield, South Staffordshire, Tamworth, North Warwickshire, Nuneaton & Bedworth, Rugby, Stratford-on-Avon, Warwick, Bromsgrove & Wyre Forest.

For the purpose of this analysis the entire administrative districts of Solihull is included even though it is not all within the MUA; as Table 2 shows approximately 902 people/households moved into the non-MUA part of Solihull in the year prior to the 2001 Census.

- 4.3 In general terms, it is of note that the more peripheral wards within the MUA have attracted migrants whilst people left inner urban areas in Coventry, Birmingham and Wolverhampton (Map 2). Given the increased popularity in urban living since the 2001 Census was undertaken, however, more people now live in city and town centres although directly comparable data will not be available until the next Census is undertaken.
- 4.4 What is of particular note, however, is the level of migration to the Meriden Gap from elsewhere in the Metropolitan Area. Although within Solihull MBC's administrative area, the MUA boundary coincides with the built up area to the west of the Borough and does not include the Meriden Gap (Map 3).
- 4.5 Table 2 below compares housing completions from 1999 - 2001 within the Solihull wards outside the MUA with net in migration and would appear to demonstrate a clear correlation as there has been significant development prior to people moving to these locations. By contrast, Knowle ward was neither the recipient of significant new building or in-migrants.

Table 2: Meriden Gap – Evidence that housing completions precede Migration

Ward	Net migration from elsewhere in the Metropolitan Area	Completions			
		00/01	99/00	98/99	97/98
Bickenhill	311	235	90	1	45
Knowle	10	1	2	6	2
Meriden	216	162	66	95	146
Packwood	365	211	224	233	233

Source: 2001 Census and local authority monitoring

- 4.6 Map 4 shows which wards outside the Metropolitan Area are the recipients of most migrants. This demonstrates a clear proximity principle not only in terms of local authorities immediately adjacent to the Metropolitan Area but also to

specific nearby wards. Unfortunately ward level housing completions data is not available at this level outside the Metropolitan Area for the corresponding time period to compare whether there is a clear linkage, although the principle of migration is established.

5.0 National Health Service Central Register (NHSCR) Data

5.1 As useful as the Census data is, it only gives a snapshot in time. For this reason, analysis of the NHSCR data which is available annually has been considered and the relationship between this and housing completions considered.

6.0 Migration Patterns

6.1 Table 3 below shows recent trends in migration to and from the Metropolitan Area, highlighting that with the exception of 2006-07, net out migration has been falling since 2002. The recent increase in net out migration is acknowledged in the WMRA's 2008 Annual Monitoring Report (March 2009), however, this needs to be monitored further, as the latest data clearly differs from the established trend of decreasing net out migration over the last five years. More detailed statistical analysis of migration trends is available in the Migration Report for the West Midlands 2002 – 2007 (CD234).

Table 3: Net Migration between the West Midlands Metropolitan Area the rest of the West Midlands Region, 1991-2007

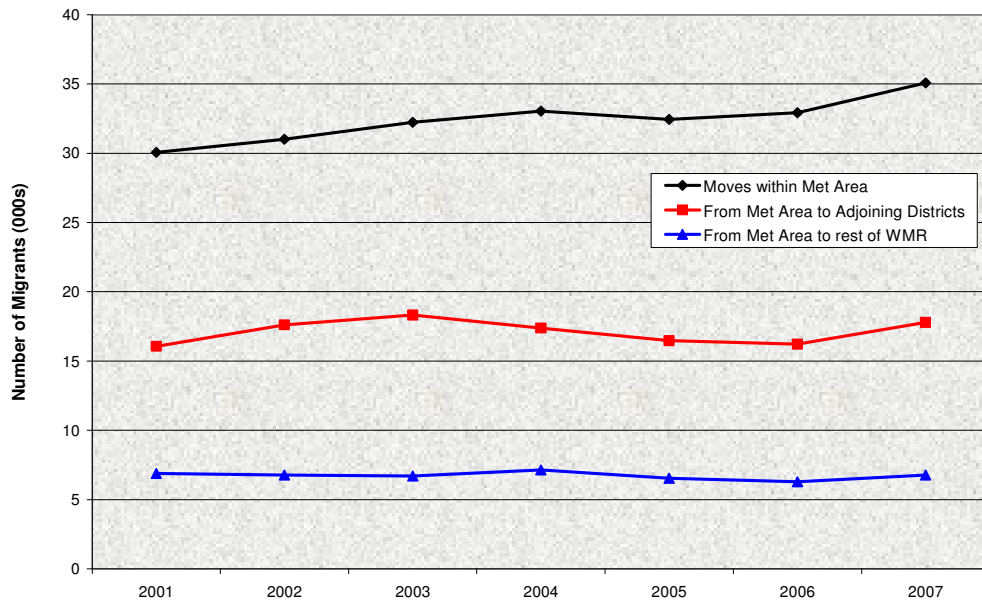
Year	In	Out	Net
2002-03	12480	25020	-12540
2003-04	12130	24530	-12400
2004-05	12610	23010	-10400
2005-06	13250	22510	-9260
2006-07	14210	24560	-10350
5 year average	12936	23926	-10990

Source: Patient register data & patient re-registration in NHSCR 1991-07

6.2 Whilst this data is not directly comparable with that from the Census, the patterns displayed are similar, namely that the majority of migration is between Metropolitan Authorities. People move from Birmingham to Metropolitan Authorities that share boundaries with it and people move between Black Country authorities; this is consistent with the RSS policy approach in that those choosing to move do so within the Metropolitan Area.

6.3 However, out migration from the Metropolitan Area is primarily to local authorities adjacent to it; the below Graph 1 demonstrates this clearly.

NHSCR based Migration Moves, West Midlands 2001-2007



Graph 1: NHSCR Metropolitan Migration Moves, 2001 - 2007

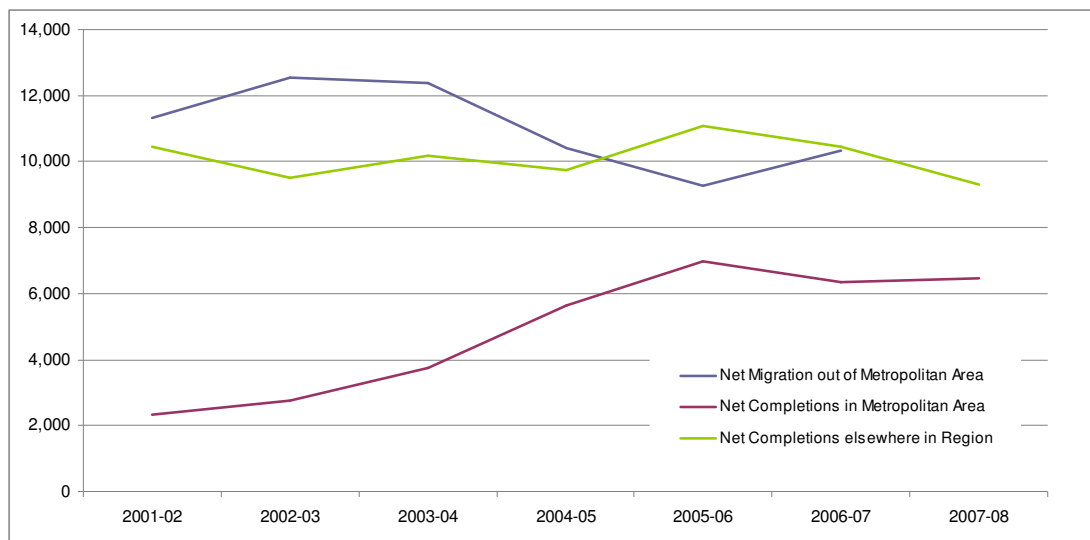
6.4 As the Migration Report for the West Midlands 2002-2007 (CD234) shows, more specific analysis highlights that the main outflows from Metropolitan Authorities to Shire districts are as follows:

- **Birmingham** main out flows to Bromsgrove and Lichfield
- **Walsall and Wolverhampton** main out flows to Lichfield, South Staffordshire, Cannock Chase
- **Sandwell and Dudley** main outflows to Wyre Forest and Bromsgrove
- **Coventry and Solihull** main outflows to Warwick, Nuneaton and Bedworth and Stratford.

7.0 Relationship between Out Migration and Net Housing Completions

7.1 Between 2001 and 2008 net completions in the Metropolitan Area have increased substantially whilst they have remained relatively stable in other parts of the Region.

Graph 2: Net Completions and Net Migration in the West Midlands



Source: Patient register data & patient re-registration in NHSCR 1991-07 and WMRA Annual Monitoring Reports

- 7.2 Graph 2 shows the relationship between net dwelling completions in the Metropolitan Districts and net-migration to the Shires of the West Midlands.
- 7.3 There is five years worth of data. In four of these five years, completions in the Metropolitan Area increased and in three of these four years net migration to the remainder of the Region decreased. In one year, 2006-7, completions in the Metropolitan Area dropped and net out-migration to the Shires increased again.
- 7.4 Thus in 4 years there appeared to be an inverse correlation between the trend in net dwelling completions in the Metropolitan Area and the trend in net out-migration to the Shires. The first year of the series goes against the trend.
- 7.5 Unfortunately, the series of data is too short to draw any firm statistical conclusions but the chance of such a pattern occurring randomly is only 16%.
- 7.6 There is, however, some evidence to suggest that increased house building in the Metropolitan Districts retains population in the conurbation and that as the differential between MUA completions relative to completions outside the MUA increases, net out migration slows down.
- 7.7 As the RSS strategy begins to 'bite' this relationship may well strengthen but there is insufficient data to draw firm conclusions to date as the policy is in its infancy. These early signs are encouraging, even more so given the following considerations:
- The 'step change' policy has only been in existence formally since 2004 so a number of non MUA completions may actually have been granted consent under the previous policy regime and are still working through the system.

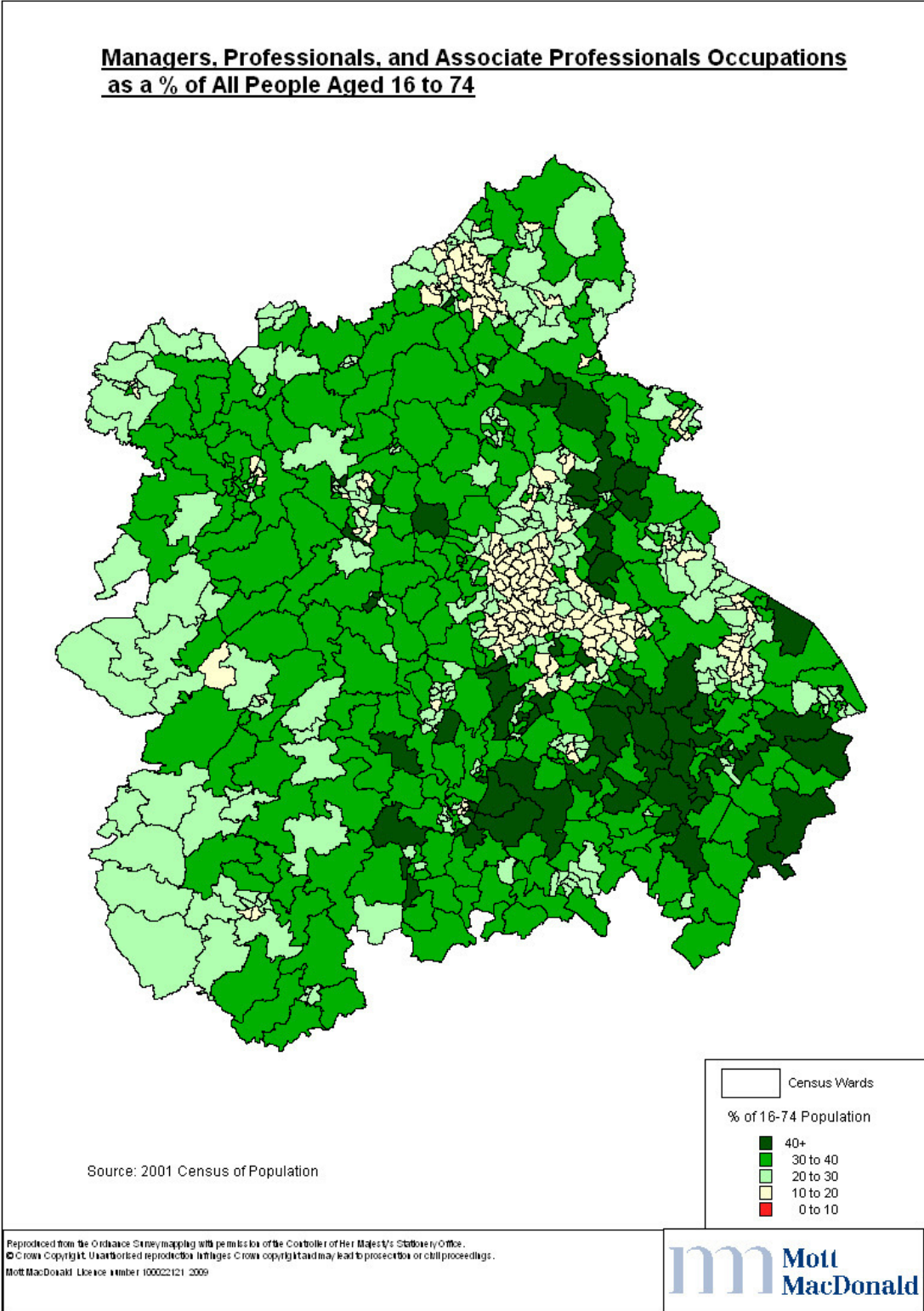
- This has been achieved largely during a period of economic growth and up until recently relatively easy mortgage finance; those able to move have expressed their 'preferences' and have increasingly chose not to leave to Metropolitan Area or to move into it.
- 7.8 Furthermore, as the Risk Assessment (Ref CD22), points out in para 5.24 NLP's analysis is based on the lack of correlation between build rates outside the MUA and net out migration, and from this it is concluded that the balance of new build in / out of the MUAs is not a major influence on migration patterns. This analysis is considered to be back to front and the ratio of MUA to non MUA should be seen as an output of applying RSS not an input to it. The urban renaissance is an integrated policy approach and measures which make it a more attractive place to live help increase the demand for both existing and new dwellings within it.
- 7.9 The NHSCR is also capable of analysis by population co-hort and it is the 25 – 44 age group that is most prone to out migration from the Metropolitan Area. This coincides with peak economic activity and fertility rates thus further supporting the RSS policy approach to stem out migration in order to increase the economic well being of the MUA and minimise social polarisation.
- 8.0 **Proof of Evidence prepared by GVA Grimley (on behalf of Wolverhampton MBC) regarding three outline planning applications in South Staffordshire (443/4)**
- 8.1 The above document was presented on behalf of Wolverhampton City Council in response to appeals in adjoining South Staffordshire District at a public inquiry in spring/summer 2007. The proposals were in close proximity to Wolverhampton City Council's boundary and sought the release of land for up to 1400 new dwellings.
- 8.2 In presenting the Council's case the proof demonstrated that the proposals would encourage selective out migration and more specifically, it concluded that:
- There is an established pattern of migration from the Black Country to Staffordshire (including South Staffordshire) which underlines the importance of the RSS strategy.
 - Higher levels of growth in AB Households in South Staffordshire are fuelled in part by out migration from the MUA, hence the importance of the RSS Phase One Revision – The Black Country.
 - Proximity to the MUA is a key factor in terms of out-migration as are journey to work patterns.
- 8.3 The appeals were subsequently recovered by the Secretary of State and in making her decision she disallowed the appeals and cited the adverse impact of the proposals on RSS strategy, including encouraging out migration (443/5 and 443/6).

9.0 Conclusions

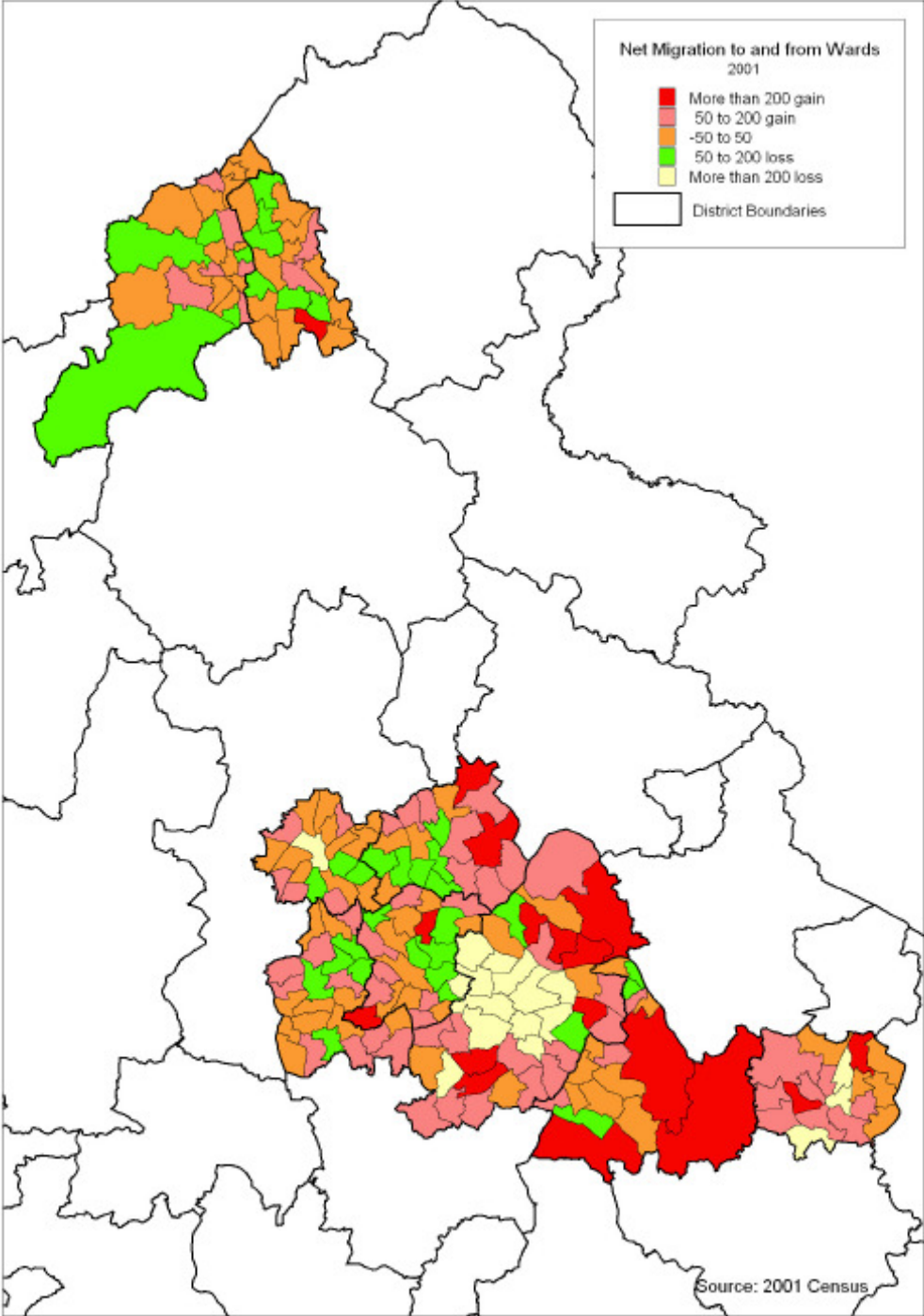
- Stemming selective out migration is at the heart of the ‘fundamental change of direction’ that underpins the adopted RSS and was acknowledged as such by the Secretary of State.
- Based on rolling forward the NHSCR data and without policy intervention, a further 200,000 people could leave the Metropolitan Area over the RSS period which would run counter to both the urban and rural renaissance.
- This is clearly an unsustainable trend and to exacerbate it would be contrary to the overarching principles of PPS1 and PPG13. More specific considerations are as follows:
 - Potential Greenfield land take and forgone Brownfield opportunities within the Metropolitan Area leading to a more dispersed settlement pattern and increased journey distances
 - The socially selective nature of out migration leading to social exclusion amongst remaining residents as services become less viable
 - Weakening the economic base of the Metropolitan Area as the more economically active are more likely to move.
 - Discouraging mixed and balanced communities as families are more likely to move.
 - Out migration of wealthier Metropolitan residents puts increased pressure on housing stocks in adjoining authorities thus making it more difficult to meet indigenous needs.
- Since 2001, there have been encouraging signs in terms of the rate of out migration from the Metropolitan Area slowing down; this coincides with a closing of the differential between net Metropolitan completions relative to those in adjoining authorities.
- These signs are positive but it is still early days given the relative infancy of the policy. It is suggested that this is indicative of the policy beginning to take effect in that those moving are choosing to remain in the Metropolitan area or move back to it. To deviate from it through premature release of land elsewhere is considered to be a high risk and this is explored further in the WMRA Risk Assessment (CD22).
- Specific case studies South Staffordshire and analysis of Census data relating to the Meriden Gap demonstrate a link between housing completions facilitating out migration from the MUAs.
- There is a clearly proximity principle in that those migrants who choose to leave the Metropolitan Area move to those local authorities and settlements immediately adjacent to the conurbation.

Appendix

Map 1: Managers and Professional People as a % of total population aged 16 - 74



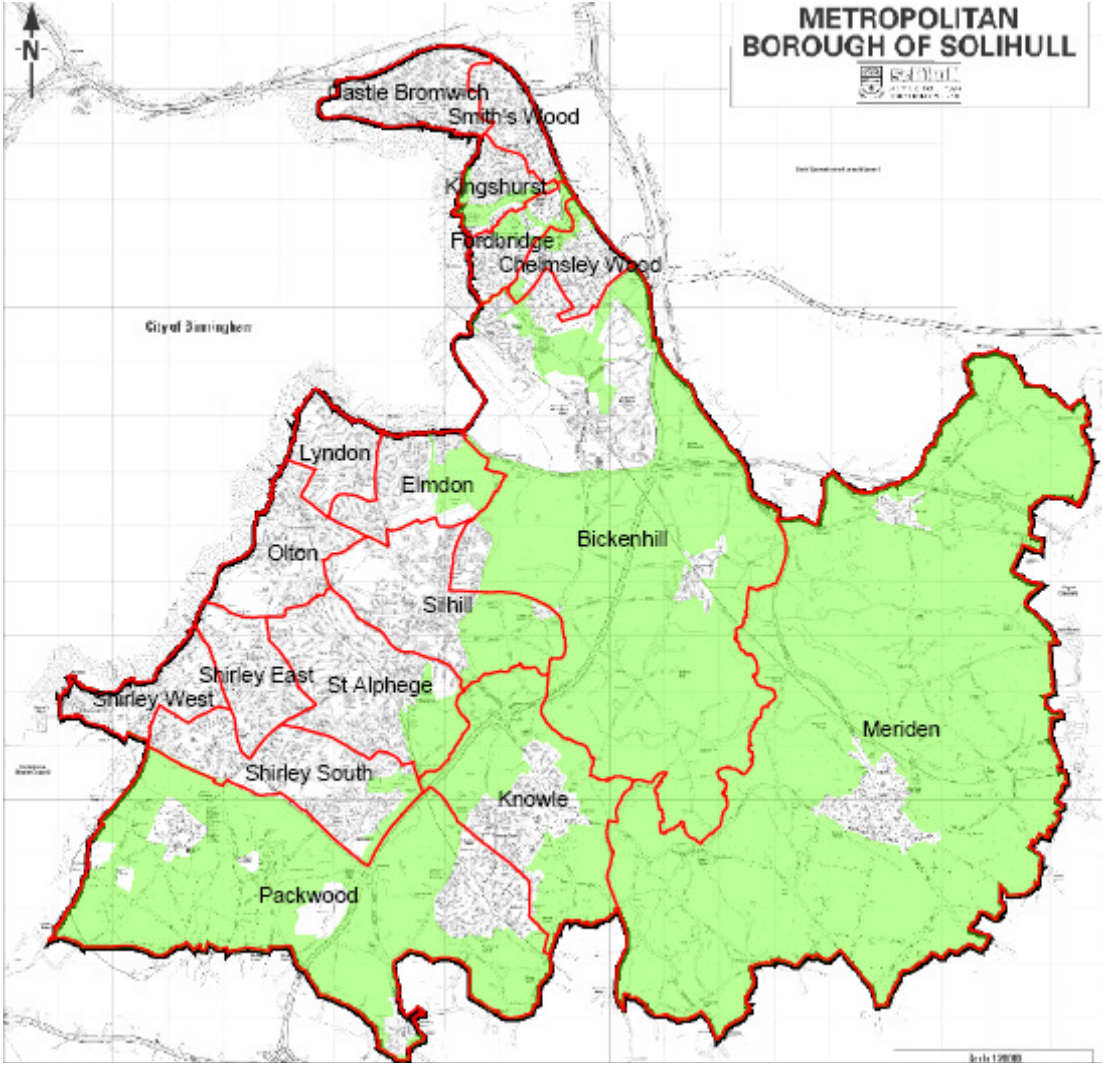
Map 2: Net Intra MUA Migration



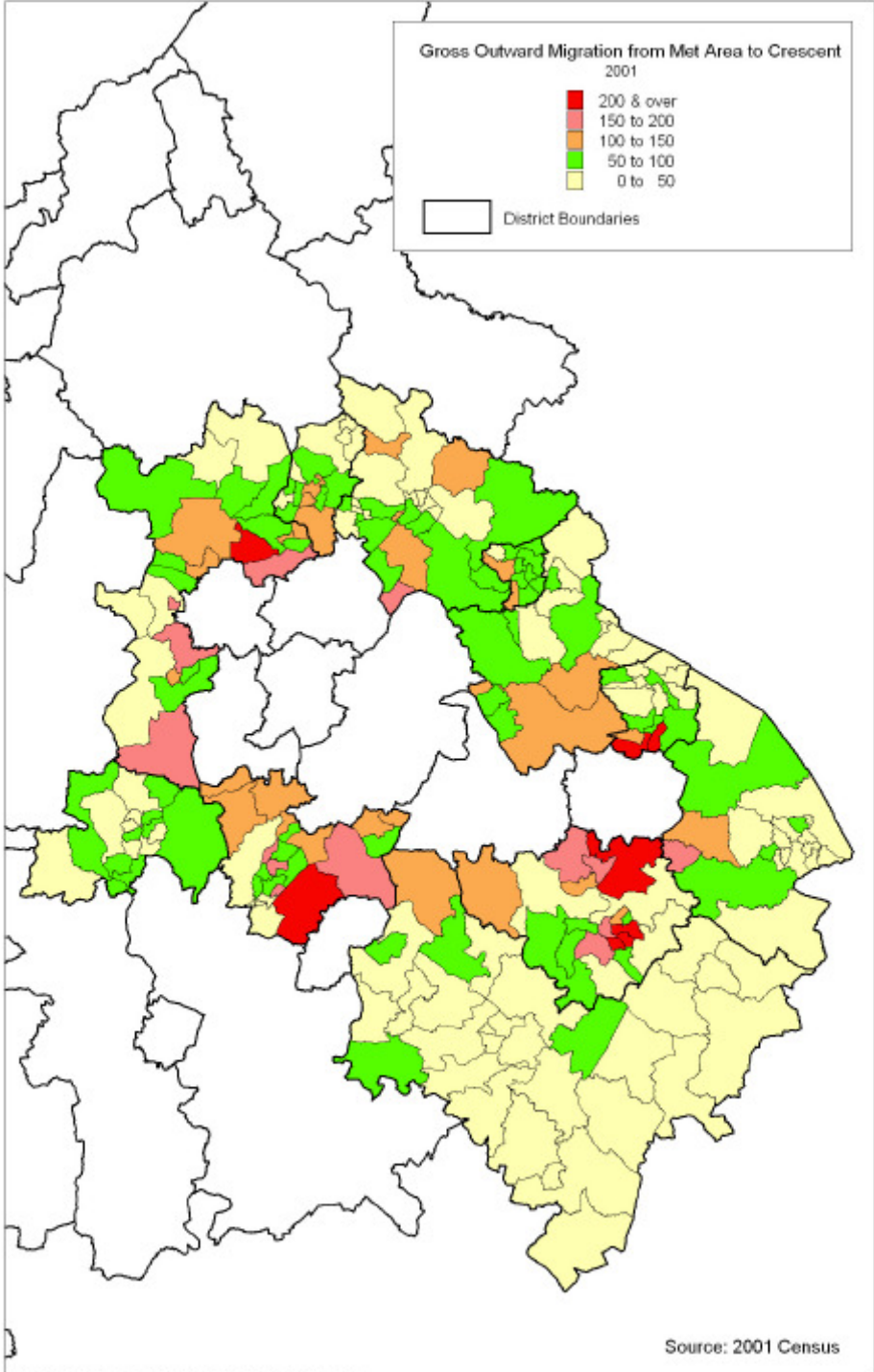
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Map 3: Solihull MBC Administrative Area and Green Belt Boundary



Map 4: Gross outward migration from Metropolitan Area to adjoining Wards/Districts



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