



Centre for Urban and Regional Studies

**WEST MIDLANDS REGIONAL HOUSING STRATEGY
WEST MIDLANDS REGIONAL SPATIAL STRATEGY
PARTIAL REVIEW
SHARED EVIDENCE BASE**

Comparison of household change and affordable requirements

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Summary

- This reports on comparisons between the household change and affordable housing requirements using three different models:
 - a) Short-term migration trends – ie: following the existing trends in short term migration; policy factors such as demolitions are factored in to give a gross requirement
 - b) Natural change Chelmer model– ie: netting off short-term migration and observing household formation thereafter; policy factors such as demolitions are factored in to give a gross requirement
 - c) RSS net model with demolitions and concealed households factored in to a gross housing requirement
- The first two models are equivalent to those used in the draft stage 2 report on Table 1 of the client brief; ie: Table 2.2 is used for comparison purposes across the region.
- The first set of tables compare net household change.
- It should be noted from the outset that the three models have different outcomes in terms of net household formation; this affects affordable housing outcomes.
- The RSS estimates net requirements to be 248,600 (in the tables this is shown as 248,604 due to rounding in the dis-aggregation and re-aggregation from districts to HMAs)
- The Chelmer model estimates household change to be between 254,000 and 259,000 dependent on the model used.
- Whilst the RSS is below the net estimates in the Chelmer model, the distribution of household change shows a consistent mid-point between the migration trend and natural change model ie:
 - a) The 'Natural Change' model assumes that the Central HMA will absorb 75% of growth, the 'migration model' assumes that Central will absorb 51% and the RSS model assumes 63% of growth which is line with the population share of the Central HMA;
 - b) The RSS identifies 13% of growth to be accommodated in the West compared to 6% in the Natural Change model
- We have applied affordability rates based on the incomes of newly forming households and house prices as described previously;
- In the RSS model we have then taken account of demolitions and concealed households; the approach here is the same as the estimates derived from the two Chelmer models however, there are a different set of assumptions on demolitions and concealed households in the RSS; we have added 20,000 concealed households identified in the census as these were only partially accounted for in the gross RSS figures;
- The resulting affordable housing need is below that identified in previous estimates.

- The differences will be accounted for by:
 - a) The lower net household change figures in the RSS compared to the Chelmer model,
 - b) The distribution of need and differential rates of affordability for newly forming households across the region;
 - c) Affordable housing need is set to zero in the model where there is a surplus of social housing - the re-distribution of household growth using the RSS figures will have had some impact on the effect of social housing flows in the model.
- Tables 3.1 and 3.2 identify the distribution across the HMAs; two-thirds of social housing need is identified in the Central HMA, 4.7 in the North, 18.1 in the South and 11.2 in the West.

Comparison of Household Forecasts:

Table 1.1 RSS (CF3) Net no.

RSS/CF3 (Net)	CF13 2001-2006	CF13 2006-2011	CF13 2007-2016	CF13 2016-2021	Total	HMA share of growth 2001-21
Central	38048	39359	39581	39581	156569	63.0
North	6457	5791	3614	3614	19476	7.8
South	14120	10279	7980	7980	40359	16.2
West	10150	7750	7150	7150	32200	13.0
Totals	68775	63179	58325	58325	248604	100.0

Table 1.2 Chelmer natural change No.

APU Natural Change	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total	HMA share of growth 2001-21
Central	40182	50358	54630	47600	192770	74.5
North	4340	6659	7039	5281	23319	9.0
South	5821	7446	8457	6697	28421	11.0
West	2625	4034	4484	3239	14382	5.6
Totals	52968	68497	74610	62817	258892	100.0

Table 1.3 Chelmer migration trends model No.

APU Migration Trends	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total	HMA share of growth 2001-21
Central	24297	35291	39367	30997	129952	51.2
North	3029	4401	4344	2557	14331	5.6
South	14097	16181	17252	15722	63252	24.9
West	9634	11810	12805	11941	46190	18.2
Totals	51057	67683	73768	61217	253725	100.0

Table 1.4 RSS (CF3) Net % share

RSS/CF3 (Net)	CF13 2001-2006	CF13 2006-2011	CF13 2007-2016	CF13 2016-2021	Total
Central	15.3	15.8	15.9	15.9	63.0
North	2.6	2.3	1.5	1.5	7.8
South	5.7	4.1	3.2	3.2	16.2
West	4.1	3.1	2.9	2.9	13.0
Totals	27.7	25.4	23.5	23.5	100

Table 1.5 Chelmer natural change % share

APU Natural Change	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total
Central	15.5	19.5	21.1	18.4	74.5
North	1.7	2.6	2.7	2.0	9.0
South	2.2	2.9	3.3	2.6	11.0
West	1.0	1.6	1.7	1.3	5.6
Totals	20.5	26.5	28.8	24.3	100

Table 1.6 Chelmer migration trends model % share

APU Migration Trends	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total
Central	9.6	13.9	15.5	12.2	51.2
North	1.2	1.7	1.7	1.0	5.6
South	5.6	6.4	6.8	6.2	24.9
West	3.8	4.7	5.0	4.7	18.2
Totals	20.1	26.7	29.1	24.1	100

Table 1.7 Chelmer natural change expressed as a % of RSS CF3 household growth

APU Natural Change	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total
Central	+5.3	+21.8	+27.5	+16.8	+18.8
North	-48.8	+13.0	+48.7	+31.6	+16.5
South	-142.6	-38.0	+5.6	-19.2	-42.0
West	-286.7	-92.1	-59.5	-120.7	-123.9
Totals	-29.8	+7.8	+21.8	+7.2	+4.0

Table 1.8 Chelmer migration trends expressed as a % of RSS CF3 household growth

APU Migration Trends	APU baseline 2001-2006	APU baseline 2006-2011	APU baseline 2011-2016	APU baseline 2016-2021	Total
Central	-56.6	-11.5	-0.5	-27.7	-20.5
North	-113.2	-31.6	+16.8	-41.3	-35.9
South	-0.2	+36.5	+53.7	+49.2	+36.2
West	-5.4	+34.4	+44.2	+40.1	+30.3
Totals	-34.7	+6.7	+20.9	+4.7	+2.0

Affordable housing requirements

Table (2.2a) Migration trends (Chelmer model 1) Housing Requirements WM Region 2006-2021

	2006/07	2007/08	2006-2011	2011-2021	2001-2021
Migration trends	15312	15312	76559	152688	287000
Affordable Trend-based Need	6101	6101	30507	63487	116210
Social Housing Need	3540	3540	17700	37178	67699

Table (2.2b) Natural change in population – migration constrained (Chelmer model 2) Housing Requirements WM Region 2006-2021

	2006/07	2007/08	2006-2011	2011-2021	2001-2021
Natural Change	15187	15187	75934	152348	287000
Affordable Need	5114	5114	25569	52938	97807
Social Housing Need	3375	3375	16877	35124	64821

Table (2.2c) RSS Housing Requirements WM Region 2006-2021 (Backlog cleared over 5 years)

	2006/07	2007/08	2006-2011	2011-2021	2001-2021
RSS	12636	12636	63179	116650	248604
Affordable Need	6732	6732	33659	25137	77921
Social Housing Need	4198	4198	20989	14963	46547

Table (2.2d) RSS Housing Requirements WM Region 2006-2021 (Backlog cleared over 10 years)

	2006/07	2007/08	2006-2011	2011-2021	2001-2021
RSS	12636	12636	63179	116650	248604
Affordable Need	4891	4891	24456	34132	77921
Social Housing Need	2948	2948	14741	21128	46547

Table 3.1 Affordable housing requirement by HMA 2001-21

	Affordable					% share
	2006/07	2007/08	2006-11	2011-21	2001-21	2001-26
Central	4437	4437	22184	15163	45584	58.5
North	406	406	2031	131	3053	3.9
South	1123	1123	5617	5145	16686	21.4
West	765	765	3826	4698	12598	16.2
Totals	6732	6732	33659	25137	77921	100.0

Table 3.2 Social housing requirement by HMA 2001-21

	Social					% share
	2006/07	2007/08	2006-11	2011-21	2001-21	2001-26
Central	3010	3010	15048	10330	30711	66.0
North	306	306	1528	78	2196	4.7
South	566	566	2830	2622	8434	18.1
West	317	317	1583	1933	5206	11.2
Totals	4198	4198	20989	14963	46547	100.0