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NW

Technical Background Paper

Initial Technical work on Housing Provision and Job Growth Figures for the North West

July 2010

Regional Leaders Board

Contents

1. Introduction

1.1 The purpose of this technical background paper is to outline the initial work undertaken by 4NW to inform the development of housing provision and job growth figures for the North West region for the period to 2030. The paper sets out a number of different scenarios which provide a starting point for further work and discussion, including an explanation of the methodology used to develop each scenario. A summary of the different scenarios, distribution approaches and outputs for the region as a whole, and for sub-regional geographies, is set out in Table 1 on page 11. The baseline scenario is the adopted Regional Spatial Strategy for the North West (September 2008).

1.2 Detailed figures for all Local Planning Authorities in the Northwest for each scenario are attached in appendix 1 - 5. A detailed spreadsheet containing all of the information used in developing the scenarios is also available as a separate document[1].

1.3 The information set out in this paper was presented to local authority officers and other partners at a series of sub-regional workshops on the 25th, 27th and 28th May 2010 with a view to getting feedback on work to date. The broad comments made at the workshops are reported in appendix 6. A meeting was also held with Natural England, Environment Agency and CPRE on 2nd June 2010 to outline the methodology behind the figures and report the broad views given at the sub-regional workshops. Partners were asked to provide further comments in response to the workshop by 11th June 2010. The key messages from the workshops were that:

- A level of housing provision across the region of around 23,000 dwellings per annum was considered to be appropriate. Figures higher than that would create difficulties in terms of land availability and the capacity to deliver on the ground.
- Phasing is critically important in achieving a sustainable transition from current levels of delivery to levels needed to achieve 23,000 dwellings per annum.
- There is a need to consider the impacts of development on infrastructure at the sub-regional and local level.
- The relationship between housing and employment in some parts of the region is very complex.
- Aspiration is important in ensuring that we don't entrench trends which need to be addressed, and those aspirations need to be factored in to any forecasting work.

1.4 Whilst this paper focuses on numerical figures it is important to remember that the supporting policy context is hugely important in shaping the impact that the implementation of these figures will have, including how, when and where development takes place and how the headline figures relate to the amount of land required to deliver them. A significant amount of work is still needed to understand fully the implications of the figures set out in each of the different scenarios. Given that this will not now take place at the regional level, it is important that this is continued at sub-regional / local level. This technical paper and the supporting numerical information is intended to assist in that future work.

Context

1.5 This work was undertaken within the context of:

[1] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

- The Local Democracy, Economic Development and Construction Act 2009 which provides the legislative framework for the development of a Regional Strategy[2].
- Planning Policy Statement 3: Housing, which requires the Regional Spatial Strategy (Regional Strategy) to set out the level of overall housing provision, broadly illustrated in a housing delivery trajectory, for a sufficient period to enable Local Planning Authorities (LPA) to plan for housing over a period of at least 15 years. This should be distributed amongst constituent housing market and LPA areas.
- Planning Policy Statement 4: Planning for Sustainable Economic Growth which requires minimum job targets for individual Local Authorities to be set out at a regional level.
- Requirements to develop 'alternative approaches' set out in both Sustainability Appraisal / Strategic Environmental Assessment legislation and in the Policy Statement on Regional Strategies published in 2009.[3]

1.6 Since the completion of this work the Government has issued a statement revoking Regional Strategies with immediate effect. The policy framework set out in Planning Policy Statements continues, but references to Regional Strategies (and Regional Spatial Strategies) are no longer valid. The legislative framework set out in the Local Democracy, Economic Development and Construction Act 2009 will be replaced by the Localism Bill which is due to be passed in November 2011. The Policy Statement on Regional Strategies has been cancelled.

1.7 The research and policy context for setting district level housing figures at a regional level is well established and there is a wealth of evidence available to support that work. Setting job targets at district level is a new requirement, and as such there is less evidence and information available.

1.8 In terms of existing evidence the work set out in this technical report draws primarily on the following:

- North West Household Growth Estimates Study (August 2005)
- The definition of Housing Market Areas in the North West region (revised August 2008)
- Regional Strategic Housing Market Assessment (August 2008)
- Housing Growth scenarios and affordable housing requirements 2009 update (November 2009)
- National Housing and Planning Advice Unit supply range advice (July 2009)
- Regional Economic Forecasting Panel Long-term Baseline forecast (March 2010)
- Independent Local Authority Forecasts and Detailed Sectoral and Occupational Information Supporting the Regional Economic Forecasting Panel Long-Term Regional and Sub-regional Baseline Forecasts (April 2010)
- Setting Employment Land Targets for North West England (Roger Tym and Partners, April 2010)
- RSS Annual Monitoring Report for the Northwest of England (February 2010)

North West Household Growth Estimates Study[4]

1.9 Commissioned by the then North West Regional Assembly, this piece of work was undertaken by Nathaniel Litchfield and Partners in conjunction with Deloitte and David

[2] http://www.opsi.gov.uk/acts/acts2009/ukpga_20090020_en_1
[3] http://www.communities.gov.uk/documents/citiesandregions/pdf/1129855.pdf
[4] http://www.4nw.org.uk/documents/?page_id=4&category_id=178

Cumberland Housing Regeneration Company, to develop a robust methodological framework for calculating the potential demand and need for housing in the region and its distribution across the region's Local Planning Authority areas.

1.10 The research brought together a number of different data sources, including Census 2001, population and household projections, migration flows, economic growth scenarios, employment rates and levels of concealed and sharing households as well as homelessness. These data sources were used to provide household estimates and some, along with build rates, were used to spatially distribute households within the region. Spreadsheets containing the technical work related to this study can be downloaded at http://www.4nw.org.uk/documents/?page_id=4&category_id=178 (Appendix 1 and Technical Needs Appendix).

1.11 The economic growth scenarios were based on scenarios prepared for the North West Regional Development Agency, by Experian, in 2005 to inform the review of the Regional Economic Strategy. This work produced three economic scenarios:

- **Longer term trends** continue: assumes the relative performance of the region and its areas seen over the last two decades continuing by sector. Under this scenario the rate of growth of GVA lags behind that of the UK, largely because of lower employment growth but also slightly lower productivity growth. GVA per capita does not improve relative to the UK average. This is a fairly pessimistic scenario as the difficult industrial restructuring of the past decades in the region is unlikely to continue and impact in the same way in the future.
- **Recent employment success**: assumes the strong employment growth over the last 4-5 years will continue into the future, but productivity performance remains sluggish. This assumption is applied to each sub-region, so the sub-regions who have performed best in terms of recent employment growth are assumed to continue to perform best into the future. Total employment growth rates exceed those of the UK, but GVA growth lags behind. Under this scenario employment rates grow and exceed the national average.
- **Regional productivity transformation**: assumes the region as a whole is able to transform its economic base in two ways:
    - First, so that the share of finance and business services reaches those of the UK average
    - Second, productivity levels in its traded service sector improve to those of the best performing region outside London and the South East.

  Under this scenario the GVA growth rate equals that of the UK and there is an element of catch up in GVA per capita. However, under this scenario different sub-regions are assumed to perform differentially in relation both to their relative shares of sectors and in relation to their long run historic performance compared to the regional average. Growth rates in employment are not therefore necessarily consistent with those in the Recent Employment Scenario.

1.12 The North West Household Growth Estimates Study was used as the basis for the preparation of the housing provision figures for each Local Planning Authority which are included in the adopted Regional Spatial Strategy for the North West (September 2008). This work therefore forms the technical basis for the figures presented in Run A in this paper, which is explained in more detail in section 2 of this paper.

The Definition of Housing Market Areas in the North West region[5]

[5] http://www.4nw.org.uk/documents/?page_id=4&category_id=227

1.13 This work was commissioned by the then North West Regional Assembly in response to:

- Planning Policy Statement 3 (2006) which required Regional Planning Bodies and Local Planning Authorities to have regard to housing market areas in developing spatial plans
- The Regional Housing Strategy (2005) which identified the need for further work to be undertaken on the assessment of housing markets
- The Panel Report from the Examination in Public of the Submitted Draft Regional Spatial Strategy which recommended that a partial review of the RSS should be carried out and that this should include the identification of housing market areas.

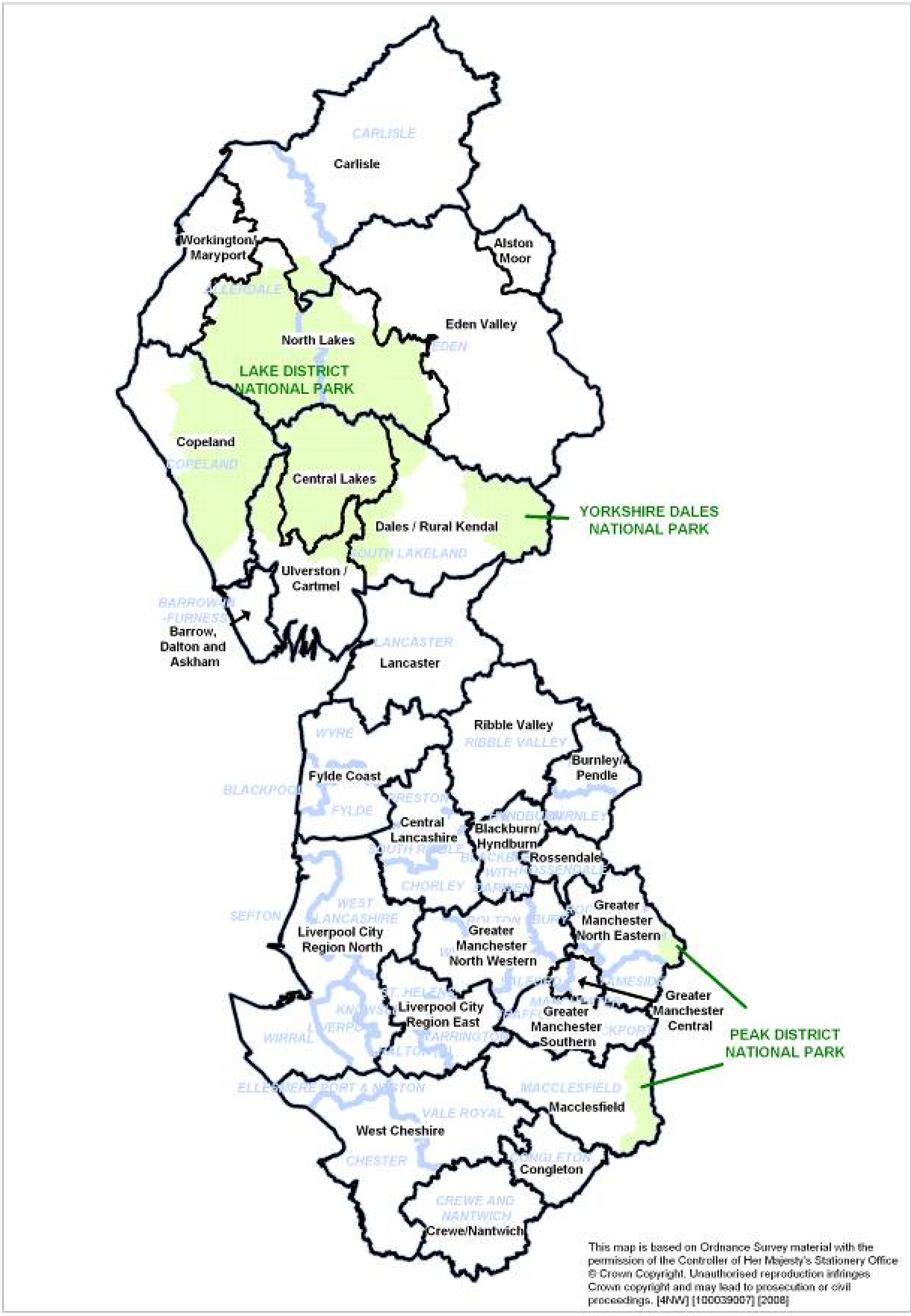
1.14 The work included two main elements – a review of existing work that had been taken to identify housing market area boundaries in the region, and an analysis of house price, travel to work and migration data, following the advice set out in the CLG advice note on identifying sub-regional housing market areas published in March 2007[6].

1.15 As a result of those two strands of work 27 housing market areas were identified in the region. Most of the areas are either groups of Local Authorities, or in some cases single Local Authority areas. However the areas in Greater Manchester and Cumbria cut across Local Authority boundaries. The boundaries are shown on the map on page 4.

1.16 The housing provision figures in this report are presented at Local Planning Authority level. Some further work would be needed to translate the figures to Housing Market Area level.

[6] http://www.communities.gov.uk/publications/planningandbuilding/identifyingsubregionalhousing

Housing Market Areas in the North West



[7] http://www.4nw.org.uk/documents/?page_id=4&category_id=272

1.17 Following on from the identification of Housing Market Areas in the region this work developed a regionally consistent picture of the current and future housing market, the need for affordable and market housing, and the requirements of specific groups (eg older people, people with disabilities, younger families) for the region as a whole, and each of the 27 housing market areas. The work followed the requirements of PPS3 and the practice guidance on strategic housing market assessments published by Government in August 2007[8].

1.18 In looking at the future housing market the work included developing a number of different scenarios of future housing requirements for the region, housing market areas and Local Planning Authority areas. The scenarios were based on 2004-based national population projections and household forecasts, and the long-term economic forecast published by the Regional Economic Forecasting Panel in April 2009.

1.19 The RSHMA work included the development of a model to provide estimates of affordable and housing market requirements. The model uses secondary data sources, and was intended to be consistent as far as possible across the region, and easily updatable to take into account new sources of data when available. A document showing how the model works is available on the 4NW website[9].

<u>Housing Growth scenarios and affordable housing requirements 2009 update[10]</u>

1.20 To reflect changes since the preparation of that RSHMA document, 4NW commissioned NLA to provide an update to that report, which was completed in November 2009. The update ensured that all data sources were revised to utilise the most recent available data at the time the study was carried out, including CLG's 2006-based household projections published in 2009.

1.21 A number of technical and data amendments were also made:

- Refinements were made to the method of estimating the supply of housing from the private rented sector which might contribute to meeting affordable housing need. According to CLG guidance, private rented tenancies are not affordable housing, but the guidance indicates that local authorities should be aware of the potential contribution of the private rented sector to meeting housing needs and it seemed prudent to investigate this and take it into account in developing affordable housing policies.

- The inclusion of a facility to examine alternative future scenarios by assuming changes to key variables. This element was extended to enable the model to take account of changes to house prices, household incomes, and to model these changes up to 2032.

- Improvements were made to sources of data on affordable housing supply, drawing on new data published by CLG since the previous study was undertaken.

[8] http://www.communities.gov.uk/publications/planningandbuilding/landavailabilityassessment

[9] http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278490326_How_the_Regional_Affordability.pdf

[10] http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1277981338_2009_scenarios_and_affordabili.pdf

- Updated CACI Paycheck estimates of household incomes for 2008 replaced the 2007 estimates used in the RSHMA work.

1.22 For a number of reasons the scenarios set out in the NLA update report vary slightly to those included in this technical paper. A table is included in appendix 7 which explains those changes. The model can be downloaded as an excel spreadsheet at http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278661854_Affordability_Model_North_West.xlsx. Unfortunately because of the complexity of the model it is only possible to provide this as a 2007 excel document. Conversion to a 2003 version causes some of the data to be lost.

National Housing and Planning Advice Unit (NHPAU) Supply Range Advice[11]

1.23 The June 2007 Housing Green Paper, *Homes for the Future: More affordable, more sustainable*, commissioned the NHPAU to provide the Government with advice about the level of housing provision that should be tested by Regional Planning Bodies in producing Regional Spatial Strategies.

1.24 The latest advice provided was published in July 2009 and set out a range for the Northwest of 26,400 (minima) – 29,900 (maxima) units per annum in the period 2008 – 2031[12]. The advice was derived primarily form the consideration of demographic trends.

1.25 The bottom of the range is the expected household growth over the plan period (ignoring unmet need and demand, second homes and vacancies in the new stock). This gives a figure for the Northwest of 26,298 units per annum. The top of the range is household growth plus unmet need and demand and an allowance for second homes and for vacancies in the new stock, the assumption being that the backlog is eliminated over the plan period. This gives a figure for the Northwest of 30,371[13].

1.26 The population assumptions used within the NHPAU demographic model follow the ONS 2006-based population projection low migration variant until 2014 before gradually returning to the principal projection by around 2019[14].

1.27 The levels of unmet need for housing, second homes and vacancies (average annual change) used in the demographic model by NHPAU are as follows:

[11] More homes for more people: advice to Ministers on housing levels to be considered in regional plans, NHPAU, July 2009 (http://www.communities.gov.uk/documents/507390/pdf/1299593.pdf)
[12] Table 1 in NHPAU report
[13] Paragraph 34 and table 2 of NHPAU report
[14] Technical Appendix to More homes for more people: advice to Ministers on housing levels to be considered in regional plans, NHPAU, September 2009 (http://www.communities.gov.uk/documents/507390/pdf/1345021.pdf) Figure 1

	NHPAU Household Projection	Unmet need	Second homes	Vacancies	Total
Northwest	26,300	2,900	300	900	30,400
Data sources	NHPAU analysis, CLG	NHPAU analysis of SEH	LGF	The vacancy rate for the Northwest is capped at 3%. Allowance for vacancies in additional stock is gained from a three year average using the latest available HSSA and RSR data	
Source: Table 8 (page 24) Technical Appendix to More homes for more people: advice to Ministers on housing levels to be considered in regional plans http://www.communities.gov.uk/documents/507390/pdf/1345021.pdf					

1.28 NHPAU also used the CLG/Reading affordability model to calculate an alternative figure. This gives a figure for the Northwest of 26,449 net annual average additions 2008 – 2031.

1.29 In finalising the supply range advice NHPAU have only moved the end of the ranges by half of the amount indicated by the latest evidence to avoid large changes between consecutive publications of their advice. This gives the 26,400 – 29,900 range figures.

Regional Economic Forecasting Panel Long-term Baseline Forecast[15]

1.30 The Regional Economic Forecasting Panel (REFP) published a long term baseline forecast for the region as a whole in March 2010. This is a ‘policy off’ forecast and does not take into account any aspirations or policy interventions.

1.31 For the region as a whole the Panel forecast is:

	2009 - 15			2015 – 30		
	Northwest (%)	UK (%)	NW differential with UK (Pp pa)	Northwest (%)	UK (%)	NW differential with UK (pp pa)
Population	0.2	0.5	-0.3	0.3	0.6	-0.3
Working age population	0.1	0.5	-0.4	0.0	0.4	-0.4
Employment	0.1	0.2	-0.1	0.4	0.5	-0.2
Productivity (GVA per worker)	1.6	1.8	-0.1	1.8	2.0	-0.2
GVA	1.7	2.0	-0.2	2.2	2.5	-0.3
GVA per head	1.5	1.4	0.1	1.9	1.9	-0.1
Source: Table 4 - Regional Economic Forecasting Panel State of the Northwest Economy: A Long-term Forecast for the Northwest 2010 – 2030 (March 2010)						

1.32 The figures for 2009 – 15 are given to reflect the period in which there is continued recovery from the recession. From 2015 onwards it is anticipated that there will be a return to long-term growth rates.

1.33 The forecast developed by the REFP considered forecasts from the three main forecasting houses (Cambridge Econometrics, Oxford Economics and Experian). It

[15] Regional Economic Forecasting Panel State of the Northwest Economy: A Long-term Forecast for the Northwest 2010 – 203 http://www.nwriu.co.uk/documents/Long_Term_Report_-_March_2010.pdf

therefore does not align directly with any one of the forecasts which the forecasting houses produce.

1.34 There are a number of risks to this long-term regional forecast which are clearly set out on page 28 of the Panel report.

Independent Local Authority Forecasts and Detailed Sectoral and Occupational Information Supporting the Regional Economic Forecasting Panel Long-Term Regional and Sub-regional Baseline Forecasts

1.35 To assist in the development of detailed policy on housing provision and job growth figures 4NW and NWDA commissioned Cambridge Econometrics to provide indicative Local Authority forecasts of population (total and by age bands), GVA (total and by sector), employment (total and by sector, occupation and status)[16]. These have been developed using Cambridge Econometrics Local Economic Forecasting Model, and therefore reflect the assumptions within that model, but with the outputs constrained to the overall regional long-term baseline forecast. Cambridge Econometrics also provided a report to explain their methodology and assumptions[17].

1.36 The figures provided by Cambridge Econometrics provide the starting point for the figures set out in Run B, and are included in sheet 9 of the accompanying spreadsheet[18].

Setting Employment Land Targets for North West England[19]

1.37 4NW commissioned Roger Tym and Partners to undertake a scoping study to develop a preferred methodology for developing district level job targets in January 2010. The report was commissioned in response to PPS4, which set a requirement for regional strategies to produce district level job targets (as opposed to employment land targets).

1.38 The recommendations of the final report (April 2010) were for 4NW to use job growth forecasts, provided by the Regional Economic Forecasting Panel, as a starting position and then work with local authorities in order to reality test the forecasts and factor in policy targets and aspirations. A dissemination event held with officers from local authorities in the North West confirmed that the regional strategy would set job targets and then work would commence on an authority by authority basis to translate the job targets into a requirement for employment land.

[16] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 9, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls
[17] See Appendix 8
[18] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls
[19] http://www.4nw.org.uk/documents/?page_id=4&category_id=318

RSS Annual Monitoring Report for the Northwest of England[20]

1.39 There is a significant amount of consistent information available about the scale, type and location of housebuilding across the region over the past 7 years. That information is critical in informing the development of policy. There is less information available about job creation given that previous policies have dealt with the provision of employment land. Some information is therefore available regarding the amount of additional floorspace that has been created in the region over that past 7 years.

1.40 Some key messages from the latest Annual Monitoring Report are set out below.

- In 2008/09 16,302 net additional dwellings were constructed in the region, the second lowest annual figure since 2003. The highest amount of net additional dwellings were constructed in Manchester, Liverpool and Salford.
- Since 2003 81.8% of all new dwellings have been on previously developed land.
- The percentage of dwellings built at a density above 50 dwellings per hectare has increased from 41.8% to 61.4%.
- Clearance levels have been dropping annually since 2003, although at a slow rate. There has also been a shift from clearance of local authority dwellings to clearance of properties in the private sector and RSL properties.
- 4.4% of the total dwelling stock is vacant. The existence of vacant dwellings remains a significant problem in a number of areas, particularly in the Housing Market Renewal Pathfinder areas.
- 4,140 additional affordable homes were delivered in 2008/09. 2,520 additional affordable homes were made available for social rent, while 1,620 were made available for intermediate affordable housing.
- In 2008/09 930,305 m^2 of gross employment floorspace was developed in the region. The highest amount occurred in Manchester, with other significant levels in Cheshire East and Liverpool. The majority of the completed floospace was classified as B1a.
- Some authorities reported a net loss of employment floorspace.
- In 2008/9 there was 4,467 ha of available employment land.

Geography

1.41 The sub-regional geographies used in this work on the whole reflect Multi-Area Agreement areas, with the exception of the exclusion of West Lancashire from Mid-Lancashire. West Lancashire has been included in the Merseyside figures to reflect the housing market relationships with Merseyside authorities. This has been reflected previously with the inclusion of West Lancashire in the Liverpool City Region North Housing Market Area. The joint working between West Lancashire, Sefton and Knowsley in particular should continue. Similarly Warrington is included within the Merseyside figures to reflect the housing market area linkages with St Helens and Halton.

1.42 For the Lake District National Park figures have been included where the current RSS distribution has been used (Run A H1 and J1, Run D H1 and Run E H1). Where other distribution mechanisms have been used a figure for the National Park has not been

[20] http://www.4nw.org.uk/documents/?page_id=4&category_id=310

devised. Figures for South Lakeland should also reflect the part of the district which is covered by the Yorkshire Dales National Park, and adjustments should be made for that.

Base date

1.43 The figures have been calculated for the period 2006 – 2030. 2006 is the year at which the population forecasts for the indicative Local Authority forecasts based on Regional Economic Forecasting Panel and ONS 2006 - based population projections are the same. After 2006 they diverge. The period 2006-2030 has been used for each run for comparison.

1.44 We recognise that some construction has taken place in the period 2006 – 2010 but that will, in most cases, be lower than the annual average figures set out in these scenarios. Given the exceptional circumstances in the economy over recent years we do not consider that it will be possible to make up the shortfall accrued over that period in subsequent years.

Maps

1.45 For each scenario maps have been prepared to illustrate the distribution of housing provision (runs A-E) and job growth (runs A-C) across the region. The maps are illustrated on the basis of a high, medium and low range which is specific to each scenario, as illustrated in the table below.

Figure 1: Range within each scenario

Housing provision	**Run A**	**Run B H1**	**Run B H2**	**Run C**	**Run D H1**	**Run D H2**	**Run E H2**	**Run E H2**
High	3,500	3,684	1,733	3,889	3,998	1,886	4,528	2,136
Low	130	92	176	206	171	191	194	217
Job growth								
High	2,069	1,475		2,285				
Low	77	-121		-25				

1.46 As illustrated by the figures in the figure 1 above it is clear that what might be a high figure under one scenario may be a medium figure under another scenario, and therefore it is not possible to compare the maps easily across scenarios.

1.47 The maps are presented at the end of each scenario outline.

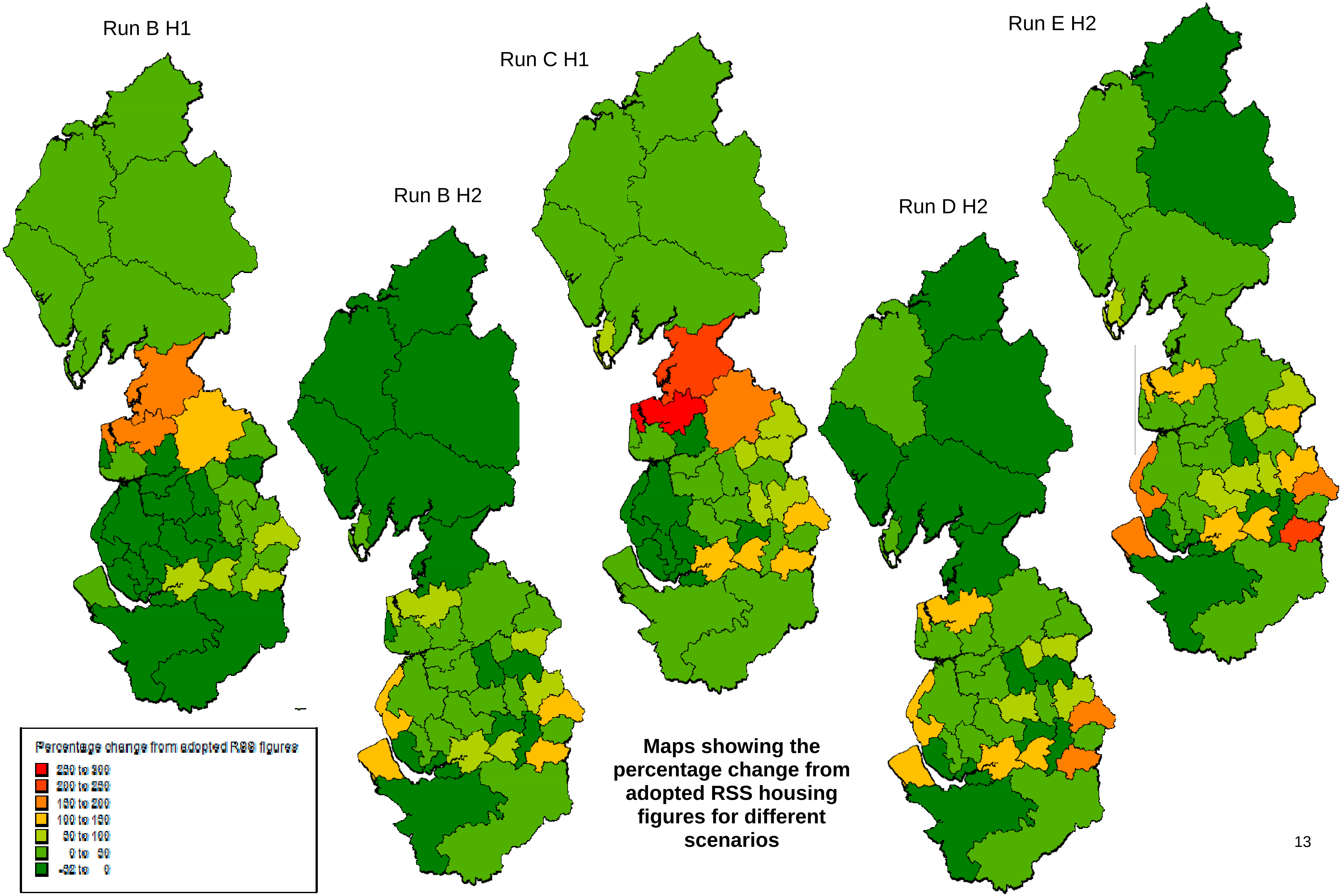
1.48 The maps on page 12 show for each Local Planning Authority (excluding the Lake District National Park) the percentage change from the adopted RSS figures proposed in each of the different scenarios. Run A H1 (zero change), D H1 and E H1 (which give a uniform percentage change) are not illustrated.

Table 1: Summary of scenarios and distribution approaches and regional and sub-regional figures

SCENARIO	RUN A - CURRENT RSS		RUN B - REGIONAL ECONOMIC FORECASTING PANEL				RUN C - ONS POPULATION AND CLG HOUSEHOLD FORECASTS			RUN D - NHPAU LOWER RANGE		RUN E - NHPAU UPPER RANGE	
DISTRIBUTION	H1 - Current RSS distribution	J1 - Current RSS distribution	H1 – distribution based on REFP indicative Local Authority population forecasts	H2 – distribution based on calculated residence based employment in 2030	J1 - distribution based on workplace based employment		H1 – demographic trends	J1 - distribution based on ratio of population to employment (workplace based)		H1 – current RSS distribution	H2 – distribution based on calculated residence based employment in 2030	H1 – current RSS distribution	H2 – distribution based on calculated residence based employment in 2030
	Net additional dwellings	**Job growth**	**Net additional dwellings**	**Net additional dwellings**	**Job growth**		**Net additional dwellings**	**Job growth**		**Net additional dwellings**	**Net additional dwellings**	**Net additional dwellings**	**Net additional dwellings**
	2006 - 2030	2006 – 2030	2006 - 2030	2006 - 2030	06 - 15	15 - 30	2006 - 2030	06 - 15	15 – 30	2006 - 2030	2006 - 2030	2006 - 2030	2006 - 2030
North West total	**23,111**	**13,662**	**24,263**	**24,263**	**- 222**	**12,593**	**28,301**	**9,626**	**18,868**	**26,400**	**26,400**	**29,900**	**29,900**
Greater Manchester	9,623	5,688	10,497	9,911	122	6,533	11,979	3,422	8,901	10,991	10,784	12,448	12,214
Merseyside (incl Warrington and West Lancs)	5,150	3,044	4,505	6,063	-422	2,720	4,337	1,384	3,051	5,882	6,597	6,662	7,472
Mid Lancashire (excl West Lancs)	1,741	1,029	2,219	1,754	578	973	2,730	1,697	1,813	1,989	1,909	2,252	2,162
Fylde Coast	956	565	1,419	1,150	-400	713	1,783	207	1,212	1,092	1,251	1,237	1,417
Pennine Lancashire	1,381	816	1,467	1,510	-444	367	2,150	525	1,048	1,577	1,643	1,786	1,861
Cheshire	2,467	1,458	2,102	2,347	489	793	2,895	1,732	1,892	2,818	2,554	3,191	2,893
Cumbria	1,796	1,062	2,054	1,527	-144	493	2,427	660	952	2,051	1,662	2,323	1,882

Notes

1. All figures are average per annum
2. The job growth figures presented under Run B and C are given for the periods 2006 – 2015 and 2015 - 2030 to clearly illustrate the different assumptions related to the economy in those time periods.
3. It is not possible to generate job growth figures for Run D and E, however given that they are primarily based on demographic trends the job figures for Run C are considered to be the nearest proxy.



Maps showing the percentage change from adopted RSS housing figures for different scenarios

2. Run A – current RSS[21]

Housing Figures

2.1 The Regional Spatial Strategy for the North West was adopted in September 2008 and set out housing figures for each Local Planning Authority for the period 2003 – 2021. The policy framework suggested that the figures should be rolled forward for a limited period beyond 2021.

2.2 We are already aware that for a number of Local Authorities rolling forward the existing RSS housing provision figures beyond the current end date of the adopted RSS to the end of the Core Strategy plan period (2026 / 2027) provides a significant challenge.

2.3 However in this scenario we have a adopted a 'do nothing' option in which the RSS housing provision figures are rolled forward to the Regional Strategy end date of 2030, using the distribution set out in RSS.

2.4 In relation to 'option 1' figures[22] referred to in the Conservative Green Paper it is not clear whether the Government intends authorities to roll back to draft RSS figures or figures put forward by authorities during the preparation of the draft RSS. In either case the LPAs where there are differences between the figures are set out below.

	Authority View	**Draft RSS**	**Adopted RSS**
Trafford	675	430	578
Bolton	650	511	578
Oldham	290	400	289
Bury	500	600	500
Wigan	1,050	900	978
Congleton	500	300	300
Macclesfield	300	400	400
Wirral	250	250	500
Chorley	1,346	361	417
Preston		507	507
South Ribble		478	417
Pendle	305	190	190
Lake District National Park	60	117	60
	Figures referenced in either the EiP Panel Report, pg 129 - 140, or Statements prepared by authorities for the EiP	The North West Plan: Submitted Draft Regional Spatial Strategy for the Northwest of England, January 2006, Table 9.1	North West of England Plan Regional Spatial Strategy to 2021, September 2008, Table 7.1
Note – the figures marked 'authority view' are those put forward in 2006. In gathering further evidence to inform Local Development Frameworks, and in light of changing circumstances, it may that the views of individual authorities have changed. The figures are presented for illustrative purposes only.			

[21] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 13, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

[22] Defined in the Open Source Planning Policy Green Paper No. 14, February 2010 as 'original, locally generated estimates' (http://www.conservatives.com/~/media/Files/Green%20Papers/planning-green-paper.ashx?dl=true)

2.5 The figures do not include Growth Point figures, both because the additional dwellings proposed under the Growth Point initiative, for the region as a whole, are covered by other scenarios; and because the position post 2016/17 is unclear. It is also clear that proposed levels of delivery in the early years of the Growth Point programme have not been achieved because of the wider economic and housing market conditions.

2.6 In the period 2006 – 2009 65,234 units have been delivered across the region, against the planned provision of 69,333 units.

Job Growth Figures

2.7 Policy W3 of the adopted RSS (September 2008) sets out sub-regional employment land targets for the period to 2005-2021 rather than job growth figures. However the evidence base supporting the RSS included econometric modelling from Experian at a sub-regional level. This modelling included three scenarios – long term growth, recent trends and aspirational growth. The aspirational growth scenario was disregarded as being too optimistic. The long-term scenario suggested that there would be a total job growth of 120,000 jobs in the region during the period 2003-21 and the recent trends scenario suggested that there would be a total job growth of 306,000 jobs during the same period[23].

2.8 Forecast levels of housing under each of the scenarios were developed in the preparation of the draft Regional Spatial Strategy. The final adopted RSS figure of 416,000 new homes in the region between 2003-21 fell between the long-term and recent trends scenario figures.

2.9 To calculate the equivalent RSS job growth figures, the ratio between the resultant RSS figure for housing for the region and the long term trends and recent growth housing forecasts was calculated and then applied to the job growth forecasts. This gave a total of 245,921 jobs for the region between 2003-21, 80% of the forecast number of jobs under the recent trends scenario.

Figure 2: Formula used to calculate the job growth figure equivalent to the adopted RSS housing figure.

$$\left(\frac{\text{(RSS housing figure - Long term scenario housing provision for the region)}}{\text{(Recent trends scenario housing provision for the region - Long term scenario housing provision for the region)}}\right) \times \text{(Recent trends scenario job growth for the region - Long term scenario job growth for the region)} + \text{Long term scenario job growth for the region} = \text{Job growth figure equivalent to adopted RSS housing figure}$$

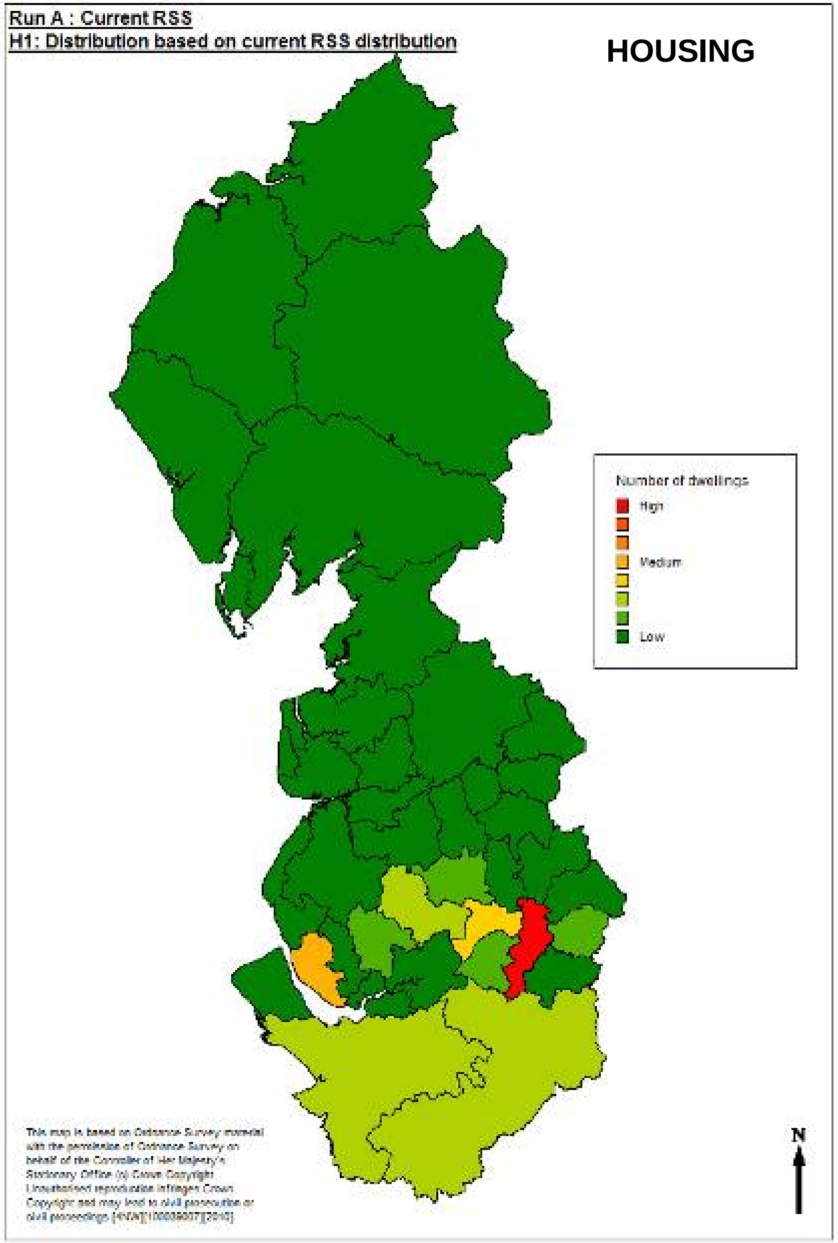
2.10 The regional figure has been distributed to district level using a percentage distribution equal to the distribution of the housing figures set out in the adopted RSS. The

[23] http://www.4nw.org.uk/downloads/documents/imported/rp_6WpQ_Appendix_1_-_NW_Household_Grow.xls

annual average number of jobs was then multiplied by 24 to give a total for the period 2006 – 2030.

Regional totals: 23,111 dwellings per annum / 13,662 jobs per annum		
Run A Sub-regional distribution		
	Housing provision (%)	**Job growth (%)**
Greater Manchester	41.6	41.6
Merseyside (incl. Warrington and West Lancashire)	22.3	22.3
Mid Lancashire (excl. West Lancashire)	7.5	7.5
Fylde Coast	4.1	4.1
Pennine Lancashire	6.0	6.0
Cheshire	10.7	10.7
Cumbria	7.8	7.8

Assumptions
The dwelling requirements include a 2% vacancy allowance in new build.
The methodology for the calculation for job growth figures assumes that districts would contribute the same proportion of new jobs as net additional dwellings. The maps on page 8 clearly illustrate this relationship.


Run A : Current RSS
H1: Distribution based on current RSS distribution
HOUSING
Number of dwellings
High
Medium
Low
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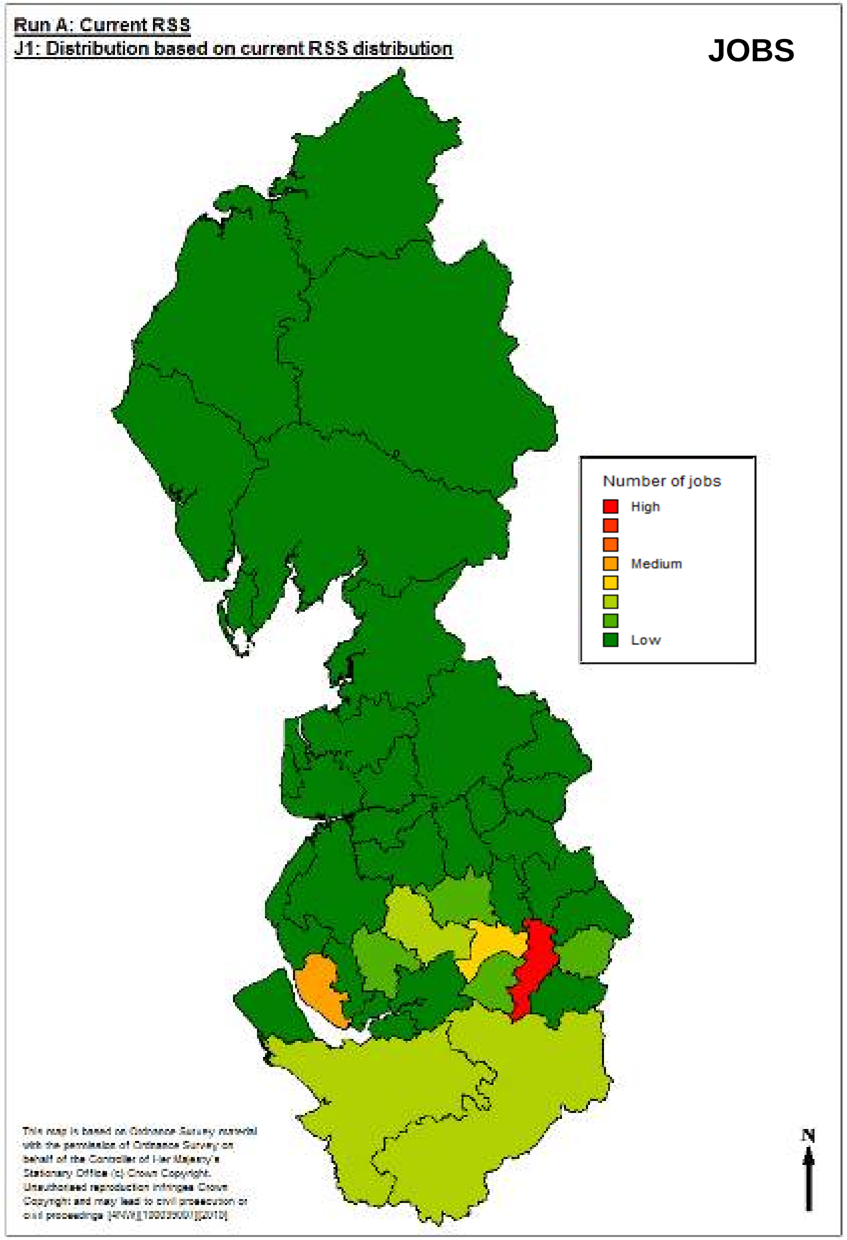
Run A: Current RSS
J1: Distribution based on current RSS distribution
JOBS
Number of jobs
High
Medium
Low
This map is based on Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office (c) Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to civil prosecution or civil proceedings
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3. Run B – Regional Economic Forecasting Panel[24]

Housing figures

3.1 The overall regional housing provision figure was derived using the population forecasts within the indicative Local Authority forecasts provided by Cambridge Econometrics. In calculating the figure it was assumed that the relationship between the total population and household population (therefore excluding the institutional population) is the same as that given in the ONS household projections for the region as a whole. It also assumed that the average household size calculated using the 2006 – based household population and household projections, remains the same, despite the different population forecasts.

<u>Distribution</u>

3.2 H1 – the calculation of housing provision figures for each district was done applying the assumptions outlined above to the population for each district from the indicative Local Authority forecasts.

Figure 3: Calculation of dwelling requirements using indicative Local Authority population forecasts

$$\text{Population} \times \left(\frac{\text{ONS total population for NW from 2006-based household projections}}{\text{ONS Household population for NW from 2006-based household projections}}\right) = \text{Household population}$$

$$\left(\frac{\text{Calculated Household population}}{\text{No of households from 2006-based household projections}}\right) = \text{Average Household size}$$

$$\left(\frac{\text{Total population from indicative forecasts}}{\text{Average Household size}}\right) = \text{Households}$$

$$\text{Households} \times \text{Allowance for vacancy in new build and second homes} = \text{Dwelling requirement}$$

3.3 H2 – this distribution takes the indicative Local Authority forecasts workplace-based employment projections and translates them to residence-based employment figures using 2001 Census commuting data, updated where possible with Commute APS data[25]. The

[24] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 14 and 15, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

[25] http://neighborhood.statistics.gov.uk/HTMLDocs/images/Commute_APS_tcm97-90448.zip

figures have been calculated across occupational groupings and weighting has been applied related to the propensity of different occupation groups to commute using figures from Place Study Technical Report 3: Labour, Skills, Housing and Commuting August 2009 Table 2.1[26]. The percentage of residence-based employment in each Local Authority is then used to distribute the overall regional total of households required in Run B H1. The methodology for calculating residence-based employment is summarised in figure 4 below.

Figure 4: Calculating residence-based employment:

Workplace-based employment by occupation

Travel to work patterns (2001 Census updated using Commute APS data) applied

Residence –based employment = those who live and work in the district and those who live there but work elsewhere

Weighted by likelihood of commuting across boundaries by occupation group (Places research)

3.4 An additional distribution could have been calculated based on the distribution of GVA in 2030 within the indicative Local Authority forecasts. This has not been calculated as a separate distribution because the direct link between GVA and housing requirements is unclear.

Job Growth Figures

3.5 Job growth figures for the period 2006 to 2030 were calculated simply by taking the number of jobs in 2006 from those forecasted by 2030 for each district[27]. The number of jobs per year has been calculated as an average between 2006 and 2030.

3.6 The REFP considers that the impact of the recession will last to 2015. Consequently, we have provided the change in jobs from 2006 to 2015 and from 2015 to 2030 to demonstrate that the change in jobs between 2006 and 2015 is in some cases a negative figure compared to the faster levels of growth forecast between 2015 and 2030.

GVA

3.7 An additional distribution factor could have been applied using the proportion of regional GVA in each district in 2030 in the indicative Local Authority forecasts. However it is considered that the relationship between the GVA and workplace based employment

[26] http://www.nwriu.co.uk/documents/Technical_Report_-_Labour_Markets-Housing_and_Commuting.pdf
[27] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 10, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

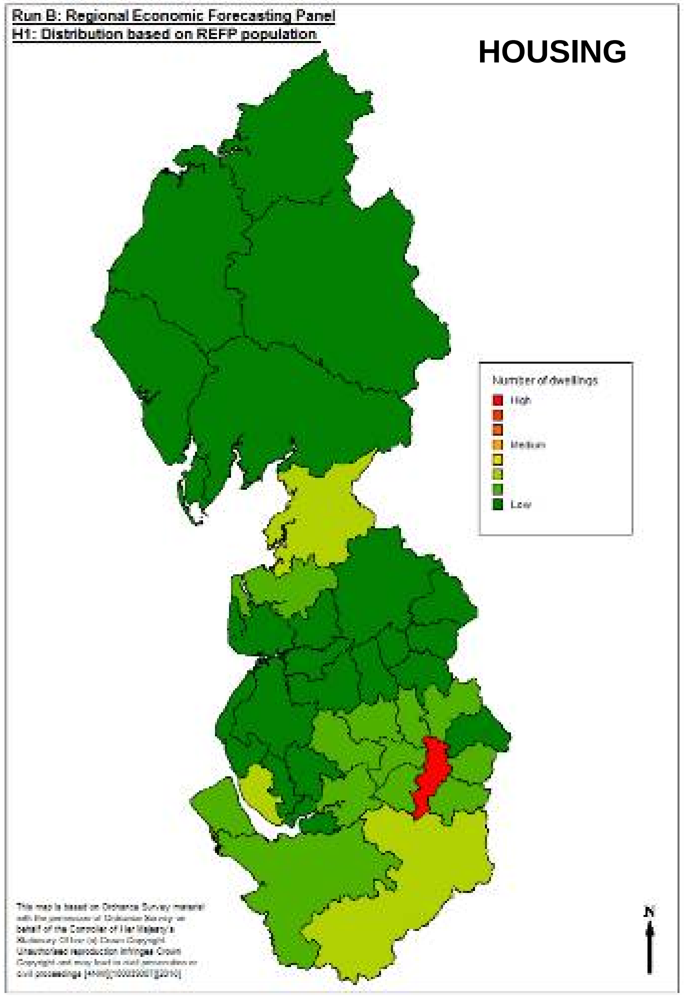
figures used is inherent within the Cambridge Econometrics model and it would therefore be inappropriate to use the GVA proportions as a distribution mechanism.

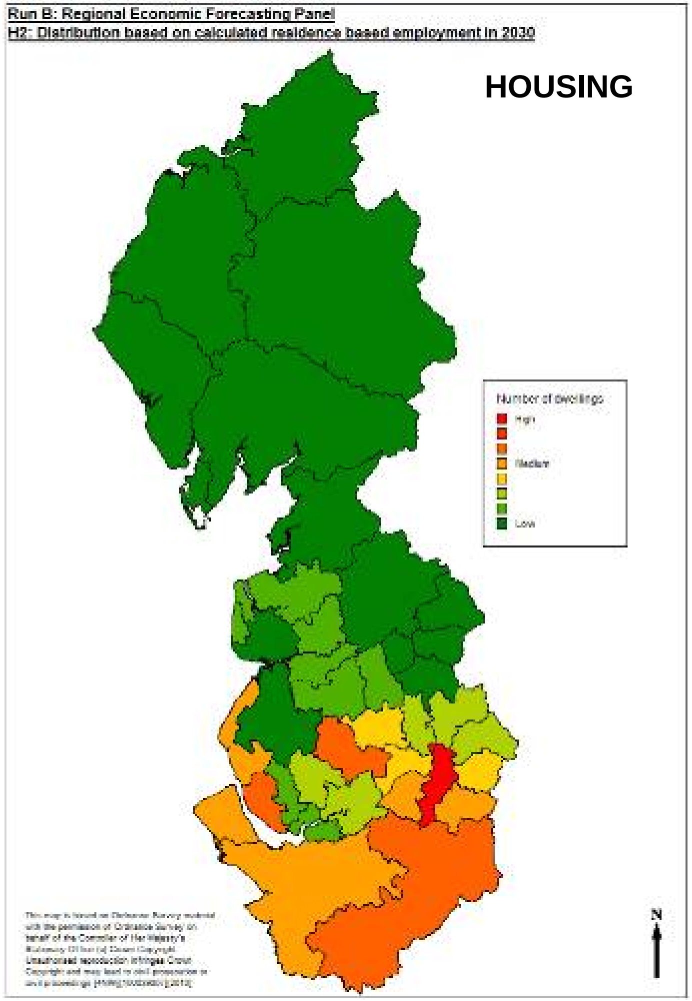
Regional total: 24,263 dwellings per annum / 7,788 jobs per annum			
Run B Sub-regional distribution			
	Housing provision (%)		**Job growth (%)**
	H1	**H2**	
Greater Manchester	43.4	40.9	53.0
Merseyside (incl. Warrington and West Lancs)	18.6	25.0	19.8
Mid Lancashire (excl. West Lancashire)	9.2	7.2	10.6
Fylde Coast	5.5	4.7	3.8
Pennine Lancashire	6.1	6.2	0.8
Cheshire	8.7	9.7	8.7
Cumbria	8.5	6.3	3.3

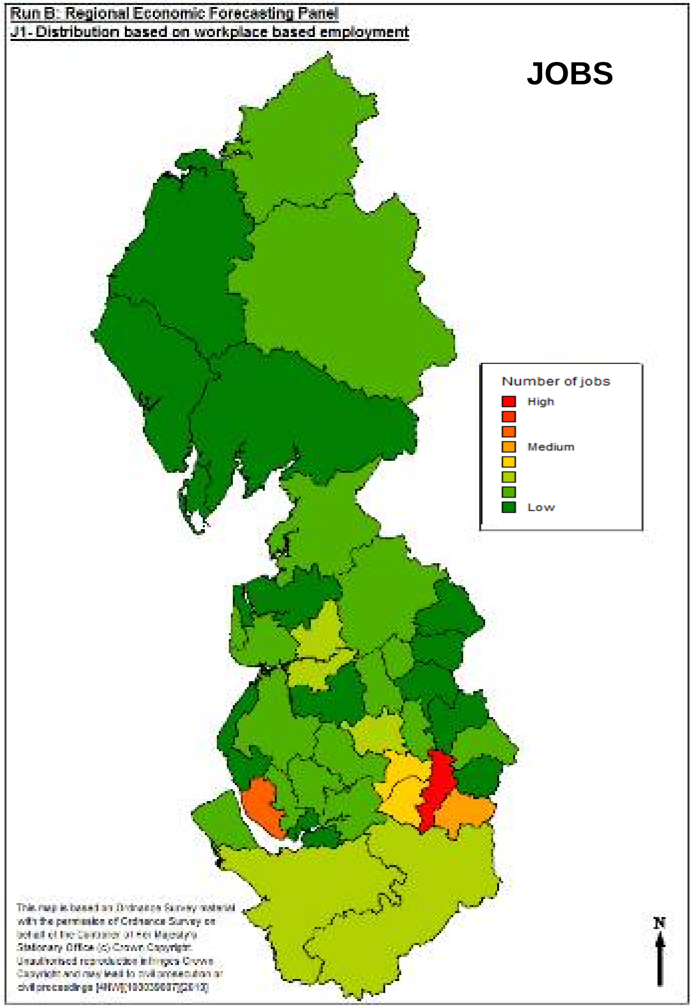
Assumptions
The dwelling requirements include a 3% vacancy allowance[28], plus an allowance for second homes based on 2001 census data[29].
Uses the population figures and distribution in the indicative Local Authority forecasts
Relationship between total and household population is assumed to be the same as that in 2006-based household projections
Average household size calculated using the 2006-based household population and household projections is assumed to be the same
Uses 2001 Census Travel to work data updated using Commute APS data
Weighting applied to calculated residence – based employment figures using propensity to travel data from the 2001 Census set out in the Places research
H2 – assumes that the commuting pattern and the propensity to commute across occupation groups stays the same through to 2030

[28] The 3% vacancy allowance is in line with assumptions used in the NHPAU work for vacancy in new build and, as referenced by NHPAU, the Home Builders Federation (HBF) also stated a vacancy rate of 3% in new supply in evidence they presented to a Parliamentary Select Committee (see http://www.publications.parliament.uk/pa/cm200203/cmselect/cmodpm/77-ii/77m18.htm)

[29] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 6, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls


Run B: Regional Economic Forecasting Panel
H1: Distribution based on REFP population
HOUSING
Number of dwellings
High
Medium
Low
N


Run B: Regional Economic Forecasting Panel
H2: Distribution based on calculated residence based employment in 2030
HOUSING
Number of dwellings
High
Medium
Low
N


Run B: Regional Economic Forecasting Panel
J1- Distribution based on workplace based employment
JOBS
Number of jobs
High
Medium
Low
N

4. Run C – National population and household projections[30]

Background

4.1 The 2006-based sub-national population projections were published in June 2008 and fed through into the 2006-based sub-national household projections published in March 2009[31].

4.2 The 2008-based sub-national population projections were published on 27th May 2010. The revised population projections are significantly lower than the 2006-based projections reflecting changes to assumptions around migration.

Housing figures

4.3 The figures are based on the 2006 – based Household projections, which are calculated based on the 2006 – based population projections.

Distribution

4.4 H1 - the distribution is based on that within the national projections.

Job Growth Figures

4.5 Whilst the ONS has produced population forecasts, it has not produced employment forecasts. Consequently, we have calculated the relationship between jobs and population within the indicative Local Authority forecasts and applied them to the ONS population forecasts[32].

Figure 5: Formula used to calculate the job growth figure equivalent to the ONS population and CLG household forecasts.

$$\frac{\text{Indicative employment forecast for district}}{\text{Indicative population forecast for district}} \times \text{ONS population forecast for district} = \text{Job growth equivalent to ONS population for district}$$

[30] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheets 10, 14 and 15, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls
[31] http://www.communities.gov.uk/documents/housing/xls/140987.xls
[32] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 10, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

Regional total: 28,301 dwellings per annum / 15,402 jobs per annum		
Run C Sub-regional distribution		
	Housing provision (%)	**Job growth (%)**
	H1	**J1**
Greater Manchester	42.3	44.5
Merseyside (incl. Warrington and West Lancs)	15.3	15.8
Mid Lancashire (excl. West Lancashire)	9.7	11.5
Fylde Coast	6.3	5.4
Pennine Lancashire	7.6	5.5
Cheshire	10.2	11.9
Cumbria	8.6	5.5

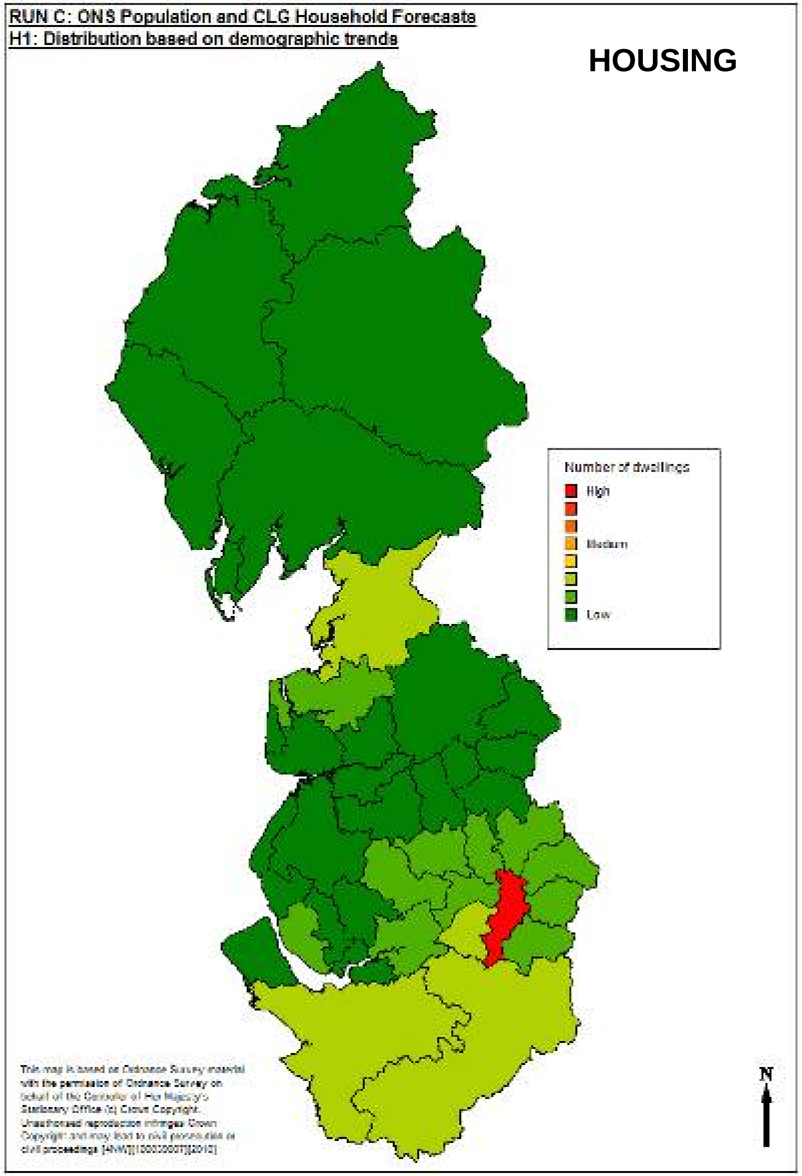
Assumptions
The dwelling requirements include a 3% vacancy allowance, plus an allowance for second homes based on 2001 census data
Relationship between jobs and population within the indicative Local Authority forecasts is appropriate to apply to ONS population forecast

Updating Run C using 2008-based population figures

4.6 A number of concerns were raised at the sub-regional workshops about the scale of the 2006 – based population figures, and that the 2008 – based population projections should be considered.

4.7 Working the 2008-based population figures through the methodology outlined in figure 3 above, and continuing to apply the implied average household size calculated using the 2006-based population and household projections, gives an overall regional housing provision figure of 23,630 dwellings per annum.

4.8 Similarly applying the jobs to population ratio to the updated ONS population projections, would give a regional figure of 9,270 jobs per annum.


RUN C: ONS Population and CLG Household Forecasts
H1: Distribution based on demographic trends
HOUSING
Number of dwellings
High
Medium
Low
N
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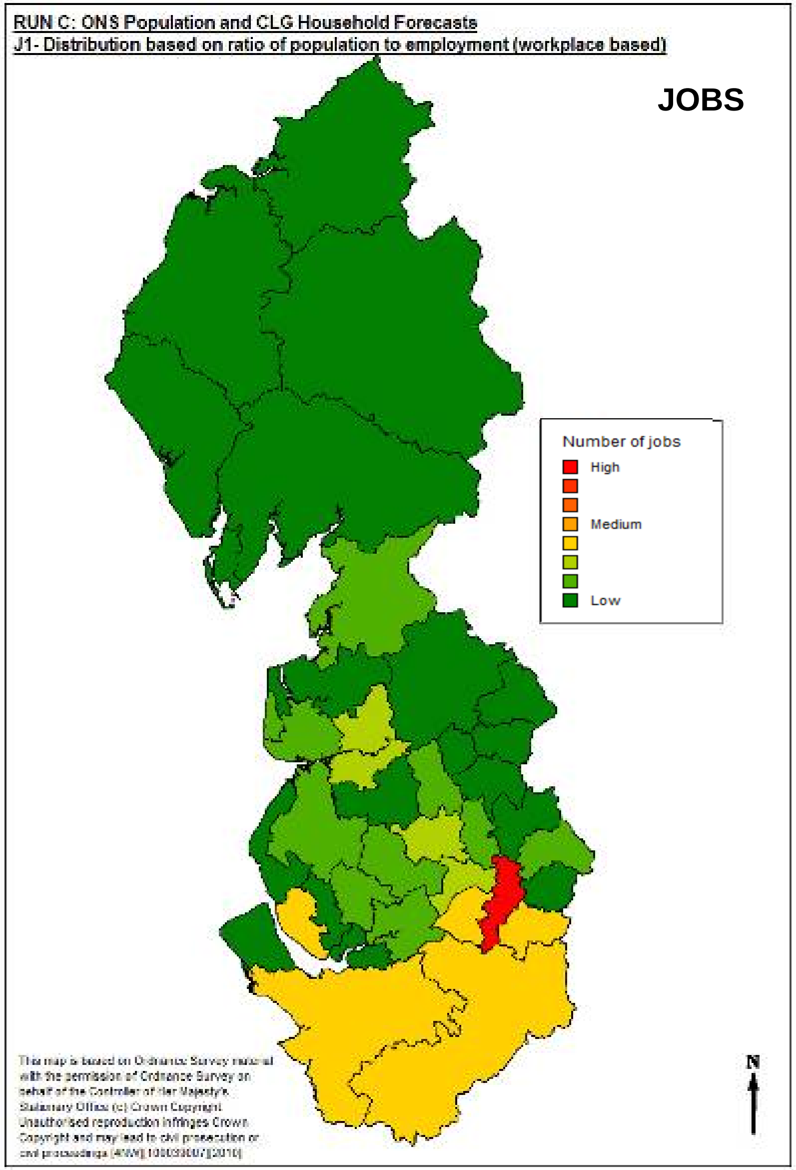
RUN C: ONS Population and CLG Household Forecasts
J1- Distribution based on ratio of population to employment (workplace based)
JOBS
Number of jobs
High
Medium
Low
N
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5. Run D and E – National Housing and Planning Advice Unit (NHPAU)[33]

Housing figure

5.1 H1 - this distribution applies the current RSS distribution to the NHPAU total figure for the region (the lower figure (26,400) for Run D and higher figure (29,900) for Run E).

5.2 H2 – this distribution takes the indicative Local Authority forecast workplace-based employment projections and translates them to residence-based employment figures using 2001 Census commuting data, updated where possible with Commute APS data. The figures have been calculated across occupational groupings and weighting has been applied related to the propensity of different occupation groups to commute using figures from Place Study Technical Report 3: Labour, Skills, Housing and Commuting August 2009 Table 2.1[34]. The percentage of residence-based employment in each Local Authority is then used to distribute the overall total. This methodology assumes that commuting patterns, and the propensity of different occupation groups to commute, continues unchanged throughout the period of the strategy.

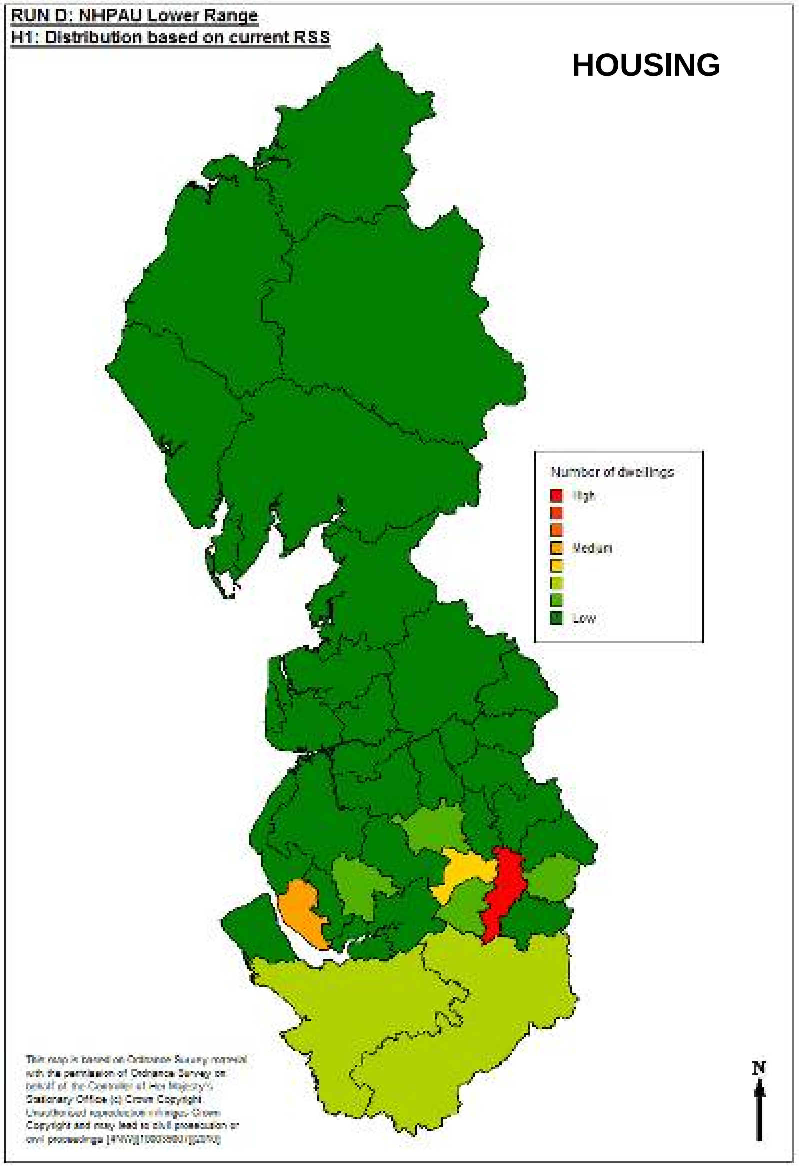
Job Growth

5.3 It has not been possible to provide equivalent job growth figures for Run D and E. However given that the NHPAU figures are based primarily on demographic trends we consider the job growth figures presented under Run C are the closest proxy.

Regional total: 26,400 dwellings per annum / 29,900 dwellings per annum		
Run D & E Sub-regional distribution		
	Housing provision (%)	
	H1	**H2**
Greater Manchester	41.6	40.9
Merseyside (incl Warrington and West Lancashire)	22.3	25.0
Mid Lancashire (exlc. West Lancashire)	7.5	7.2
Fylde Coast	4.1	4.7
Pennine Lancashire	6.0	6.2
Cheshire	10.8	9.7
Cumbria	7.8	6.3

Assumptions
Assumes a lower level of migration than the main 2006 – based population projection to 2014 and a gradual return to the main projection by around 2019
Run D – does not include an allowance for unmet need and demand, second home and vacancy
Run E – includes an allowance for unmet need and demand, second home and vacancy
H2 – assumes that the commuting pattern and the propensity to commute across occupation groups stays the same through to 2030

[33] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 16, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls
[34] http://www.nwriu.co.uk/documents/Technical_Report_-_Labour_Markets-Housing_and_Commuting.pdf


RUN D: NHPAU Lower Range
H1: Distribution based on current RSS
HOUSING
Number of dwellings
High
Medium
Low
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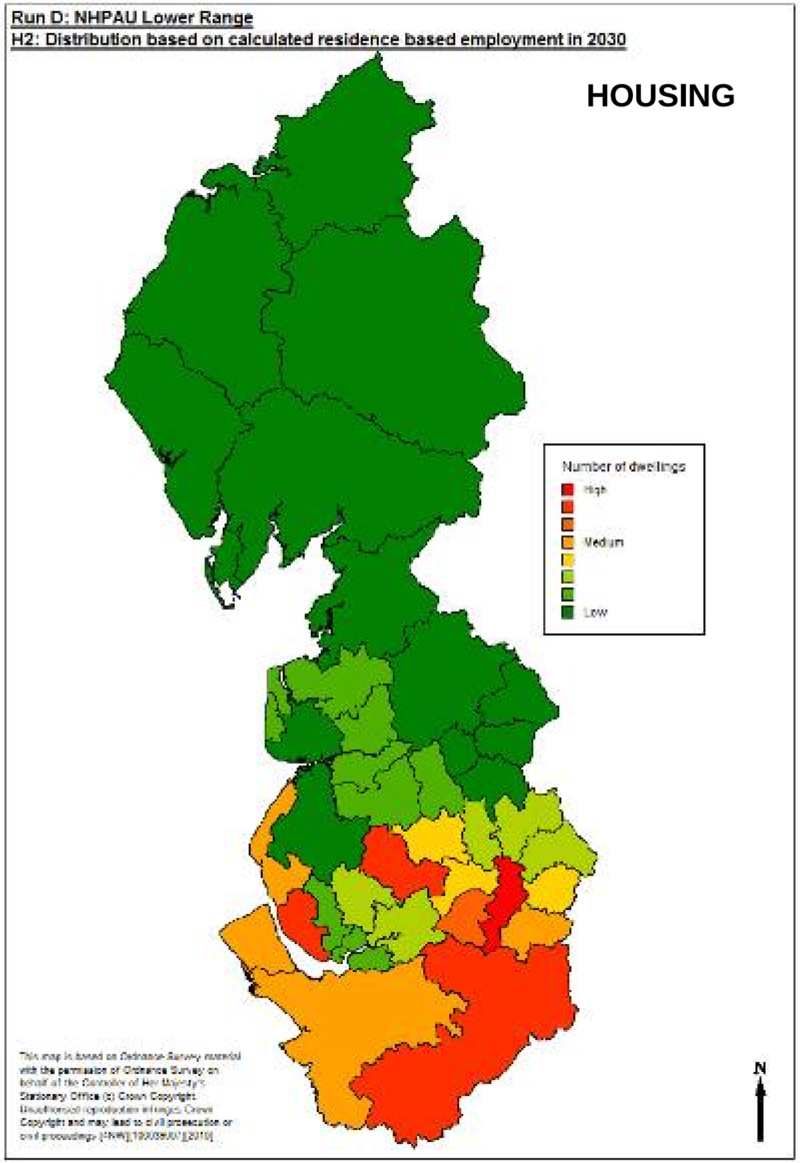
Run D: NHPAU Lower Range
H2: Distribution based on calculated residence based employment in 2030
HOUSING
Number of dwellings
High
Medium
Low
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6. Indicative land supply figures

6.1 Data from Strategic Housing Land Availability Assessments has been provided to 4NW by Local Authorities and is replicated in sheet 17 of the accompanying spreadsheet[35]. However it should be noted that there are a number of methodological differences which need to be acknowledged both in comparing the data with district figures and in summing the data to provide sub-regional and regional totals. Some of the issues are as follows:

1. Due to methodological differences some of the data included will be constrained capacity and some will be unconstrained capacity.
2. Some of the SHLAA documents include an allowance for windfalls and some don't.
3. The timescales for the Strategic Housing Land Availability Assessments range from 2007 to 2027 and therefore do not cover the whole of the 2006 – 2030 period for which the figures in the scenarios are set out.

6.2 We currently do not have data for Barrow-in-Furness, Carlisle, Wirral or Cheshire East.

6.3 The land supply figures are provided as a reference point. The figures are regularly reviewed and updated and will therefore be subject to change.

6.4 The indicative land supply figures allow us to indicatively identify potential areas of land capacity and constraint. These would need further refinement to robustly support policy development, but are presented as a starting point. Figure 6 shows Local Authorities where there is a potential land constraint or capacity for each of these scenarios.

6.5 A report has been prepared providing an overview of sub-regional and local Strategic Housing Market Assessments and Strategic Housing Land Availability Assessments which is available at http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1277981495_Overview_report_on_SHLAA_and_S.pdf.

[35] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 17, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

Figure 6: Indicative potential housing land supply / constraint for each Local Planning Authority (excluding LDNPA)		
	Indicative potential housing land constraint	**Indicative potential housing land capacity**
Run A H1	Blackpool, Bury, Cheshire West and Chester, Chorley, Eden, Halton, Knowsley, Lancaster, Liverpool, Manchester, Pendle, Preston, Rochdale, Sefton, St Helens, South Ribble, Tameside, Trafford, Warrington, West Lancashire, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Copeland, Fylde, Hyndburn, Oldham, Ribble Valley, Rossendale, Salford, South Lakeland, Stockport
Run B H1	Blackpool, Bury, Cheshire West and Chester, Chorley, Eden, Fylde, Knowsley, Lancaster, Manchester, Oldham, Pendle, Preston, Rochdale, Sefton, St Helens, South Ribble, Stockport, South Lakeland, Tameside, Trafford, Warrington, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Copeland, Halton, Hyndburn, Liverpool, Ribble Valley, Rossendale, Salford, West Lancashire
Run B H2	Blackpool, Bury, Cheshire West and Chester, Chorley, Knowsley, Lancaster, Oldham, Pendle, Preston, Rochdale, Sefton, St Helens, South Ribble, Stockport, Tameside, Trafford, West Lancashire, Warrington, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Copeland, Eden, Fylde, Halton, Hyndburn, Liverpool, Manchester, Ribble Valley, Rossendale, Salford, South Lakeland
Run C H1	Allerdale, Blackpool, Bury, Cheshire West and Chester, Chorley, Copeland, Eden, Fylde, Knowsley, Lancaster, Manchester, Oldham, Pendle, Preston, Ribble Valley, Rochdale, Sefton, St Helens, South Ribble, Stockport, South Lakeland, Tameside, Trafford, Warrington, West Lancashire, Wigan, Wyre	Blackburn with Darwen, Bolton, Burnley, Halton, Hyndburn, Liverpool, Rossendale, Salford
Run D H1	Blackpool, Bury, Cheshire West and Chester, Chorley, Eden, Halton, Knowsley, Lancaster, Liverpool, Manchester, Pendle, Preston, Rochdale, Salford, Sefton, St Helens, South Ribble, South Lakeland, Stockport, Tameside, Trafford, West Lancashire, Warrington, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Copeland, Fylde, Hyndburn, Oldham, Ribble Valley, Rossendale,
Run D H2	Blackpool, Bury, Cheshire West and Chester, Chorley, Knowsley, Lancaster, Oldham, Pendle, Preston, Rochdale, Sefton, St Helens, South Ribble, Stockport, Tameside, Trafford, West Lancashire, Warrington, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Copeland, Eden, Fylde, Halton, Hyndburn, Liverpool, Manchester, Ribble Valley, Rossendale, Salford, South Lakeland
Run E H1	Blackpool, Bury, Cheshire West and Chester, Chorley, Copeland, Eden, Halton, Knowsley, Lancaster, Liverpool, Manchester, Pendle, Preston, Rochdale, Salford, Sefton, St Helens, South Ribble, South Lakeland, Stockport, Tameside, Trafford, Warrington, West Lancashire, Wigan, Wyre	Allerdale, Blackburn with Darwen, Bolton, Burnley, Fylde, Hyndburn, Oldham, Ribble Valley, Rossendale,
Run E H2	Blackpool, Bury, Bolton, Cheshire West and Chester, Chorley, Fylde, Halton, Knowsley, Lancaster, Oldham, Pendle, Preston, Rochdale, Sefton, St Helens, South Lakeland, Stockport, Tameside, Trafford, Warrington, West Lancashire, Wigan, Wyre	Allerdale, Blackburn with Darwen, Burnley, Copeland, Eden, Hyndburn, Liverpool, Manchester, Ribble Valley, Rossendale, Salford

7. Infrastructure Capacity, Environmental Limits and Flood Risk

7.1 No assessment of these issues has yet been made on the different runs or distributions, however it is critical that these issues are considered at the sub-regional / local level. The identification of 'pinch points' and solutions to those issues should continue to be considered at a wider than Local Authority level. It is important that Environment Agency, Natural England and utility providers are involved in that further work.

8. Previous build rates

8.1 Data from the latest RSS Annual Monitoring Report for the North West shows that in the period 2003/04 to 2008 / 09 the region has only achieved levels of net additional dwellings above the current RSS requirement in one year (2007/08) with the addition of 26,138 dwellings.

8.2 From published figures of permanent dwellings completed in the region it is clear that since 1990/91 the region has never achieved the levels of delivery set out in the scenarios outlined in this report.

9. Phasing

9.1 Phasing will be critical in ensuring that the region recovers appropriately from the recent economic difficulties and resultant reduction in house building. It is envisaged that there will continue to be levels of construction lower than those set out in these different scenarios until at least 2015.

10. Needs data

10.1 Data collected for the Regional Strategic Housing Market Assessment work on housing needs is included in sheet 18 in the accompanying spreadsheet[36] for information. This is modelled data and we recognise that this will be different to the data included in sub-regional and local Strategic Housing Market Assessment reports.

10.2 Data recently published by Shelter[37] for every Local Authority in the Country is replicated in sheet 19[38]. It is stated by Shelter that this information is drawn from Strategic Housing Market Assessments and Housing Needs Surveys.

[36] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 18, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls
[37] http://housingleaguetable.org.uk/about.php
[38] RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 19, http://www.4nw.org.uk/downloads/documents/jul_10/4nw_1278662515_RS2010_Part_2_housing_provisio.xls

Appendix 1 – Run A: Current RSS

	HOUSING		JOB GROWTH				
	H1 - distribution based on current RSS distribution		J1 - distribution based on current RSS distribution			Distribution %	
	Change in housing (2006 - 2030)	Average p.a.	Change in Jobs (2006-2030)	Average p.a.		H1 - Housing % total	J1 - Job Growth % total
Greater Manchester	**230,952**	**9,623**	**136,512**	**5,688**		**41.63**	**41.63**
Manchester	84,000	3,500	49,651	2,069		15.14	15.14
Salford	38,400	1,600	22,698	946		6.92	6.92
Oldham	6,936	289	4,100	171		1.25	1.25
Rochdale	9,600	400	5,674	236		1.73	1.73
Tameside	18,000	750	10,639	443		3.24	3.24
Stockport	10,800	450	6,384	266		1.95	1.95
Trafford	13,872	578	8,200	342		2.50	2.50
Bolton	13,872	578	8,200	342		2.50	2.50
Bury	12,000	500	7,093	296		2.16	2.16
Wigan	23,472	978	13,874	578		4.23	4.23
Merseyside	**123,600**	**5,150**	**73,058**	**3,044**		**22.28**	**22.28**
Liverpool	46,800	1,950	27,663	1,153		8.44	8.44
Sefton	12,000	500	7,093	296		2.16	2.16
Knowsley	10,800	450	6,384	266		1.95	1.95
Wirral	12,000	500	7,093	296		2.16	2.16
West Lancashire	7,200	300	4,256	177		1.30	1.30
Halton	12,000	500	7,093	296		2.16	2.16
St Helens	13,680	570	8,086	337		2.47	2.47
Warrington	9,120	380	5,391	225		1.64	1.64
Mid Lancashire	**41,784**	**1,741**	**24,698**	**1,029**		**7.53**	**7.53**
Preston	12,168	507	7,192	300		2.19	2.19
Chorley	10,008	417	5,916	246		1.80	1.80
South Ribble	10,008	417	5,916	246		1.80	1.80
Lancaster	9,600	400	5,674	236		1.73	1.73
Fylde Coast	**22,944**	**956**	**13,562**	**565**		4.14	4.14
Blackpool	10,656	444	6,299	262		1.92	1.92
Fylde	7,344	306	4,341	181		1.32	1.32
Wyre	4,944	206	2,922	122		0.89	0.89
Pennine Lancashire	**33,144**	**1,381**	**19,591**	**816**		**5.97**	**5.97**
Blackburn with Darwen	11,736	489	6,937	289		2.12	2.12
Hyndburn	4,536	189	2,681	112		0.82	0.82
Rossendale	5,328	222	3,149	131		0.96	0.96
Burnley	3,120	130	1,844	77		0.56	0.56
Pendle	4,560	190	2,695	112		0.82	0.82
Ribble Valley	3,864	161	2,284	95		0.70	0.70
Cheshire	**59,208**	**2,467**	**34,997**	**1,458**		**10.67**	**10.67**
Cheshire West and Chester	31,608	1,317	18,683	778		5.70	5.70
Cheshire East	27,600	1,150	16,314	680		4.98	4.98
Cumbria	**43,104**	**1,796**	**25,478**	**1,062**		**7.77**	**7.77**
Allerdale	6,408	267	3,788	158		1.16	1.16
Copeland	5,520	230	3,263	136		1.00	1.00
Eden	5,736	239	3,390	141		1.03	1.03
South Lakeland	9,600	400	5,674	236		1.73	1.73
Barrow-in-Furness	3,600	150	2,128	89		0.65	0.65
Carlisle	10,800	450	6,384	266		1.95	1.95
Lake District National Park	1,440	60	851	35		0.26	0.26
NORTH WEST	**554,736**	**23,114**	**327,895**	**13,662**		**100.00**	**100.00**

Appendix 2 – Run B: Regional Economic Forecasting Panel

	HOUSING				JOB GROWTH									
	H1 - distribution based on REFP population (workplace-based)		H2 - distribution based on calculated residence based employment in 2030		J1 - distribution based on workplace based employment							Distribution %		
	Change in housing (2006 - 2030)	Average p.a.	Change in housing (2006 - 2030)	Average p.a.	Change in Jobs 2006-2015	Average p.a.	Change in Jobs 2015-2030	Average p.a.	Change in Jobs 2006-2030	Average p.a.		H1 - Housing % total	H2 - Housing % total	Job Growth % total
Greater Manchester	**251,917**	**10,497**	**237,863**	**9,911**	**1,100**	**122**	**98,000**	**6,533**	**99,100**	**4,129**		**43.44**	**40.85**	**53.02**
Manchester	88,407	3,684	41,602	1,733	-2,500	-278	37,900	2,527	35,400	1,475		15.24	7.14	18.94
Salford	22,486	937	20,221	843	4,400	489	9,600	640	14,000	583		3.88	3.47	7.49
Oldham	12,501	521	16,050	669	-800	-89	4,600	307	3,800	158		2.16	2.76	2.03
Rochdale	13,920	580	17,568	732	-2,300	-256	3,200	213	900	38		2.40	3.02	0.48
Tameside	20,264	844	19,034	793	-3,900	-433	1,000	67	-2,900	-121		3.49	3.27	-1.55
Stockport	18,734	781	26,900	1,121	7,900	878	10,800	720	18,700	779		3.23	4.62	10.01
Trafford	23,123	963	27,725	1,155	-1,200	-133	14,400	960	13,200	550		3.99	4.76	7.06
Bolton	13,678	570	20,688	862	2,700	300	6,500	433	9,200	383		2.36	3.55	4.92
Bury	16,185	674	15,895	662	-600	-67	3,100	207	2,500	104		2.79	2.73	1.34
Wigan	22,619	942	32,180	1,341	-2,600	-289	6,900	460	4,300	179		3.90	5.53	2.30
Merseyside	**108,115**	**4,505**	**145,512**	**6,063**	**-3,800**	**-422**	**40,800**	**2,720**	**37,000**	**1,542**		**18.64**	**24.99**	**19.80**
Liverpool	29,425	1,226	32,163	1,340	1,800	200	20,400	1,360	22,200	925		5.07	5.52	11.88
Sefton	11,704	488	27,160	1,132	-6,800	-756	5,700	380	-1,100	-46		2.02	4.66	-0.59
Knowsley	10,173	424	11,192	466	400	44	3,400	227	3,800	158		1.75	1.92	2.03
Wirral	15,081	628	24,352	1,015	0	0	2,700	180	2,700	113		2.60	4.18	1.44
West Lancashire	4,762	198	8,554	356	1,700	189	1,100	73	2,800	117		0.82	1.47	1.50
Halton	9,003	375	9,435	393	-2,400	-267	1,000	67	-1,400	-58		1.55	1.62	-0.75
St Helens	12,697	529	15,114	630	1,500	167	3,700	247	5,200	217		2.19	2.60	2.78
Warrington	15,270	636	17,541	731	0	0	2,800	187	2,800	117		2.63	3.01	1.50
Mid Lancashire	**53,256**	**2,219**	**42,107**	**1,754**	**5,200**	**578**	**14,600**	**973**	**19,800**	**825**		**9.18**	**7.23**	**10.59**
Preston	8,575	357	12,623	526	2,100	233	4,500	300	6,600	275		1.48	2.17	3.53
Chorley	9,923	413	10,080	420	-2,400	-267	3,600	240	1,200	50		1.71	1.73	0.64
South Ribble	8,722	363	11,077	462	5,500	611	4,500	300	10,000	417		1.50	1.90	5.35
Lancaster	26,037	1,085	8,328	347	0	0	2,000	133	2,000	83		4.49	1.43	1.07
Fylde Coast	**31,705**	**1,419**	**27,595**	**1,150**	**-3,600**	**-400**	**10,700**	**713**	**7,100**	**296**		**5.47**	**4.74**	**3.80**
Blackpool	10,386	433	10,218	426	-3,700	-411	5,500	367	1,800	75		1.79	1.75	0.96
Fylde	9,535	397	8,173	341	800	89	3,400	227	4,200	175		1.64	1.40	2.25
Wyre	11,784	589	9,205	384	-700	-78	1,800	120	1,100	46		2.03	1.58	0.59
Pennine Lancashire	**35,218**	**1,467**	**36,245**	**1,510**	**-4,000**	**-444**	**5,500**	**367**	**1,500**	**63**		**6.07**	**6.22**	**0.80**
Blackburn with Darwen	8,314	346	9,245	385	400	44	1,600	107	2,000	83		1.43	1.59	1.07
Hyndburn	4,669	195	6,382	266	400	44	1,300	87	1,700	71		0.80	1.10	0.91
Rossendale	5,654	236	4,772	199	-1,400	-156	300	20	-1,100	-46		0.97	0.82	-0.59
Burnley	2,215	92	5,582	233	-2,200	-244	200	13	-2,000	-83		0.38	0.96	-1.07
Pendle	6,339	264	5,797	242	-1,800	-200	900	60	-900	-37		1.09	1.00	-0.48
Ribble Valley	8,027	334	4,466	186	600	67	1,200	80	1,800	75		1.38	0.77	0.96
Cheshire	**50,452**	**2,102**	**56,335**	**2,347**	**4,400**	**489**	**11,900**	**793**	**16,300**	**679**		**8.70**	**9.67**	**8.72**
Cheshire West and Chester	23,240	968	24,187	1,008	1,700	189	6,200	413	7,900	329		4.01	4.15	4.23
Cheshire East	27,212	1,134	32,148	1,339	2,700	300	5,700	380	8,400	350		4.69	5.52	4.49
Cumbria	**49,291**	**2,054**	**36,654**	**1,527**	**-1,300**	**-144**	**7,400**	**493**	**6,100**	**254**		**8.50**	**6.29**	**3.26**
Allerdale	7,512	313	6,071	253	-200	-22	200	13	0	0		1.30	1.04	0.00
Copeland	6,610	275	4,851	202	-600	-67	600	40	0	0		1.14	0.83	0.00
Eden	5,832	243	4,218	176	-200	-22	2,600	173	2,400	100		1.01	0.72	1.28
South Lakeland	12,847	535	8,284	345	-600	-67	2,200	147	1,600	67		2.22	1.42	0.86
Barrow-in-Furness	4,576	191	4,828	201	-300	-33	600	40	300	13		0.79	0.83	0.16
Carlisle	11,913	496	8,401	350	600	67	1,200	80	1,800	75		2.05	1.44	0.96
Lake District National Park												0.00	0.00	0.00
NORTH WEST	**579,954**	**24,263**	**582,310**	**24,263**	**-2,000**	**-222**	**188,900**	**12,593**	**186,900**	**7,788**		**100.00**	**100.00**	**100.00**

Appendix 3 – Run C: National Population and Household Projections

	HOUSING		JOB GROWTH								
	H1 - distribution based on demographic trends		J1 - distribution based on ratio of population to employment (workplace based)							Distribution %	
	Change in housing (2006 - 2030)	Average p.a.	Change in Jobs 2006-2015	Average p.a.	Change in Jobs 2015-2030	Average p.a.	Change in Jobs 2006-2030	Average p.a.		H1 - Housing % total	J1 - Job Growth % total
Greater Manchester	**287,505**	**11,979**	**30,794**	**3,422**	**133,519**	**8,901**	**164,313**	**6,846**		**42.33**	**44.45**
Manchester	93,344	3,889	6,897	766	47,953	3,197	54,850	2,285		13.74	14.84
Salford	23,774	991	5,973	664	12,972	865	18,946	789		3.50	5.13
Oldham	15,848	660	1,241	138	6,880	459	8,121	338		2.33	2.20
Rochdale	16,844	702	-222	-25	5,329	355	5,107	213		2.48	1.38
Tameside	23,773	991	-2,307	-256	2,846	190	538	22		3.50	0.15
Stockport	22,785	949	10,537	1,171	14,639	976	25,176	1,049		3.35	6.81
Trafford	27,747	1,156	2,352	261	18,500	1,233	20,852	869		4.09	5.64
Bolton	17,835	743	5,209	579	9,567	638	14,775	616		2.63	4.00
Bury	18,817	784	1,306	145	4,927	328	6,233	260		2.77	1.69
Wigan	26,737	1,114	-192	-21	9,906	660	9,714	405		3.94	2.63
Merseyside	**104,083**	**4,337**	**12,453**	**1,384**	**45,759**	**3,051**	**58,213**	**2,426**		**15.32**	**15.75**
Liverpool	22,786	949	5,249	583	19,115	1,274	24,364	1,015		3.35	6.59
Sefton	9,913	413	-4,905	-545	5,245	350	340	14		1.46	0.09
Knowsley	9,902	413	1,858	206	3,090	206	4,947	206		1.46	1.34
Wirral	13,876	578	2,110	234	2,151	143	4,261	178		2.04	1.15
West Lancashire	6,985	291	3,663	407	3,395	226	7,058	294		1.03	1.91
Halton	8,920	372	-1,284	-143	682	45	-602	-25		1.31	-0.16
St Helens	12,877	537	2,850	317	3,396	226	6,246	260		1.90	1.69
Warrington	18,824	784	2,913	324	8,685	579	11,599	483		2.77	3.14
Mid Lancashire	**65,531**	**2,730**	**15,269**	**1,697**	**27,189**	**1,813**	**42,458**	**1,769**		**9.65**	**11.49**
Preston	11,891	495	5,884	654	9,267	618	15,151	631		1.75	4.10
Chorley	11,892	496	-1,034	-115	5,852	390	4,817	201		1.75	1.30
South Ribble	11,883	495	7,224	803	7,229	482	14,453	602		1.75	3.91
Lancaster	29,865	1,244	3,195	355	4,842	323	8,037	335		4.40	2.17
Fylde Coast	**42,801**	**1,783**	**1,862**	**207**	**18,181**	**1,212**	**20,044**	**835**		**6.30**	**5.42**
Blackpool	13,923	580	-1,145	-127	8,772	585	7,627	318		2.05	2.06
Fylde	10,979	457	2,060	229	5,696	380	7,755	323		1.62	2.10
Wyre	17,898	746	947	105	3,714	248	4,661	194		2.64	1.26
Pennine Lancashire	**51,589**	**2,150**	**4,721**	**525**	**15,715**	**1,048**	**20,436**	**852**		**7.60**	**5.53**
Blackburn with Darwen	12,880	537	3,385	376	4,757	317	8,142	339		1.90	2.20
Hyndburn	7,925	330	1,836	204	2,790	186	4,626	193		1.17	1.25
Rossendale	6,940	289	-737	-82	1,368	91	631	26		1.02	0.17
Burnley	4,954	206	-1,016	-113	1,812	121	796	33		0.73	0.22
Pendle	8,928	372	-494	-55	2,495	166	2,001	83		1.31	0.54
Ribble Valley	9,963	415	1,748	194	2,492	166	4,240	177		1.47	1.15
Cheshire	**69,478**	**2,895**	**15,590**	**1,732**	**28,376**	**1,892**	**43,966**	**1,832**		**10.23**	**11.89**
Cheshire West and Chester	32,755	1,365	7,191	799	14,029	935	21,220	884		4.82	5.74
Cheshire East	36,723	1,530	8,399	933	14,347	956	22,746	948		5.41	6.15
Cumbria	**58,247**	**2,427**	**5,937**	**660**	**14,285**	**952**	**20,222**	**843**		**8.58**	**5.47**
Allerdale	9,167	382	710	79	1,266	84	1,976	82		1.35	0.53
Copeland	8,028	335	332	37	1,498	100	1,830	76		1.18	0.50
Eden	7,345	306	682	76	3,476	232	4,158	173		1.08	1.12
South Lakeland	13,828	576	1,314	146	3,724	248	5,038	210		2.04	1.36
Barrow-in-Furness	5,966	249	364	40	1,483	99	1,846	77		0.88	0.50
Carlisle	13,912	580	2,536	282	2,838	189	5,374	224		2.05	1.45
Lake District National Park										0.00	0.00
NORTH WEST	**679,235**	**28,301**	**86,628**	**9,625**	**283,025**	**18,868**	**369,652**	**15,402**		**100.00**	**100.00**

Appendix 4 – Run D: National Housing and Planning Advice Unit Lower range figure

	HOUSING				JOB GROWTH				
	H1- distribution based on current RSS		H2 - distribution based on calculated residence based employment in 2030					Distribution %	
	Change in housing (2006 - 2030)	Average p.a.	Change in housing (2006 - 2030)	Average p.a.	Change in Jobs 2006-2030	Average p.a.		H1 - Housing % total	H2 - Housing total
Greater Manchester	**263,785**	**10,991**	**258,814**	**10,784**	**N/A**	**N/A**		**41.63**	**40.85**
Manchester	95,942	3,998	45,267	1886	N/A	N/A		15.14	7.14
Salford	43,859	1,827	22,002	917	N/A	N/A		6.92	3.47
Oldham	7,922	330	17,464	728	N/A	N/A		1.25	2.76
Rochdale	10,965	457	19,116	796	N/A	N/A		1.73	3.02
Tameside	20,559	857	20,710	863	N/A	N/A		3.24	3.27
Stockport	12,335	514	29,269	1220	N/A	N/A		1.95	4.62
Trafford	15,844	660	30,167	1257	N/A	N/A		2.50	4.76
Bolton	15,844	660	22,510	938	N/A	N/A		2.50	3.55
Bury	13,706	571	17,295	721	N/A	N/A		2.16	2.73
Wigan	26,809	1,117	35,015	1459	N/A	N/A		4.23	5.53
Merseyside	**141,172**	**5,882**	**158,328**	**6,597**	**N/A**	**N/A**		**22.28**	**24.99**
Liverpool	53,453	2,227	34,996	1458	N/A	N/A		8.44	5.52
Sefton	13,706	571	29,552	1231	N/A	N/A		2.16	4.66
Knowsley	12,335	514	12,178	507	N/A	N/A		1.95	1.92
Wirral	13,706	571	26,497	1104	N/A	N/A		2.16	4.18
West Lancashire	8,224	343	9,307	388	N/A	N/A		1.30	1.47
Halton	13,706	571	10,266	428	N/A	N/A		2.16	1.62
St Helens	15,625	651	16,446	685	N/A	N/A		2.47	2.60
Warrington	10,417	434	19,086	795	N/A	N/A		1.64	3.01
Mid Lancashire	**47,724**	**1,989**	**45,816**	**1,909**	**N/A**	**N/A**		**7.53**	**7.23**
Preston	13,898	579	13,735	572	N/A	N/A		2.19	2.17
Chorley	11,431	476	10,968	457	N/A	N/A		1.80	1.73
South Ribble	11,431	476	12,052	502	N/A	N/A		1.80	1.90
Lancaster	10,965	457	9,061	378	N/A	N/A		1.73	1.43
Fylde Coast	**26,206**	**1,092**	**30,026**	**1,251**	N/A	N/A		**4.14**	**4.74**
Blackpool	12,171	507	11,118	463	N/A	N/A		1.92	1.75
Fylde	8,388	350	8,893	371	N/A	N/A		1.32	1.40
Wyre	5,647	235	10,015	417	N/A	N/A		0.89	1.58
Pennine Lancashire	**37,856**	**1,577**	**39,437**	**1,643**	**N/A**	**N/A**		**5.97**	**6.22**
Blackburn with Darwen	13,404	559	10,060	419	N/A	N/A		2.12	1.59
Hyndburn	5,181	216	6,944	289	N/A	N/A		0.82	1.10
Rossendale	6,085	254	5,193	216	N/A	N/A		0.96	0.82
Burnley	3,564	148	6,074	253	N/A	N/A		0.56	0.96
Pendle	5,208	217	6,308	263	N/A	N/A		0.82	1.00
Ribble Valley	4,413	184	4,859	202	N/A	N/A		0.70	0.77
Cheshire	**67,625**	**2,818**	**61,296**	**2,554**	**N/A**	**N/A**		**10.67**	**9.67**
Cheshire West and Chester	36,102	1,504	26,317	1097	N/A	N/A		5.70	4.15
Cheshire East	31,524	1,313	34,979	1457	N/A	N/A		4.98	5.52
Cumbria	**49,232**	**2,051**	**39,882**	**1,662**	**N/A**	**N/A**		**7.77**	**6.29**
Allerdale	7,319	305	6,605	275	N/A	N/A		1.16	1.04
Copeland	6,305	263	5,279	220	N/A	N/A		1.00	0.83
Eden	6,551	273	4,589	191	N/A	N/A		1.03	0.72
South Lakeland	10,965	457	9,014	376	N/A	N/A		1.73	1.42
Barrow-in-Furness	4,112	171	5,253	219	N/A	N/A		0.65	0.83
Carlisle	12,335	514	9,141	381	N/A	N/A		1.95	1.44
Lake District National Park	1,645	69			N/A	N/A		0.26	0.00
NORTH WEST	**633,600**	**26,400**	**633,600**	**26,400**	**N/A**	**N/A**		**100.00**	**100.00**

Appendix 5 – Run E: National Housing and Planning Advice Unit Upper range figure

	HOUSING				JOB GROWTH				
	H1- distribution based on current RSS		H2 - distribution based on calculated residence based employment in 2030					Distribution %	
	Change in housing (2006 - 2030)	Average p.a.	Change in housing (2006 - 2030)	Average p.a.	Change in Jobs 2006-2030	Average p.a.		H1 - Housing % total	H2 - Housing total
Greater Manchester	**298,757**	**12,448**	**293,127**	**12,214**	**N/A**	**N/A**		**41.63**	**40.85**
Manchester	108,661	4528	51,268	2136	N/A	N/A		15.14	7.14
Salford	49,674	2070	24,919	1038	N/A	N/A		6.92	3.47
Oldham	8,972	374	19,779	824	N/A	N/A		1.25	2.76
Rochdale	12,418	517	21,650	902	N/A	N/A		1.73	3.02
Tameside	23,285	970	23,456	977	N/A	N/A		3.24	3.27
Stockport	13,971	582	33,150	1381	N/A	N/A		1.95	4.62
Trafford	17,945	748	34,166	1424	N/A	N/A		2.50	4.76
Bolton	17,945	748	25,494	1062	N/A	N/A		2.50	3.55
Bury	15,523	647	19,588	816	N/A	N/A		2.16	2.73
Wigan	30,363	1265	39,657	1652	N/A	N/A		4.23	5.53
Merseyside	**159,888**	**6,662**	**179,319**	**7,472**	**N/A**	**N/A**		**22.28**	**24.99**
Liverpool	60,540	2522	39,635	1651	N/A	N/A		8.44	5.52
Sefton	15,523	647	33,470	1395	N/A	N/A		2.16	4.66
Knowsley	13,971	582	13,793	575	N/A	N/A		1.95	1.92
Wirral	15,523	647	30,010	1250	N/A	N/A		2.16	4.18
West Lancashire	9,314	388	10,541	439	N/A	N/A		1.30	1.47
Halton	15,523	647	11,627	484	N/A	N/A		2.16	1.62
St Helens	17,696	737	18,626	776	N/A	N/A		2.47	2.60
Warrington	11,798	492	21,617	901	N/A	N/A		1.64	3.01
Mid Lancashire	**54,051**	**2,252**	**51,890**	**2,162**	**N/A**	**N/A**		**7.53**	7.23
Preston	15,740	656	15,556	648	N/A	N/A		2.19	2.17
Chorley	12,946	539	12,422	518	N/A	N/A		1.80	1.73
South Ribble	12,946	539	13,650	569	N/A	N/A		1.80	1.90
Lancaster	12,418	517	10,263	428	N/A	N/A		1.73	1.43
Fylde Coast	**29,680**	**1,237**	**34,007**	**1,417**	N/A	N/A		**4.14**	**4.74**
Blackpool	13,784	574	12,592	525	N/A	N/A		1.92	1.75
Fylde	9,500	396	10,072	420	N/A	N/A		1.32	1.40
Wyre	6,396	266	11,343	473	N/A	N/A		0.89	1.58
Pennine Lancashire	**42,875**	**1,786**	**44,666**	**1,861**	**N/A**	**N/A**		**5.97**	6.22
Blackburn with Darwen	15,182	633	11,393	475	N/A	N/A		2.12	1.59
Hyndburn	5,868	244	7,864	328	N/A	N/A		0.82	1.10
Rossendale	6,892	287	5,881	245	N/A	N/A		0.96	0.82
Burnley	4,036	168	6,879	287	N/A	N/A		0.56	0.96
Pendle	5,899	246	7,144	298	N/A	N/A		0.82	1.00
Ribble Valley	4,998	208	5,503	229	N/A	N/A		0.70	0.77
Cheshire	**76,591**	**3,191**	**69,423**	**2,893**	**N/A**	**N/A**		**10.67**	**9.67**
Cheshire West and Chester	40,888	1704	29,806	1242	N/A	N/A		5.70	4.15
Cheshire East	35,703	1488	39,617	1651	N/A	N/A		4.98	5.52
Cumbria	**55,759**	**2,323**	**45,169**	**1,882**	**N/A**	**N/A**		7.77	6.29
Allerdale	8,289	345	7,481	312	N/A	N/A		1.16	1.04
Copeland	7,141	298	5,979	249	N/A	N/A		1.00	0.83
Eden	7,420	309	5,198	217	N/A	N/A		1.03	0.72
South Lakeland	12,418	517	10,209	425	N/A	N/A		1.73	1.42
Barrow-in-Furness	4,657	194	5,950	248	N/A	N/A		0.65	0.83
Carlisle	13,971	582	10,353	431	N/A	N/A		1.95	1.44
Lake District National Park	1,863	78	0	0	N/A	N/A		0.26	0.00
NORTH WEST	**717,600**	**29,900**	**717,600**	**29,900**	**N/A**	**N/A**		**100.00**	**100.00**

Appendix 6 – Notes from RS2010 Housing Provision Figures and Job Growth Targets - Sub Regional Meeting with Local Authority Partners

At the beginning of each meeting the 4NW's director of Planning, Transport and Housing gave a short overview explaining how the current uncertainties will affect 4NW and change the format of RS2010. The Director explained the legacy that the organisation hopes to leave for sub-regions and future LDF work. 4NW are aware that due to the potential abolition of the Regional Spatial Strategy, many local authorities may need to go back and review their Core Strategies.

4NW officers gave a presentation running through the methodology for each of the scenarios.

Authorities were asked to update their Strategic Housing Land Availability Assessment figures if those set out in the information circulated for the workshops were wrong or there was more recent data available.

Cheshire and Warrington – Tuesday 25th May

Present:
Cheshire West and Chester Council, Cheshire East Council, Warrington BC and Cheshire and Warrington Economic Alliance

Outline of comments:
Cheshire and Warrington can play a part in stimulating regional growth. Concerned that the figures presented don't necessarily reflect the aspirations of the sub-region to achieve that, and also the big spread between the different scenarios set out. That makes it hard to form a view.

The economic structure of Cheshire means that it is in a better position to be involved in economic recovery in the region.

The Panel at the EiP for adopted RSS didn't feel able to roll the housing figure forward beyond 2021 because of uncertainties around the assumptions underpinning the figures. Would be worthwhile revisiting those assumptions.

Delivering any of the figures will almost certainly require authorities to start looking at greenfield sites. May also need to review Green Belt.

Relationship between housing and jobs in Cheshire is weak, so some of the assumptions made within the scenarios were questioned. Need to remember the cross boundary linkages with North Wales and other sub-regions. Also might be helpful to highlight the supporting role that Local Authorities can play in helping to deliver housing and job figures.

It is important to recognise the Atlantic Gateway concept.

Need to be realistic about delivery, particularly about the amount of public and private sector finance available.

4NW were provided with a copy of an independent report which suggests that housing figures around RSS levels would be appropriate for Cheshire and Warrington to support the aspirations of RS2010.

Lancashire – Thursday 27th May (Morning)

Present:
Blackburn with Darwen BC, Blackpool BC , Chorley BC, Fylde BC, Hyndburn BC, Lancaster CC, Pendle BC, Preston CC, Ribble Valley BC, Rossendale BC, West Lancashire BC, Wyre BC, Lancashire County Council, Lancashire Economic Partnership, Regenerate Pennine Lancashire

A couple of detailed questions were raised about the figures which were clarified at the meeting or were agreed to be clarified subsequently.

Concern was raised that all the options seem top down. There needs to be an opportunity for bottom up input to be made.

Economic forecasts show current performance therefore not good enough. Aspirations need to be built into the scenarios, otherwise it will continue to perpetuate
the current situation which is reflected in some of the figures.

Job figures would be better considered at a sub-regional level.

Clearance replacement is an issue. The adopted RSS housing figures being net of clearance replacement encourages cleared vacant properties to be replaced, which may not help to reduce overall levels of vacancy. Need to consider clearance not just net additions e.g.) 2005 Lancashire Structure Plan shows good practice on tackling this issue.

Need to be aware that small changes to the methodology would make major differences to the figures.

Higher housing numbers would mean a Green Belt review would be needed. Even the use of green field land for housing is not favourable amongst members. If there is no policy on Green Belt PDL targets will be affected because developers will not be encouraged to develop PDL.

Need to build constraints into figures. More in depth analysis into how existing and future infrastructure will impact housing figures e.g.) train expansion in Rossendale. Considerations of environmental issues, such as flooding also important.

Run C overestimates migration assumptions – should look at the 2008 figures.

Important to link spatial strategy and the plan to see the bigger picture.

The importance of phasing and household type was highlighted.

Consideration needs to be made of the recession and current housing and employment performance.

RUN A seen as most favourable, however RUN B was seen to have a good basis and RUN C may be better for some individual areas.

Cumbria - Thursday 27th May (afternoon)

Present:
Allerdale BC, Barrow-in-Furness BC, Carlisle CC, Copeland BC, Eden DC, Lake District National Park Authority, South Lakeland DC, Cumbria County Council

Cumbria have done their own forecasting work using the Popgroup Model. Based on both baseline population growth and economic growth projections it shows dwelling requirements above current RSS levels. Natural population growth would require about 2,400 units per annum. More modelling work will be undertaken over the summer.

2006–based ONS population figures do over estimate migration. Revised figures were published in draft before Christmas and should be looked at to take a more realistic view of population growth. Need to be sure there is no exaggeration of figures before they are put into the public domain. Also need to be mindful of the impact of the ageing population.

There is a dilemma between forecasts and what is being physically constructed. There was a shared concern over practicalities, and whether Local Authorities will have to back date and catch up from previous years shortfall. It was felt that building housing shortfall into 5 year land supply is too difficult and will give developers a back door. Concern was raised over the amount of demolitions and the impact of achieving higher figures where they are net of clearance replacement. Need to consider whether a step change approach can be taken (eg phased approach)

Link between housing and employment in Cumbria is very difficult. Higher levels of home working have a particular impact on that relationship.

Sellafield has a big impact on job figures and on housing markets and the relationship between jobs and housing.

Need to take account of figures for the Yorkshire Dales National Park in the South Lakeland figures.

Critical that issues of environment and infrastructure capacity / issues and properly considered.

Would like to see figures for Housing Market Areas.

Concern about whether the figures are expressed as minimum, maximum or targets. That makes a difference to how the figures are viewed.

Land is available, but market capacity to build is not. There are political issues around housing figures, existing under used stock and Greenfield / brownfield targets and relationships between markets in neighbouring authorities.

Gap funding is critical, with developments relying on this.

Merseyside –Friday 28th May (Morning)

Present:
Halton BC, Knowsley MBC, Liverpool CC, Sefton MBC, St Helens MBC, Wirral MBC, New Heartlands Pathfinder, West Lancashire BC, Warrington BC (representing Cheshire and Warrington authorities)

Concern raised about higher figures and Green Belt issues

Need a phased approach recognising that there will be limited development until 2015. Some LAA targets have already been reduced by CLG because of market conditions by CLG. Phasing is critical.

In some LAs there is high deprivation due to low paid jobs, and where higher paid jobs are created they are taken by people commuting into the borough. In that context there is concern about basing figures on travel to work patterns and perpetuating those patterns.

In some Local Authorities there is a real need to improve the quality of the housing stock, and encourage more quality private stock.

May be implications of new build on regeneration priorities.

Concern around job growth and translating this to meaningful land use figures. Some LAs do not see housing and jobs connected, with some authorities recognising their role as a commuter town.

Issue of governance with West Lancashire because not in MMA but in city region.

Vacant buildings should be considered – they not currently included within figures.

Issues related to density of new build will have an impact on capacity.

It’s important to remember differences between LAs and their different aspirations

Question: Is there any way of testing job growth figures against what is actually being delivered?

Figures around RUN A or between A, B and C more appropriate
No appetite for RUN D or E - for some LAs would raise huge issues and high figures for housing would not necessarily increase affordable housing numbers.

Greater Manchester– Friday 28th May (Afternoon)

Present:
Bolton MBC, Bury MBC, Manchester CC, Oldham MBC, Rochdale MBC, Salford CC, Stockport MBC, Tameside MBC, Trafford MBC, Wigan MBC, Manchester / Salford Pathfinder, Oldham / Rochdale Pathfinder, AGMA / New Economy Manchester, Cheshire East Council (representing Cheshire and Warrington authorities)

There are significant issues related to feasibility and current levels of delivery – the performance of the market needs to be factored in. Capacity is also a critical issue and should be considered.

No objection to Growth Point figures being left out.

Greater Manchester Spatial Framework – will need a policy discussion to talk about distribution within the Framework. Distribution is critical and there needs to continue to be support for regeneration across the sub-region.

Housing market needs to be factored in.

HMR demolition affects housing growth and achievement.

RUN A – Some LAs support RSS figures, with them currently working towards this. However, some concern expressed that RSS figures are too high and they are currently not being delivered.
RUN C & D – could not be delivered without Green Belt review

Appendix 7 - Relationship between scenarios in NLA update report and scenarios in this report

Scenario	NLA update report (Nov 2009)	This report	Comments
Official population projections and household forecasts (main variant)	Scenario A = 28,408 dwellings per annum	Run C = 28,301 dwellings per annum	There is a slight change to the overall figure as a result of the 4NW technical work being calculated over the period 2006 – 2030 to align with the Regional Economic Forecasting Panel time period.
Official population projections and household forecasts (low migration variant)	Scenario B = 23,712 dwellings per annum	N/A	This wasn't specifically included as a scenario in the 4NW technical work, however the 2008-based sub-national population projections, which make lower assumptions on migration, have been inputted into the model. Using those revised population figures gives an annual average dwelling requirement of 23,630 dwellings per annum. This is referenced below (para 4.7)
Official population projections and household forecasts (high migration variant)	Scenario C = 33,106 dwellings per annum	N/A	This NLA scenario was disregarded from the further 4NW technical work given that there was significant concern about the assumed levels of migration in the principal variant, that the figure was beyond the upper range proposed by NHPAU, and there was a significant mismatch between levels of delivery and capacity and this proposed figure.
Official population projections and household forecasts (low migration variant with reduction in migration limited to the period 2006 - 2014)	Scenario D = 27,516 dwellings per annum	N/A	
Regional Economic Forecasting Panel Baseline Forecast	Scenario E = 19,990 dwellings per annum	Run B = 24,263 dwellings per annum	Two significant changes were made between the NLA work and 4NW technical work, which have created the significant difference between the two figures. The first is that the REFP published an updated long term baseline forecast in March 2010, which has been used in the 4NW technical work. In addition further work has been undertaken to produce indicative Local Authority forecasts constrained to the overall REFP forecast. Those forecasts have been used in the 4NW technical work and give a more accurate picture.
National Housing and Planning Advice Unit (lower range)	N/A	Run D = 26,400 dwellings per annum	The methodology adopted by NHPAU is based on demographic trends, but assumes that there is lower migration than the official population trends in the period to 2014. It is therefore similar to that presented in the NLA work (Scenario D). The difference in the figures can be partly explained by the inclusion of an allowance for vacancy and second homes in Scenario D, which is excluded from the NHAPU work.
National Housing and Planning Advice Unit (lower range)	N/A	Run E = 29,000 dwellings per annum	

Appendix 8 – Indicative Local Authority forecasts methodology report

Provision of Independent Local Authority Forecasts and Detailed Sectoral and Occupational Information Supporting the Regional Economic Forecasting Panel Long-Term Regional and Sub-regional Baseline Forecasts

A report for NWDA and 4NW

15 April 2010

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Revision and Authorisation History

Version	Date	Authorised for release by	Description
2.0	15/04/10	Anthony Barker	Final methodology report
1.0	14/04/10	Anthony Barker	Draft methodology report

Contents

Introduction

This short report sets out the method used to develop detailed projections for local authority areas within the context of the long-term forecast for the North West published by the Regional Economic Forecasting Panel.

Context for the projections

The North West Regional Economic Forecasting Panel (REFP) published its latest view of the long-term prospects for the North West in March 2010. These forecasts considered the prospects for the North West economy over two periods: 2009-15, a period dominated by the economic cycle of recession and subsequent recovery; and the longer-term of 2015-30, over which period underlying fundamentals will have a greater role in determining growth. For each period, the Panel takes a view on average growth for a number of headline indicators; total GVA, total employment (jobs), population (total and working age).

In July 2009 the Panel developed equivalent baseline projections for the five sub-regions consistent with its then view of the long-term prospects for the North West, (published in April 2009).

Scope of the work

This study was commissioned to meet the need of 4NW and NWDA of indicative forecasts for local authority areas and detailed sectoral and occupational information, controlled to regional and sub-regional baseline forecasts, to inform the development of Part 2 of the Regional Strategy (RS2010).

In order to achieve this it was necessary to

- extend the detail of the forecasts for the North West from that provided by the REFP
- update the overview of prospects for the sub-regional economies to be consistent with the REFP's March 2010 view of prospects for the North West

Chapter 2 sets out the method used to produce the projections in more detail.

Method

Overview of method

Figure 2.1 provides an overview of how the projections required have been developed. The REFP forecast provides the 'control' for the forecasts. In developing the more detailed projections (eg by sector, status, and the timeseries) the method draws on the detailed forecasts for the North West and sub-regional economies published by Cambridge Econometrics in *Prospects for the Nations and Regions of the UK, February 2010*.

The main steps are as follows:

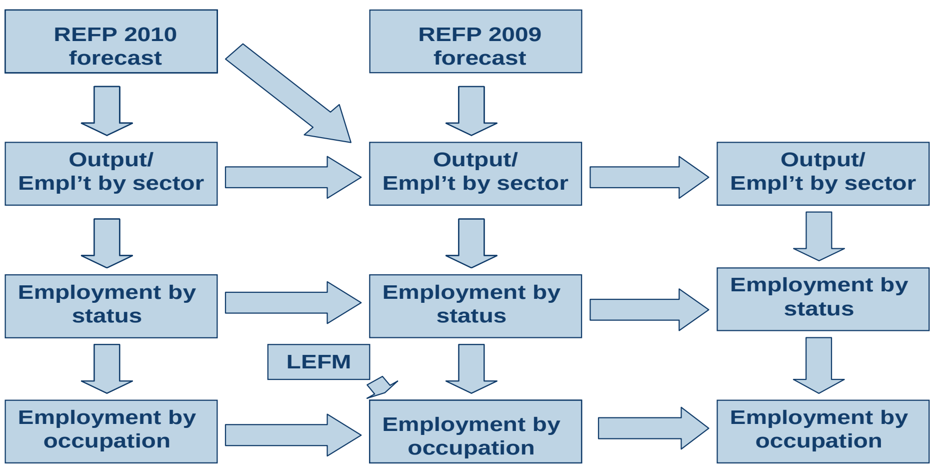
- Develop a sectoral profile to the NW REFP forecast
- Develop projections for North West variables not forecast by REFP (employment by status, employment by occupations)
- Update REFP sub-regional growth projections to be consistent with latest view for the North West.
- Develop sectoral profile for output and total employment in the sub-regions consistent with sector profile of North West forecast and overall growth rate projections for the sub-regions
- Develop projections for sub-regional variables not forecast by REFP consistent with the projections for the North West
- Develop local authority-level projections for all variables

Definition of variables

The project delivered the following data for the North West, sub-regions and local authorities:

- Value-added and employment (jobs) by sector
- Employment (jobs) by occupations
- Total population and working age population

FIGURE 2.1: OUTLINE OF FORECASTING APPROACH



The various employment variables are a measure of the number of workplace jobs in an economy, with each type of job counted equivalently. Estimates of workplace jobs in an economy will differ from estimates of the number of people employed in workplaces for various reasons, including that one person may be filling more than one part-time job. The measure of value-added is also constructed on a workplace basis.

Projections for the North West

REFP inputs to the projections

REFP provided the 'control' growth forecast for total GVA, total employment and population (total and total of working age) for 2009-15 and 2015-30.

Output and employment by sector

The sectoral profile of output and total employment was constructed by applying CE's forecasts for sectoral growth in the region to the rate of overall growth set by the Panel.

Employment by status

Estimates of employment by status (male, female, full-time, part-time, self employed) are projected from total employment by applying industry-specific profiles for employment by status. The assumptions used are those from CE's forecasts, which themselves project changes in the share of employment in each status based on the change in these shares over the previous seven years.

Trends in overall employment by status therefore reflect:

- the changing sectoral profile of employment (eg a higher proportion of employment in retailing is part time than is the case for manufacturing employment).
- different trends in the type of work in different sectors.

Employment by occupation

Projections of employment by occupation are produced by applying profiles of occupation by industry to the projections of employment by sector (and status). The estimates in employment by occupation and industry are those used in Working Futures 3, the detailed labour market projections commissioned by the UK Commission for Employment and Skills (www.ukces.org.uk). These trends are based on changes between the two latest Censuses of Population (ie 1991 and 2001), adjusted in the light of more recent (but less detailed) information from the Labour Force Survey.

Trends in overall employment by occupation therefore reflect:

- the changing pattern of employment by industry and status
- different trends in future profile of employment by occupation, sector and status[39]

Population

The Panel's forecast rates of growth in total population and working age population are applied to CE's estimates of population in the region in 2009, an estimate that itself reflects the mid-year population estimate for 2008. Note that the trend in population forecast by REFP differs from that present in the ONS sub-national population projections.

Projections for the Sub-Regions

REFP inputs to the projections

In addition to the North West 'control' forecast, the projections take account of the REFP's 2009-based baseline forecasts for growth in total GVA, total employment and total and working age population in the sub-regions.

[39] Working Futures developed different trends in employment by occupation and industry by gender but not by type of work (full-time, part-time, self employment).

Moving the 2009-based SRP forecasts to be consistent with the 2010 NW forecast

The SRP forecasts are inconsistent with the latest REFP long term forecast for the North West because:

- the SRP forecasts were for growth over 2008-15 and 2015-30 while the latest regional forecasts sets NW growth forecasts for 2009-15 and 2015-30;
- the latest NW forecast is more timely, made a year after that setting the context for the existing REFP sub-regional forecasts.

Before developing the full range of results for the SRP areas required by this commission it was necessary to first update the projections of the aforementioned macroeconomic aggregate variables for the SRP areas, to be consistent with the latest REFP forecast.

It was agreed with NWDA/4NW that the difference between the 2009 and 2010 REFP baseline forecast was not significant enough to need to change the assumptions regarding the differentials between the sub-regions and the region, and so this would be done on the assumption that:

- the previous differential in performance between a sub-region and the region would be maintained
  - ie if the 2009-based forecast had GVA growth in an SRP being 0.2pp below that forecast for the North West (eg 1.9% pa vs 2.1% pa), then the 2010-based projection would assume that same differential for the sub-region on the latest NW forecast (eg 2.0% pa vs 2.2% pa)
- the differential growth rates set for 2008-15 in the 2009-based forecasts are assumed to hold for the period 2009-15 in the new 2010-based forecast

The estimates for the macroeconomic aggregates for the sub-regions result from applying these assumptions to CE's estimates of the level of these variables in 2009 (ensuring the estimates scale to the 'control' totals for the North West).

Output and employment by broad sector

The projections of output and employment by sector are constructed by calibrating CE's baseline projections for each sub-region to the constraints provided by:

- the sector projections for the North West (see Section 2.1)
- the projections of total GVA and total employment for the sub-regions (see above).

CE's baseline projections for the sub-regions

CE's baseline projections for the sub-regions are constructed by aggregating local authority level projections to the SRP geographies.

CE's district-level employment projections are based on historical growth in the district relative to the region or UK (depending on which area it has the strongest relationship with), on an industry-by-industry basis. Thus, if an industry in the district outperformed the industry in the region (or UK) as a whole in the past, then it will be assumed to do so in the future. Similarly, if it underperformed the region (or UK) in the past then it will be assumed to underperform the region (or UK) in the future.

Historical district-level output (value added) in each district and industry is estimated based on NUTS2-level productivity (itself based on ONS sub-regional accounts data), and is projected forward based on productivity growth by sector in the region as a whole

Employment by status

Estimates of employment by status are calculated from the projections total employment by applying, industry-specific profiles for employment by status. The assumptions used are those from CE's baseline projections. The starting assumption is the continuation of

past changes in the share of employment in each status over the previous seven years. The results of this initial assumption are then calibrated to be consistent with the estimates of employment by status by sector in the North West as a whole.

Employment by occupation Projections of sub-regional employment by occupation are constructed using a similar approach to that used for the North West as a whole; namely by applying industry-specific occupation profiles to the projections of employment by status.

The sub-regional industry-specific occupation profiles are constructed as follows:

- Versions of the Local Economy Forecasting Model (LEFM) are constructed to produce initial estimates of industry/occupation profiles over time for each status of employment.
  - This uses the results of previous Census' to calibrate the detailed estimates for the region to the sub-regional employment profile. For the years since 2001 and for the forecast period changes in the local pattern of occupations by sector are assumed to follow those estimated/forecast for the region as a whole.

These initial estimates of occupation profiles are combined with the projections of employment by industry and status in the sub-regions (see above). The results are calibrated to ensure consistency with the estimates of employment by occupation and industry in the North West as a whole.

Projections for Local Authorities

REFP inputs to the projections The REFP has not made forecast for the prospects for local authority economies and so provides no input to this level of analysis other than through the 'controlling' forecasts for the region and sub-regional economies.

Output and employment by sector The projections for employment and value-added by sector are constructed by scaling CE's baseline projections for local authorities to the REFP-consistent projections for the appropriate sub-region.

Employment by status Estimates of employment by status are calculated from projections of total employment by applying industry-specific profiles for employment by status. The assumptions used are those from CE's baseline projections. The starting assumption is the continuation of past changes in the share of employment in each status, by industry, over the previous seven years. The results of this initial assumption are then calibrated to be consistent with the estimates of employment by status by industry in the North West as a whole.

Employment by occupation Estimates of workplace employment by occupation are constructed by applying the industry-specific profile of total employment by occupation for the appropriate sub-region (see Section 2.3 above) to the estimates of total employment by sector in the local authority.

Therefore, any difference in the projected profile of employment by occupation for two local authorities within the same sub-region will only be due to differences in the projected pattern of employment.

Population The projections are constructed by scaling CE's baseline projections of population in local authority areas to the REFP forecast for the North West as a whole.

CE's baseline projections for population in local authorities are founded on mid-year population estimates to 2008. Estimates for future years draw on the projected trend from the

2006-based sub-national population published by ONS but are then calibrated back to CE's independent forecast for population in the North West.

Sector Definitions

TABLE 3.1: SECTOR DEFINITIONS

Sector	**CE Industries**	**SIC2003**
Agriculture etc	1	01,02,05
Mining and quarrying	2-4	10-14
Manufacturing	5-21	15-37
Electricity, gas and water	22-24	40-41
Construction	25	45
Distribution	26	50-51
Retailing	27	52
Hotels and catering	28	55
Transport and communications	29-32	60-64
Financial services	33-34	65-67
Business services	35-37	70-74
Public administration and defence	38	75
Education	39	80
Health and social work	40	85
Other services	41	90-99

4

NW

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