

1. Introduction

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1.1.1 'Housing Growth and Distribution' is the set of documents that set out the rationale for the development of housing growth targets in Cornwall and the spatial distribution of this growth as proposed in 'Planning Future Cornwall'¹ – Cornwall's Local Plan: Strategic Policies (formerly referred to as the Core Strategy). The Council considers that the proposed housing target and spatial distribution strategy is deliverable, justifiable and appropriate; and represents a coherent expression of Cornwall's strategic and local priorities.

1.1.2 This paper – 'Housing Growth and Distribution: Housing Growth Pre Submission Version' - describes the methodology used to develop housing growth targets for the future based on projected population and household changes, economic requirements, housing need, deliverability and other considerations for Cornwall, and is an update on the paper used to inform the Core Strategy Preferred Approach².

1.1.3 The development of housing targets by Cornwall Council follows the introduction of major reforms to the planning system proposed when the Coalition Government came to power in May 2010 and which are now set out in the 'Localism Act'³. On enactment of this Act, the previous system of national and regional targets for housing being expressed through Regional Strategies no longer applied. Local authorities have the freedom to identify appropriate levels for house building in their area. Authorities, such as Cornwall Council, still to adopt a Local Plan now have the opportunity to identify their own housing target.

1.1.4 Cornwall Council during the preparation of the Local Plan: Strategic Policies has sought to devise its own methodology to derive housing targets based on the best information and data available at any given moment of time throughout the process. This methodology (and subsequent revisions) will be a key piece of evidence to support each stage in the development and review of the Local Plan. The proposed methodology will include the provision to monitor and review on a regular basis how population, economic and other aspects are changing in order that it always best to reflect what the latest evidence is suggesting about change in Cornwall and the requirement for housing.

1.2. Policy Context

1.2.1 Some guidance is available on what evidence is required to develop a robust housing target methodology.

1.2.2 The National Planning Policy Framework⁴ (NPPF), which replaced all Planning Policy Statements in 2012, confirms that the use of demographic trends, Strategic Housing Market Assessments (SHMA) and Strategic Housing Land Availability Assessments (SHLAA) are important in determining the level of growth an area needs to plan for, and that local authorities should

¹ Cornwall Council (2012) Planning Future Cornwall: Local Plan: Strategic Policies
<http://www.cornwall.gov.uk/default.aspx?page=32813>

² Cornwall Council (2011) Planning Future Cornwall: Our preferred Approach for a Core Strategy -
<http://www.cornwall.gov.uk/default.aspx?page=32791>

³ Home Office (2011) Localism Act 2011 -
http://www.legislation.gov.uk/ukpga/2011/20/pdfs/ukpga_20110020_en.pdf

⁴ DCLG (2012) National Planning Policy Framework -
<http://www.communities.gov.uk/documents/planningandbuilding/pdf/2116950.pdf>

‘.. Prepare local plans on the basis that objectively assessed development need should be met and with sufficient flexibility to respond to rapid shifts in demand or other economic changes’.

1.2.3 Strategic Housing Market Assessments (SHMA) and Strategic Housing Land Availability Assessments (SHLAA) are described as key documents in helping to determine the level of growth required but neither is without its limitations.

1.2.4 The main aim of a SHMA is to understand the nature and influence of the housing market and sub-markets within Cornwall. Government guidance sets out what these studies should describe, including: an analysis of the current housing stock and market; an analysis of the factors influencing change in the housing market; an analysis of the future housing market; estimates of the unmet need for affordable housing; and analysis of the housing requirements of specific household groups. SHMA for example are not considered to be the primary source of information for determining housing needs, because the SHMA usually produces figures in excess of both the previous RSS targets and historic building rates and are therefore considered unrealistic as a housing target⁵.

1.2.5 A SHLAA is a technical assessment of all potential housing sites to ‘establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period⁶’ These two documents are useful in helping to determine a housing target.

1.2.6 Information on how key documents such as the SHMA and SHLAA (and superseded documents such as Planning Policy Statement 3) were used to initially explore a range of alternative housing targets for Cornwall at the start of the Local Plan (formerly referred to as the Local Development Framework) process is available in the Evidence Base Paper ‘Housing Growth Targets⁷’. This resulted in the recommendation of a housing target based on population and household projections as the most appropriate, and this was further explored in ‘Developing a Housing Target Model: Technical Paper⁸’. A range of growth targets based on the projections proposed were then explored through the ‘Core Strategy Options Report⁹’ consultation in early 2011. This was subsequently revised and an earlier version¹⁰ of this paper accompanied the Core Strategy Preferred Approach¹¹ consultation in early 2012.

⁵ Monk, Sarah et al (2011) Providing the evidence base for local housing need and demand assessment: research summary and report –

http://england.shelter.org.uk/professional_resources/policy_and_practice/policy_library/policy_library_folder/providing_the_evidence_base_for_local_housing_need_and_demand_assessments

⁶ DCLG (2012) National Planning Policy Framework -

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/2116950.pdf>

⁷ Strategic Policy Team, Cornwall Council (2011) Housing Growth Targets -

<http://www.cornwall.gov.uk/default.aspx?page=32790>

⁸ Community Intelligence, Cornwall Council (2011) Developing a Housing Target Model: Technical Paper -

<http://www.cornwall.gov.uk/default.aspx?page=32790>

⁹ Cornwall Council (2011) Core Strategy Options Report - <http://www.cornwall.gov.uk/default.aspx?page=32790>

¹⁰ Cornwall Council (2012) Housing Growth & Distribution: Housing Growth -

<http://www.cornwall.gov.uk/default.aspx?page=32791>

¹¹ Cornwall Council (2012) Our Preferred Approach for a Core Strategy -

<http://www.cornwall.gov.uk/default.aspx?page=32791>

1.3. Methodology Overview

1.3.1 The number of new homes required to meet population change is just one aspect under consideration and other factors that need to be considered include changes in economic growth levels, the likely impact of rates of economic growth on net migration, the need to support regeneration initiatives, and the amount of housing that is likely to be delivered. This paper takes the reader through the 'story' of how we assess all the likely demands for new homes to 2030 and ultimately end up with the total number of homes required to best address all the issues considered.

1.3.2 To date we have completed the Core Strategy Preferred Approach stage and are working towards the Local Plan: Strategic Policies Proposed Submission Version. Work undertaken to date on our housing methodology has been through a Peer Review and our methodology changed to reflect the comments arising out of this review – see appendix 1 for an overview of comments.

1.3.3 A number of steps were identified as required once we started working towards the Local Plan: Strategic Policies Pre Submission Version, and together with the outcomes from the Peer Review and the Core Strategy Preferred Approach consultation response these included:

- What the data from an updated SHMA (see also last 2 bullets below) and the SHLAA indicates in terms of the amount of housing required and the capacity of the area to accommodate new housing. Information from the current SHMA is explored in 'Section 5 Housing Needs, Types and Tenures'. The SHLAA element is explored in 'Section 6 Previous Rates of House Building, Future Capacity and Deliverability'.
- What the impact of the current recession will be on the deliverability of housing, how long this impact will be experienced, and what measures may need to be considered to ensure that the homes required will be delivered. This element is explored in 'Section 6 Previous Rates of House Building, Future Capacity and Deliverability'.
- What are the implications of the release of Census 2011 and other new data sets on our population and household projections, and how often should we aim to re-run our methodology and associated projection models with the latest available data. This element is explored in 'Section 3 Population and Household Projections' and 'Section 9 Monitoring and Review'.
- How many jobs are likely to be generated in Cornwall over the next twenty years and how does this equate to the number of homes required. This element is explored in 'Section 4 Economic Needs and Forecasts'.
- How can we better understand competition in the housing market – the impact of second homes for example - and what this means in terms of affordability and for the number of homes required (both market and affordable). This is explored in 'Section 5 Housing Needs, Types and Tenures'.
- The various 'life stages' or 'cycles' that residents are likely to experience, and what this means in terms of the amount of housing that will be required. The SHMA provides us with information on the types of housing that are required to meet need, and this is explored further in 'Section 5 Housing Needs, Types and Tenures'.

1.4 Duty to Cooperate

1.4.1 To ensure that planning for issues which extend beyond a local authority boundary still happens in the absence of regional spatial strategies, the Localism Bill and NPPF introduces a 'duty to cooperate' on strategic planning issues. This duty to cooperate applies to all local planning authorities, and it means working with

neighbouring authorities and other bodies, including Local Enterprise Partnerships, on strategic priorities. Authorities will need to demonstrate that they have successfully cooperated with other bodies on cross-boundary issues, and the Planning Inspectorate see the duty to cooperate as an essential test as to whether a Local Plan is deliverable.

1.4.2 With the move towards locally generated housing figures there is a need to address cross boundary relationships, and while this is relatively insignificant for a greater part of the Cornwall area, there is likely to be a relationship with Plymouth and other adjacent district councils along the Cornwall Devon border which needs further exploration. It is essential that the level of development that can be accommodated across Cornwall in terms of deliverability is considered not just in terms of Cornwall but also the impact that this will have on, or will result from, development in neighbouring authorities. With this in mind we have taken the decision to link our housing target methodology work with the considerable demographic work that has been undertaken in our neighbouring areas, and the methodology being used for much of the work being undertaken by Peter Brett Associates (see Sections 3, 4 and 6) uses the same approach as the housing requirement study¹² undertaken for Plymouth and completed in May 2012.

1.4.3 This 'duty to cooperate' also means collaborating on the evidence critical to understanding the needs of an area, and the wider economic and housing market areas. Work is underway on a joint piece of work with Plymouth and other neighbouring authorities to revise all SHMA in the sub region and this is explored further in 'Section 5 Housing Needs, Types and Tenures'. This information will not be fully available until the Local Plan: Strategic Policies Pre Submission Version consultation is underway but will be a key piece of evidence that will feed into the Local Plan: Strategic Policies Submission Version and at the Local Plan examination.

¹² Plymouth City Council/Baker Associates (2012) Housing requirement for Plymouth – www.plymouth.gov.uk

2. Developing a Housing Target Methodology

2.1 Background

2.1.1 This paper uses three different approaches to consider what the most appropriate housing requirement should be for Cornwall. It considers what the demand might be from demographic change, identifies the implications of different economic projections and how much housing will be generated as a result of job growth, and then what data tells us about housing needs. In addition it considers the ability of the area to provide housing in terms of market delivery. These requirement and delivery figures will provide the basis for the Council to establish a suitable level of housing provision, and is based on work undertaken by Cornwall Council, by Peter Brett Associates following the same approach as they did with Plymouth and preliminary results produced for the sub-regional Strategic Housing Market Needs Assessment¹³.

2.1.2 In the South West, research¹⁴ shows that absolute population change (i.e. extra people) accounts for about 75% of the growth required in housing numbers, whereas household changes locally account for the remainder (e.g. relationship breakdown etc). Using population and household projections, Peter Brett Associates¹⁵ have calculated what could happen to the existing private household population of Cornwall if it stayed at 2011 levels, i.e. zero growth. If there was no change in the population of Cornwall, there could be up to an additional 18,800 additional homes required by 2030 to support the existing population's shift towards smaller households. This solely takes account in the change in size of household in terms of the shift towards smaller households, and relates only to the existing population with no element added to take account of migration. Preliminary results from the sub-regional Strategic Housing Market Needs Assessment¹⁶ indicate a need for almost 10,000 new homes in Cornwall even if there was no migration.

2.2 Housing Target Methodologies

2.2.1 There are a number of approaches that can be used to arrive at a proposed housing target for an area, and all have their own merits and disadvantages. The following are proposed as being particularly helpful in indicating a housing target range for Cornwall:

- Population and household projections that incorporate nationally produced projections and modelled low, medium and high migration levels and average growth rates (section 3);
- Scenarios based around the level of housing needed to meet economic needs and forecasts (section 4);
- Information in the current Strategic Housing Market Assessment on housing need, types and tenures (section 5).

These scenarios will then be 'reality checked' in terms of the likelihood of the levels proposed being built by considering previous rates of house building, future capacity and deliverability (section 6).

¹³ GVA (2013) Cornwall Housing Demand Model Outputs (draft)

¹⁴ DCLG (2010) Household projections 2008 to 2033 England: Statistical release - <http://www.communities.gov.uk/documents/statistics/pdf/1780763.pdf>

¹⁵ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

¹⁶ GVA (2013) Cornwall Housing Demand Model Outputs (draft)

2.2.2 The various scenarios in this paper have been developed from the most up to date information available at this time. These include a range of demographic and economic scenarios which use both national and local projections. These projections are then benchmarked against a market assessment of deliverability which sets out the likely delivery scenario over the plan period. The report considers the whole of Cornwall.

2.2.3 It should be noted that projections model observed trends from a certain period of history, and as these trends are subject to change¹⁷ in the future they should be reviewed regularly. It is important to understand that the projections are largely 'policy off', and as such do not typically build in accommodating housing backlog, or consider issues such as capacity for growth, the infrastructure needed to meet the needs of growth or other policy aims such as economic regeneration.

2.2.4 Each of the proposed scenario methodologies allows us to constantly review how much new housing is required in Cornwall, and regular review is part of the Local Plan process. This means that we can adopt a more flexible 'plan, monitor and manage' approach to housing growth in Cornwall that reflects and can adapt to changing conditions, such as 'downturns' or 'upturns' in the economy and local capacity for growth as they are experienced, and is able to take advantage of unanticipated new regeneration initiatives. This is preferred over the more rigid 'predict and provide' approach that has been used previously and which can lead to a prolonged commitment to an inflexible and perhaps no longer needed solution.

¹⁷ Appendix 2 contains an overview of some of the limitations of population projections.

3. Population and Household Projections

3.1 Overview

3.1.1 Local population projections and subsequent household projections can be used to inform short and long term housing targets. This section incorporates the methodology previously used in Cornwall to indicate a housing target figure¹⁸ and the work undertaken by Peter Brett Associates¹⁹ and preliminary results from the emerging sub-regional Strategic Housing Market Needs Assessment²⁰.

3.1.2 All of the work on the proposed population and household projections housing target methodology for Cornwall follows a similar pattern and essentially involves two phases. In summary these are:

1. Population Changes in terms of Population Projections and Average Growth Rates;
2. Analysis of Household Change leading to Household Projections.

3.2 Population Changes in terms of Population Projections and Average Growth Rates

3.2.1 Population projections vary depending on the observed trends that are modelled. There are two main components of population projections: natural change (births and deaths) and migration rates to and from an area. The number of future migrants is difficult to accurately predict, and rates have fluctuated significantly from year to year. Migration is the main driver of population growth in Cornwall as natural change usually results in a decrease in the population. This deficit in resident population (natural change) has reduced considerably in recent years, and is predicted to become positive during the 20 years we are looking at, as births are projected to be higher than deaths for a number of years.

3.2.2 A brief overview of population change in Cornwall is available in Appendix 3. This includes information on the role natural change (births and deaths) and migration play in affecting how the population of the area has grown in recent times. This was explored in more detail in the paper 'Population & Household Change in Cornwall'²¹ available for the Core Strategy Options Report stage, a quick update²² is available to accompany this document, and the paper will be further revised as more Census 2011 data is made available.

3.2.3 Government population projections draw heavily on trends over the past five years and are therefore influenced to some extent by the trends in years associated with the period before the current recession. 2008 based projections²³ are the most recent complete set of projections available (population and household). 2010 based projections²⁴ for population only²⁵ are also available, and these 2010 based population

¹⁸ Cornwall Council (2012) Housing Growth and Distribution: Growth - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

¹⁹ Peter Brett Associates (2012) Housing Provision: Housing Requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

²⁰ GVA (2013) Cornwall Housing Demand Model Outputs (draft)

²¹ Cornwall Council (2011) Population & Household Change in Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32790>

²² Cornwall Council (2012) Population & Household Change in Cornwall: 2012 Update - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

²³ Office for National Statistics (2010) 2008 Based Population projections - <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Sub-national+Population+Projections>

²⁴ ONS are releasing short-term interim 2011-based sub national population projection (SNPPs) for England in Sept/Oct 2012. These projections will be re-based using 2011 Census data but will use the assumptions from the 2010-based SNPPs.

²⁵ There is an expectation that the 2010 based Household Projections could be produced as early as March 2013.

projections have been used to generate a set of local population projections. These population projections to 2030 and beyond are shown in figure 1 below (and in figure 1 in Appendix 4). A set of 2011 based short term population projections have been released but as these only project growth to 2021 and can only be compared with the longer term projections for a limited number of years and as such are excluded from this analysis. Work undertaken as part of the sub-regional Strategic Housing Market Needs Assessment has also used the 2010 Sub National Population Projections with the PopGroup model and re-based them to 2011 to incorporate Census 2011 data – please note this gives a nineteen year figure rather than a twenty year figure and further work needs to be undertaken to amend these figures to fit in with the Local Plan period (i.e. 2010-2013)

3.2.4 As migration is the main driver of population change below and following a Peer Review (see appendix 1) of local work undertaken in Cornwall in 2011 and 2012, the projections using low medium and high levels²⁶ of migration used in the previous version of this paper²⁷ have been revised to improve their robustness and updated to incorporate another year's data. This has resulted in the following set of local 2010 based population projections (figure 1) to 2030, based on anticipated trends in natural change figures and a low annual migration rate of 4,402, a medium rate of 5,086, and a high migration rate of 5,647 (as shown in figure 2 in Appendix 4).

3.2.5 These population projections indicate that the population of Cornwall could grow by between 79,700 and 107,900 as shown in figure 1 below between 2010 and 2030:

Figure 1: Population Projections for Cornwall						
	2008 Based	2010 Based	Low Migration	Medium Migration	High Migration	SHMNA Modelled Output
2010 Base Figure	537,500	536,100	536,100	536,100	536,100	533,760 (2011 based)
2030 Projection	630,200	615,800	619,100	632,800	644,000	608,074
Population Change	92,700	79,700	83,000	96,700	107,900	74,314 (19 Yrs)

Sub National Population Projections: 2008 Based (Office for National Statistics); 2010 Based (Cornwall Council); Local Projections: 2010 Based (Cornwall Council); Preliminary SHMNA outputs.

3.2.6 Average growth rates can also be used to indicate how the population could grow in future years. The first release of Census 2011 data²⁸ indicates that the population of Cornwall was 532,300 as at March 2011, and has experienced an average increase in population of some 3,323 people per year (33,233 people since 2001). Although the 2011 Census figure may be revised following review²⁹, it is useful

²⁶ The PopGroup model is a commonly used tool to produce projections of demographic change in local communities and is currently the leading product of its type used by UK local authorities.

²⁷ Cornwall Council (2012) Housing Growth and Distribution: Growth - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

²⁸ Cornwall Council (2012) The 2011 Census - <http://www.cornwall.gov.uk/Default.aspx?page=26945>

²⁹ Some early indications are that other areas with high levels of second homes have experienced lower population growth rates, which may have resulted in some confusion with enumeration levels. Community Intelligence is currently undertaking a piece of work to triangulate and test Census population, age cohorts and households to determine whether or not to raise any challenge to the current 2011 Census figures.

in helping us come up with another set of projections (crudely calculated³⁰ by Cornwall Council) that we can use to predict future populations, as shown in figure 2 below (and in figure 3 in appendix 4):

3.2.7 Consultants Peter Brett have also used average growth levels in their analysis of two scenarios based on the levels of growth taken from the Mid Year Estimates³¹. The first takes a long term trend between 2001 and 2010 which equates to some 3,920 persons per year, the second a high trend level as suggested by growth experienced between 2001 and 2006 equating to some 4,360 persons per annum. The data used to determine these figures is summarised in figure 2 below (and detailed in figures 4, 5 and 6 in appendix 4).

3.2.8 These average growth rates can be used to project forward growth to 2030, and indicate that the population of Cornwall could grow by between 59,400 and 82,800 as shown in figure 2 below between 2011 and 2030 (nineteen years). To this figure we need to add 4,300 to include growth for 2010-11 so that we are comparing similar time frames). Together, these projections estimate that the population of Cornwall could grow by between 63,700 and 87,100 between 2010 and 2030:

Figure 2: Average Population Growth Rates for Cornwall			
	Census 2001-11	Long Term Growth Rate	High Growth Rate
2011 Base	532,300	532,300	532,300
2030 Projection	591,700	606,800	615,100
Population Change	59,400	74,500	82,800
<i>2010-11 Growth</i>	<i>4,300</i>	<i>4,300</i>	<i>4,300</i>
Total Population Change	63,700	78,800	87,100

Local Projections: 2011 Census Based (Cornwall Council); Projections based on average growth (Peter Brett Associates). 2010-11 Growth (italicised) in dwellings is taken from the annual Structure Plan delivery rate (1,900) multiplied by 2.27, rounded - and has been included at this point in order that we can compare results from the same time periods, i.e. 2010-30.

3.2.9 Commentary on Population Projections:

- Population projections³² since 2006 have been reducing in level in Cornwall indicating that growth has not been as strong as it was predicted to be in the 'boom' years of the early 2000's. That is, the 2006 based projections indicated a population of some 673,300 people in Cornwall by 2030; the 2008 based projections indicated a population of some 630,200; whereas by the 2010 based projections this had reduced to some 615,800 at 2030. Population projections will be revised following the release of Census 2011 data, and may indicate a lower population figure at 2030 than in the 2010 based projections (although the 2011 based short term projections which do incorporate 2011 Census data show a higher level of growth to 2021).
- This decrease in population growth can also be seen in the differences between projected and estimated population - there is a discrepancy between the 2008

³⁰ Once more information has been released from the 2011 Census we can refine this calculation to take into account actual higher and lower levels of growth over the ten year period.

³¹ Office for National Statistics (various) Population estimates for UK, England and Wales, Scotland and Northern Ireland - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-22371>

³² Cornwall Council (2011) Demographic Evidence Base - <http://www.cornwall.gov.uk/Default.aspx?page=22137>

based population projections for 2009 and 2010 and the estimated population change experienced in Cornwall for the same years (see figure 6 appendix 4).

- It is also useful to benchmark these population estimates with the 2011 Census data which shows that the population of Cornwall is less than both the mid-year estimates and the 2008 and 2010 based projections predicted it would be for 2011 (see figure 6 appendix 4). (Please note that there is a slight discrepancy in dates as the Census is as at March, whereas the mid year population estimates and projections are both at June). The mid-year estimates will be revised between 2001 and 2010 to fall in line with what Census 2011 data is indicating.
- The 2011 based short term sub-national projections³³ indicate that population projections to 2021 start off at a lower point (i.e. 7,000 less people in 2011) than the 2010 based projections, but by 2021³⁴ there are more people projected to be in Cornwall than in the 2010 based projections (i.e. 3,000 more people in 2021)³⁵. The next long term population projections (2012 based) are expected to be released towards the end of 2013.
- Whilst acknowledging that there are limitations with nationally produced data sets, they still remain the most consistent and reliable source of population projections and must feature in population growth considerations.
- Using average growth rates to project population also has limitations: what has been experienced over a period of time in terms of population growth is not a guarantee that it will continue into the future in the same way.

3.2.10 Acknowledging the inconsistencies with data as described above, it is therefore considered appropriate to use a range of population projections as they show the impact on growth in Cornwall using different trend and migration assumptions.

3.3 Analysis of Household Change leading to Household Projections

3.3.1 Trying to predict the likely future demand for housing is complex. This section outlines an approach that will take all demographic factors³⁶ into consideration and will use the best available evidence at any given point in time to as accurately predict as possible how much housing will be required.

3.3.2 Household projections are a useful guide to possible household need in terms of housing:

*'Household projections are not an assessment of housing need. They are an indication of the likely increase in households given the continuation of recent demographic trends. They are one part of the evidence that Regional Planning Bodies and local authorities use in the assessment of future housing requirements.'*³⁷

3.3.3 This phase of the analysis converts the range of local population projections to potential local household³⁸ projections. The latest available local, regional and national data guides the modelling of population into household numbers and types. Further

³³ Office for National Statistics (2012) Sub National Population Projections: Interim 2011 based - <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-274527>

³⁴ 2010 based projection indicate some 541,000 people in 2011 whereas the 2011 based projections indicate some 534,000 people, i.e. 7,000 less people.

³⁵ 2010 based projection indicate some 582,000 people in 2011 whereas the 2011 based projections indicate some 585,000 people, i.e. 3,000 more people.

³⁶ An overview of the factors considered is available in Appendix 2.

³⁷ DCLG (2006) Household Projections: background and methodology - <http://www.communities.gov.uk/documents/corporate/pdf/145094.pdf>

³⁸ A 'household' is defined as: One person living alone, or a group of people living at the same address with common housekeeping – that is, sharing either a living room or at least one meal per day.

information on how population projections are converted into household projections is available in the 'Population and Household Change in Cornwall'³⁹ evidence base paper.

3.3.5 These household projections assume a continuation of existing socio-economic conditions and do not take account of future policies or variables in housing need – they are simply an indication of the likely increase in households given the continuation of recent demographic and socio-economic trends. Household projections are calculated using assumptions on future population growth (births and deaths, inward and outward migration), household composition (marital status, household representative rates), household size and communal establishment populations. The communal establishment population is subtracted from resident population figures to provide a private household population on which projections are based. Household projections use the most reliable data at any given time to provide informed indications on household numbers, size and type, based on recently experienced trends.

3.3.6 Average household size is one component of household projections and has been steadily decreasing. However, recent Census figures show that the rate at which household size is decreasing has slowed slightly. Average household size helps us to understand that even if the population of Cornwall were to remain the same over the next twenty years the number of households would still increase as society moves towards more people living alone or in separate households as a result of relationship breakdown. This means that even if the population of Cornwall did not grow we would still need to provide more homes to meet the housing needs of existing residents. Changing average household sizes can sometimes be a contentious issue as it can make a big difference to the numbers of households calculated as being required.

3.3.7 Average household size has decreased from 2.9 persons per household in Cornwall in 1961 to 2.3 in 2001, and has since decreased at a slower rate to 2.27 in 2011⁴⁰. The 2008 based household projections projected average household size to be about 2.23 persons per household in 2010 and 2.1 persons per household by 2031⁴¹. Current 2011 Census⁴² information suggests that the household size at 2011 is 2.27⁴³ in Cornwall, and as this is slightly higher than the figures forecast, it will be important to see how this is used, if confirmed, to recalibrate the projections when the next round of household projections is released. It will also be important to explore if the slow down currently seen in the rate of average household size continues or is a 'blip' because of the current state of the economy and more likely due to the fact that fewer people are setting up their own households than normal.

3.3.8 The previous version of this paper⁴⁴ explains in detail how the following household projections were derived⁴⁵.

³⁹ Cornwall Council (2011) Population and Household Change in Cornwall - <http://www.cornwall.gov.uk/default.aspx?page=32790>

⁴⁰ Cornwall Council (2012) The 2011 Census - <http://www.cornwall.gov.uk/Default.aspx?page=26945>

⁴¹ DCLG (2010) Household Projections, 2008 to 2033, England -

<http://www.communities.gov.uk/documents/housing/xls/140987.xls>

⁴² Some early indications are that other areas with high levels of second homes have experienced lower population growth rates, which may have resulted in some confusion with enumeration levels. Community Intelligence is currently undertaking a piece of work to triangulate and test Census population, age cohorts and households to determine whether or not to raise any challenge to the current 2011 Census figures.

⁴³ Which is the total household population of 523,400 divided by 230,400 the number of households with at least 1 usual resident

⁴⁴ Cornwall Council (2012) Housing Growth and Distribution: Growth - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

⁴⁵ Appendix 2 contains an overview of some of the limitations of population and household projections.

3.3.9 ONS population projections draw heavily on trends over the past five years and are therefore influenced to some extent by the trends in recent years associated with the period before the current recession. These population projections are then converted to household projections by the Department of Communities and Local Government. Consultants Peter Brett Associates⁴⁶ recommend using the 2008 based projections for population and households because these are the most up to date and consistent datasets (nationally produced household projections based on the 2010 population projections are not currently available).

3.3.10 2008 household projections to 2030 and beyond are indicated in figure 3 below, together with a provisional 2010 based local conversion to households (figure 7 in appendix 5). Also included are the low, medium and high levels of population projections revised to give the following household projections. At this point in time we have used the average household sizes from the 2008 based household projections (i.e. 2.23 for 2010, 2.15 for 2020 and 2.1 for 2030) as these are the most up to date predictions of average household size available, and are nationally recognised (see also figure 8 in appendix 5). Work undertaken as part of the sub-regional Strategic Housing Market Needs Assessment has also used the 2010 Sub National Population Projections with the PopGroup model and re-based them to 2011 to incorporate Census 2011 data – please note this gives a nineteen year figure rather than a twenty year figure and further work needs to be undertaken to amend these figures to fit in with the Local Plan period (i.e. 2010-2013). This work provides additional information as it provides housing requirement figures by applying a 3% vacancy rate to translate household growth into the number of dwellings required giving a nineteen year target of 45,358 new dwellings. If we add the net annual dwelling requirement (2,387) to this figure to get a twenty year figure this amounts to a need for some 47,750 new dwellings. These projections estimate that the number of households in Cornwall could grow by between 47,750 and 65,200 between 2010 and 2030:

Figure 3: Household Projections for Cornwall						
	2008 Based	2010 Based	Low Migration	Medium Migration	High Migration	SHMNA Modelled Output
2010 Base Figure	237,000	236,400	236,400	236,400	236,400	230,142 (2011 based)
2030 Projection	295,000	288,400	290,000	296,400	301,600	274,179
Household Change	58,000	52,000	53,600	60,000	65,200	44,037 (19 Yrs) + 3% vacancy = 45,358 + 1 Yr = 47,745

Figure 3: Sub National Household Projections: 2008 Based Table 406 in Live Tables (Department for Communities & Local Government); a provisional local conversion of the 2010 based population projections into projected households (Cornwall Council); Local Household Projections (rounded) derived from Figure 1 above: 2010 Based (Cornwall Council); Preliminary SHMNA outputs.

3.3.11 Average growth levels experienced between 2001 and 2011 can also be used to provide household growth predictions. The release of Census 2011 data has been used to provide us with another set of projections that we can use to predict future households (with certain caveats as described in 3.2.6 above) as shown in figure 4

⁴⁶ Peter Brett Associates (2012) Housing Provision: Housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

(and in figure 9 in Appendix 5). Average growth levels have been used by Peter Brett Associates⁴⁷ and these have been converted to the following household projections based on 2.1 persons per household in 2030 in figure 4 (and in figure 10 in Appendix 5). This gives us a nineteen years figure to which we need to add 1,900 to include growth in 2010-11 so that we are comparing similar time frames. These projections estimate that the number of households in Cornwall could grow by between 48,600 and 59,600 between 2010 and 2030:

Figure 4: Average Household Growth Rates for Cornwall			
	Census 2001-11	Long Term Growth Rate	High Growth Rate
2011 Base	230,400	230,400	230,400
2030 Projection	277,100	284,200	288,100
Household Change	46,700	53,800	57,700
<i>2010-11 Growth</i>	<i>1,900</i>	<i>1,900</i>	<i>1,900</i>
2010-30 Household Change	48,600	55,700	59,600

Figure 4: Local Projections: 2011 Census Based (Cornwall Council)⁴⁸; Average Growth Projections (Peter Brett Associates). 2010-11 Growth (italicised) in dwellings is taken from the annual Structure Plan delivery rate (1,900) has been included at this point in order that we can compare results from the same time periods, i.e. 2010-30.

3.3.12 Work⁴⁹ undertaken in Cornwall has produced some different average household size figures by using PopGroup modelling with the low, medium and high migration level calculations. This has resulted in a long term/medium migration level average household size of 2.27 at 2010, 2.23 at 2020 and 2.21 at 2030 (see appendix 6). We can re-calculate the above tables using these local average household size calculations to give an indication of likely housing requirements if average household size were to slow its decrease. Please note that this is a very simplistic interpretation of a changing average household size and cannot be taken as an indication of what will happen even if the decrease in average household size were to slow to these levels. Please note that the 2008 based sub national projections have not been recalculated as they are the official statistics available at this time, and the emerging SHMNA figure are not recalculated as they incorporate Census 2011 data. The household projections calculated using an average household size of 2.21 at 2030 estimate that the number of households in Cornwall could grow by between 34,800 and 55,300 between 2010 and 2030 (figures 5 and 6):

⁴⁷ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

⁴⁸ Simple calculation using the average increase in household population experienced between the 2001 Census and the 2011 Census.

⁴⁹ Cornwall Council (2011) Community Intelligence Team: calculations of average household size

Figure 5: Household Projections for Cornwall (using Average Household Size of 2.28 at 2010 and 2.21 at 2030)				
	2010 Based	Low Migration	Medium Migration	High Migration
2010 Base Figure	231,300	231,300	231,300	231,300
2030 Projection	274,000	275,500	281,600	286,600
Household Change	42,700	44,200	50,300	55,300

Figure 6: Average Household Growth Rates for Cornwall (using Average Household Size of 2.27 at 2011 and 2.21 at 2030)			
	Census 2001-11	Long Term Growth Rate	High Growth Rate
2011 Base	230,400	230,400	230,400
2030 Projection	263,300	270,000	273,800
Household Change	32,900	39,600	43,400
<i>2010-11 Growth</i>	<i>1,900</i>	<i>1,900</i>	<i>1,900</i>
2010-30 Household Change	34,800	41,500	45,300

2010-11 Growth (italicised) in dwellings is taken from the annual Structure Plan delivery rate (1,900) and has been included at this point in order that we can compare results from the same time periods, i.e. 2010-30.

3.2.9 Commentary on Household Projections:

- Average household size is probably the most contentious issue in determining household projections, as a small increase or decrease in this figure can have quite an impact on calculating household generation as demonstrated, for example, when comparing figures 3 and 5 above.
- Nationally produced household projections have steadily decreased since the 2006 based figures in line with the underpinning population projections. That is, the 2006 based projections indicated some 326,000 households by 2030 whereas the 2008 based projections indicated the number of households in Cornwall at some 295,000 at 2030. Population and household projections will be revised following the release of Census 2011 data (date to be determined) and although many consider that the consequent household projections are likely to be lower this is not a straightforward relationship.
- It is also useful to benchmark these household projections with the 2011 Census data which shows that households in Cornwall are lower than the 2008 based projections predicted it would be for 2011 (230,000 as opposed to 237,000). (Please note the Census is as at March, whereas the household projection is at June).
- Whilst acknowledging that there are limitations with nationally produced data sets, they still remain the most consistent and reliable source of household projections and must feature in household growth considerations.

3.4.9 Accepting the inconsistencies with data as described above, it is therefore considered appropriate to use a range of housing requirements as they show the impact on growth in Cornwall using different migration and growth assumptions.

Population Changes in terms of Population Projections and Average Growth Rates Summary:

The resident population of Cornwall has tended in the past to reduce with fewer births than deaths, but substantial net migration has resulted in an overall growth in the number of people living in the area each year. The balance of migration, i.e. how many more people come to Cornwall than leave, is difficult to accurately predict, and rates have fluctuated significantly from year to year. In determining the overall number of new homes required the level of future migration is a critical consideration. It will also be important to monitor natural change as this trend is moving towards having a positive impact on growth in the future.

Based on differing demographic changes used in population projections for Cornwall over the next twenty years, it is anticipated that the population of Cornwall could increase by between 63,700 and 107,900 persons between 2010 and 2030. The actual increase in population Cornwall will experience between 2010 and 2030 is dependent on how quickly the economy recovers (and hence migration flows) and the success of Cornwall in retaining its young people.

Analysis of Household Change leading to Household Projections Summary:

Household composition and size in Cornwall is changing, and even if the resident population were to remain static, more homes will still be required, i.e. up to almost 19,000 additional homes. Added to this is the fact that Cornwall experiences substantial net migration which results in a growth in the number of households each year.

Based on the differing household projections available, it is anticipated that the number of households in Cornwall could increase by between 34,800 and 65,200 depending on the assumptions made between 2010 and 2030. This range includes the nationally recognised DCLG projections for some 58,000 new households in Cornwall during this time frame and the emerging SHMNA figure of some 47,750 new dwellings which incorporates the very latest available data. The actual increase in households Cornwall will experience between 2010 and 2030 is likely to be dependent on how quickly the economy recovers.

The difference in figures arrived at in the different models used indicates that a housing growth target range may be more appropriate than a single figure, and clearly demonstrates the need to regularly monitor and review this aspect of work.

4 Economic Needs and Forecasts

4.1 Overview

4.1.1 Peter Brett Associates have been commissioned to undertake a review of provision for housing primarily in relation to economic development. Economic changes are a key driver affecting housing demand and household formation rates. Therefore it is necessary to consider how the level of economic growth in Cornwall relates to the possible level of housing provision. This was one of the proposals for further work identified in the previous version of this document⁵⁰ and responds to issues raised during previous Core Strategy consultations. The emerging sub-regional Strategic Housing Market Needs Assessment⁵¹ is also producing some employment led dwelling requirement scenarios.

4.1.2 There are some key assumptions in this work⁵² that need to be made clear. As with population and household projections, all projections are trend based and reflect to some extent the previous policy position. The economic projections factor in the recession, but they also include an element of the growth associated with the boom years. All the economic projections for employment growth apply this trend to sectors rather than using a detailed local assessment of existing performance and future potential. They do not take account of future policy objectives associated with delivering planning outcomes. It is important to note that these can influence housing and employment provision and consequently population and household delivery both in terms of how much development is delivered, where and of what type. It should also be borne in mind that Cornwall as an attractive place to live will attract people who are not economically active, and a projection based solely on jobs cannot be the only determinant of housing requirement.

4.1.3 Peter Brett Associates have reviewed the work that has been undertaken at a regional and district level on the prospects for growth using employment growth projections primarily from Cambridge Econometrics study⁵³, and the South West Observatory Projections⁵⁴ undertaken by Experian. These projections have been translated into scenarios that will be rolled forward to 2030 to predict annual job growth and factor in unemployment rates, the changes in the economically active population, and average working age population to identify the population growth that will arise. Changing household size assumptions will be used to translate this population growth into households, and hence identify the number of new homes required between 2010 and 2030. These different data sources use different methods, assumptions and base data and although are not consistent it is useful to use them to inform the scenarios to be tested. As a 'control', the labour supply scenario contained in the Cornwall Employment Land Review (ELR)⁵⁵ is used to provide a reality check on the projections.

⁵⁰ Cornwall Council (2012) Housing Growth and Distribution: Growth - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

⁵¹ GVA (2013) Cornwall Housing Demand Model Outputs (draft)

⁵² Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁵³ Cambridge Econometrics (2012) Cornwall - <http://www.camecon.com/Home.aspx>

⁵⁴ Experian (2011) South West Observatory Projections - <http://economy.swo.org.uk/publications/simulations-projections-forecasts/>

⁵⁵ Nathaniel Lichfield & Partners (2009) Cornwall Employment Land Review - <http://www.cornwall.gov.uk/Default.aspx?page=26986>

4.1.4 Evidence⁵⁶ shows that growth has been strong in a number of sectors, with business and financial services seeing the largest growth over the last 10 years, followed by public administration and defence. The other sectors that have grown are hotels, restaurants, distribution and other jobs. Within Cornwall growth is predicted to be in the following sectors: distribution; education; construction; land transport; banking and finance; and professional and other business services.

4.1.5 In terms of Cornwall's relationship with neighbouring authorities the ELR recognises that *'Plymouth is the only adjoining area which is likely to have any significant impact on the County's commercial property market, with the other adjoining districts lacking significant centres of population and employment sites. The 100+ ha of land which is allocated for employment development in Plymouth could potentially divert some demand from parts of east Cornwall such as Saltash. However, access to the large Plymouth economy supports demand for commercial space in parts of South East Cornwall, particularly Saltash.'*

4.2 Economic Forecast Scenarios

4.2.1 Peter Brett Associates⁵⁷ have prepared three scenarios based on the following employment projections:

- Cambridge Econometrics projections March 2012;
- Employment Land Review (ELR) Scenario 4 Labour Supply projections November 2010 by NLP; and
- SW Observatory projections August 2011 by Experian.

4.2.2 The Cambridge Econometrics projections include an element of self-employed but they only go to 2025. It has been necessary to roll forward this projection to 2030, and this has been achieved by using the 15 year average of 1,828 per year rolled forward for 5 years to 2030. Using the longer term average gives 6,265 extra jobs which totals a growth of 31,865 new jobs between 2011 and 2030.

4.2.3 The ELR projection covers a 17 year period and needs to be rolled forward up to 2030 by calculating the seventeen year average of 2,765 per year rolled forward 2 years to get a 19 year timeframe. This gives 5,528 extra jobs which totals as 52,528 jobs to 2030.

4.2.4 The South West Observatory projections needed some revision to make an allowance for self-employment to ensure that these projections were as comparable as possible with the other projections. The most robust approach to do this was to understand the level of self-employment over the last few years and take an average rate of self employed as a percentage of employees using the Annual Population Survey. Using an average of 24% the number of self employed in 2030 can be expected to be 48,816. The growth in self employed over the plan period is calculated as 14,952 which need to be added to the employee jobs. This gives a total of 77,252 jobs to 2030.

4.2.5 The emerging sub-regional Strategic Housing Market Needs Assessment⁵⁸ uses two employment led scenarios. The Experian scenario takes the 2010 based sub national population projections as its base and constrains the population to the latest

⁵⁶ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁵⁷ Peter Brett Associates (2010) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁵⁸ GVA (2013) Cornwall Housing Demand Model Outputs (draft)

employment forecasts sources from Experian. The LEFM scenario takes a similar approach and constrains the population to the latest employment forecasts from Cambridge Econometrics LEFM model.

4.3 Converting Economic Forecasts to the Number of Homes Required

4.3.1 The Council's Preferred Approach Core Strategy⁵⁹ consultation indicated that it would like to see 1 new job created for every new home. However, the relationship between jobs and homes is more complicated and is not exactly a straight 1 for 1 relationship. It is more useful to use economically active people because 1 job requires 1 economically active person. In addition this approach does not factor in any reduction in unemployment levels, as some of the new jobs may be filled by resident unemployed persons.

4.3.2 The relationship between the housing requirement to economic growth and local jobs is an important one, particularly to ensure that there are sufficient workers to fill planned jobs and vice versa, achieve regeneration and other objectives. However Cornwall does attract people who are not economically active and the link between homes and jobs cannot be the primary determinant of the housing requirement. The recession provides an added complication because the Cambridge Econometrics forecasts demonstrate that employment peaked in 2007 with 242,800 jobs and that it is estimated that it will take until 2024 to get this back to this level of employment. It is also worth noting that the pre-recession unemployment rate was 3.3% and is currently significantly higher. Seeking a reduction in the level of unemployment has direct implications for the number of new houses required, because the jobs created may well be filled by those already living in the area and are currently unemployed.

4.3.3 The latest Annual Population (2010/11) Survey⁶⁰ results identify that 76.6% of the working age population of Cornwall are economically active. This equates to 248,900 people, which is 46.5% of the population of Cornwall. This gives an economic activity rate of 2.15. If the Council assume that this economic activity rate could be maintained (i.e. due to people working later in life, ensuring that the unemployment rate does not increase any further from 2010 levels⁶¹, as well as maintaining the current level of the economically inactive who do not want a job⁶²) then 1 job will be required per 2.15 people. Please note - a key issue is the assumption relating to unemployment and the effect this will have on household growth. This analysis assumes the unemployment rate will reduce down to 6% over the plan period and also that the economic activity rate remains constant.

4.3.4 Housing requirements associated with the three Peter Brett economic growth scenarios are set out in figure 7 below. This gives us a nineteen years figure to which we need to add 1,900 to include growth in 2010-11 so that we are comparing similar time frames. These projections estimate that the number of households in Cornwall could grow by between 49,700 and 95,000 between 2010 and 2030:

⁵⁹ Cornwall Council (2012) Our Preferred Approach for a Core Strategy - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

⁶⁰ Office for National Statistics (2012 Annual Population Survey - <http://www.ons.gov.uk/ons/about-ons/who-we-are/services/unpublished-data/social-survey-data/aps/index.html>

⁶¹ i.e. 9.2%

⁶² 75% of the 23.4%

Figure 7: Cornwall Economic Led Housing requirement (Peter Brett Associates)			
	Cambridge Econometrics	Employment Land Review	South West Observatory
Economically active 2011	248,900	248,900	248,900
Population 2011 (Census)	532,300	532,300	532,300
Households 2011 (Census)	230,400	230,400	230,400
Net gain of jobs 2011-30	34,700	52,400	77,300
Change in unemployment	-6,000	-4,900	-3,400
Economically active 2030	277,600	296,500	322,800
Total population 2030 (economically active x 2.14)	594,100	634,500	690,800
Private households population 2030 (-1.65%)	584,300	624,000	679,400
Total number of households 2030 (at 2.1 AHS)	278,200	297,100	323,500
Number of additional homes 2030	47,800	66,700	93,100
<i>2010-11 Household Growth</i>	<i>1,900</i>	<i>1,900</i>	<i>1,900</i>
2010-30 Household Change	49,700	68,600	95,000

2010-11 Growth (italicised) in dwellings is taken from the annual Structure Plan delivery rate (1,900) and has been included at this point in order that we can compare results from the same time periods, i.e. 2010-30.

4.3.5 These scenarios primarily show the links between jobs and homes and the number of additional homes each scenario would require. They need to be carefully considered alongside the demographic projections and the delivery information. The Cambridge Econometrics scenario is based on the most up to date projections which have been prepared and which take into account some of the impacts arising out of the recession. It caters for limited population change because it assumes that some of economically active already exist and are currently unemployed and will take up the jobs. However, this is dependent on the types of jobs that have been lost and will be created over the plan period and can be filled by existing economically active unemployed. The ELR scenario is also useful because it identifies the likely number of economically active in terms of a realistic labour supply and the jobs and consequently houses that would be supported and required at this level.

4.3.6 The emerging sub-regional SHMNA analysis of its two employment led scenarios indicate the following population and household growth levels and the subsequent requirements for new dwellings as shown in figure 8. As previously indicated, these figures cover nineteen years from 2011 to 2030, and in order to compare the figures with others the net annual requirement figure is added to the figure to bring these up to a twenty year figure.

Figure 8: Cornwall Economic Led Housing Requirements (Sub Regional Strategic Housing Market Needs Assessment)		
	Experian Employment Led Scenario	Cambridge Econometrics LEFM Employment Led Scenario
2011 Base Population	533,760	533,760
2030 Projected Population	651,479	667,214
Change in Population	117,719	133,454
2011 Base Households	230,389	230,389
2030 Projected Households	290,420	296,525
Change in Households	60,031	66,136
Vacancy Rate	3%	3%
Dwellings Required 2011-30	61,832	68,120
Annual Dwelling Requirement	3,254	3,585
2010-30 Dwelling Requirement	65,086	71,705

4.3.7 We also need to factor in the consequences of the population of Cornwall aging and household size reducing. This means that in the future the level of the economically active population could reduce. This in turn will affect the ratio of jobs to workers potentially resulting in fewer workers than jobs. Future population growth will generally be facilitated by new housing development although migration will result in a natural exchange of population within settlements. While this will influence demographic structure to a small extent, the national demographic trends of a reducing household size and an aging population are likely to be more influential.

4.3.8 It is also important to factor in the impact of changes that may become more apparent as welfare reform starts to affect residents in Cornwall, as this may lead to more local residents seeking work. This situation needs to be monitored and subsequent analysis of employment led scenarios should incorporate any changes identified.

4.3.9 Accepting the inconsistencies with data as described above, it is therefore considered appropriate to use a range of housing requirements as they show the impact on growth in Cornwall using different economic growth assumptions.

Economic Needs and Forecasts Summary:

Economic changes are a key driver affecting housing demand and household formation rates. Therefore it is necessary to consider how the level of economic growth in Cornwall relates to the possible level of housing provision.

Three scenarios have been considered in this element, and this analysis has resulted in a range of 49,700 to 95,000 new homes being required to meet the needs of economic growth to 2030.

The difference in figures arrived at in the different scenarios used indicates that a housing growth target range may be more appropriate than a single figure, and clearly demonstrates the need to regularly monitor and review this aspect of work to reflect changing economic circumstances in Cornwall.

5 Housing Needs, Types and Tenures

5.1 Overview

5.1.1 A Strategic Housing Market Assessment (SHMA) evidence base is required to inform the development of housing and housing related planning policy.

5.1.2 An update study⁶³ was prepared in 2010 to replace the three previous SHMA, each covering different parts of Cornwall. These were:

- The Plymouth SHMA (2006) covering the former local authority of Caradon;
- The West Cornwall SHMA (largely completed in 2008) covering the former local authorities of Carrick, Kerrier, Penwith and Restormel;
- The 'Northern Peninsula' SHMA (2008) covering the former local authority of North Cornwall.

5.2 Cornwall Strategic Housing Market Update 2010

5.2.1 This 2010 report reached a number of conclusions, including:

- Demographic trends are the most important drivers of Cornwall's housing market. The long established trend of population growth driven by domestic migration looks set to continue. This population growth coupled with a declining average household size will generate continued demand for new homes, projected to be circa 3,200 per annum between now and 2026.
- Despite the fact that most inward migrants are aged in their thirties and forties, the trend of an ageing population is expected to continue. Most of the growth in the number of households will be concentrated in the older (60+) age group, both people living alone and couples without dependent children. However this does not necessarily mean that demand for smaller homes will increase. This is because under occupancy is common at present and it is reasonable to expect this to continue in the future.
- Accelerating price rises in the decade to 2007, far in excess of income growth, resulted in homes becoming increasingly unaffordable to younger people entering the housing market for the first time. At the same time the social sector stock grew only marginally and has therefore failed to keep pace with demand.
- As in the rest of the country, the onset of the 'credit crunch' in the latter part of 2007 marked a turning point in the housing market in Cornwall. House price inflation came to a sharp end as both prices and sales volumes fell sharply. While prices recovered significantly in 2009 and early 2010 sales activity has remained subdued and the most recent data suggests that new house price falls may lie ahead.
- The recession has clearly had an impact on the economic drivers of the housing market. A rise in unemployment has been accompanied by considerable growth in the number of repossessions. Although the latest data suggests that Government initiatives to keep people in their homes are working, the combined effect of the recession and affordability difficulties means that housing need in Cornwall remains high. There were more than 11,300 households and individuals on the Cornwall Homechoice housing register at the time of the update. However not all of these households are deemed to be in need of affordable housing. Key estimates concerning housing need include:
 - More than 8,000 households are in current housing need;

⁶³ Peter Smith Research & Consulting (2010) The Cornwall Housing Market Strategic Evidence Base - <http://www.cornwall.gov.uk/Default.aspx?page=17559>

- Approximately 1,850 households fall into housing need each year. Most of these are young “newly forming” households;
- The annual re-let supply of existing social sector dwellings available to new tenants is just under 900;
- “Net annual housing need” is estimated to be approximately 1,570 per annum.
- Given that 2,718 new homes were delivered in Cornwall in the 2008/09 financial year and only 629 of these were affordable dwellings it is clear that fully meeting this need for affordable housing through new build alone is an unlikely proposition. Other forms of financial assistance, including demand side measures such as housing benefit, will therefore continue to be necessary to address housing need.
- Another important conclusion of the housing needs modelling work is that more than half the unmet need for new affordable dwellings concerns properties with three bedrooms. This is because the turnover rate of larger units is considerably lower than the turnover rate of smaller units. Concerning “tenure split” it is recommended that 58% of new affordable housing be provided in the social rented sector and 42% be provided in the intermediate sector. However if products cannot be delivered in the lower intermediate sector then the “tenure split” recommendation shifts to 75%:25%.

5.2.2 Cornwall Council has set an ambition to deliver 1,000 affordable homes per annum in the latest Housing Investment Plan⁶⁴. Given that affordable housing delivery tends to account for about 30-35% of all housing, this would indicate a requirement of some 3,000-3,500 homes per annum, giving a twenty year housing requirement of some 60,000-70,000 new homes.

5.2.3 Work has now been started on a sub regional Strategic Housing Market Needs Assessment (SHMNA) for Plymouth, Cornwall and neighbouring authorities, and the results of this work (expected end of March 2013) will be available during the Pre Submission Version consultation and as part of the evidence base for the final Local Plan: Strategic Policies Submission Version, at Examination and feed into the first review of the Cornwall Local Plan.

5.2.4 Census 2011 results will also help determine the types of housing required in Cornwall, and this will form part of the SHMNA evidence base. Early indications are that some previous projections may not be giving due weight to a potential rebalancing of the younger age cohorts (continued increases in births, younger migration gains (from in an out flows) and so forth).

Housing Needs Summary:

The 2010 Strategic Housing Market Assessment concluded that there was a need to accommodate an additional 3,200 new homes per annum, which indicates a housing growth target of some 64,000 new homes between 2010 and 2030.

Out of these new homes, approximately 1,570 households are considered to be in ‘net annual housing need’ (which includes a ten year annual figure to reduce current backlog). Removing the annual quota to reduce the backlog to calculate housing need after the first ten year period ends leaves an annual need of some 1,000 households for the second ten year period. Over the 20 year period this equates to some 1,285 household per year being considered as in housing need, giving a twenty year affordable housing target of some 25,700 dwellings (which at an overall affordable

⁶⁴ Cornwall Council (2012) Housing Investment Plan - <http://www.cornwall.gov.uk/default.aspx?page=23116>

housing delivery rate of 30-35% of all dwellings built) and could indicate a need for a total housing target in excess of 75,000 dwellings for the twenty year period.

Cornwall Council has set an ambition to deliver 1,000 affordable homes per annum in the latest Housing Investment Plan. Given that affordable housing delivery tends to account for between 30-35% of all housing, this would indicate a requirement of some 3,000-3,500 homes per annum, giving a twenty year target of at least 60,000 and up to 70,000 new homes.

Three scenarios have been considered in this element, and this analysis has resulted in a range of 60,000 to over 75,000 new homes being required to meet the housing needs of people in Cornwall to 2030.

The difference in figures arrived at in the different scenarios used indicates that a housing growth target range may be more appropriate than a single figure, and clearly demonstrates the need to regularly monitor and review this aspect of work to reflect changing housing needs in Cornwall.

6 Previous Rates of House Building, Future Capacity and Deliverability

6.1 Previous Rates of House Building

6.1.1 Previous house building rates are not an indication of future house building rates but are useful as an indication (almost a 'control figure') of likely future delivery rates.

6.1.2 Since 1991⁶⁵, 43,695 houses have been built in Cornwall, giving an annual average of 2,100. Since 2001, 27,462 houses have been built in Cornwall giving an annual average of 2,500. House building rates in Cornwall have experienced both peaks and troughs in delivery since 1976, as shown in figure 9 below.

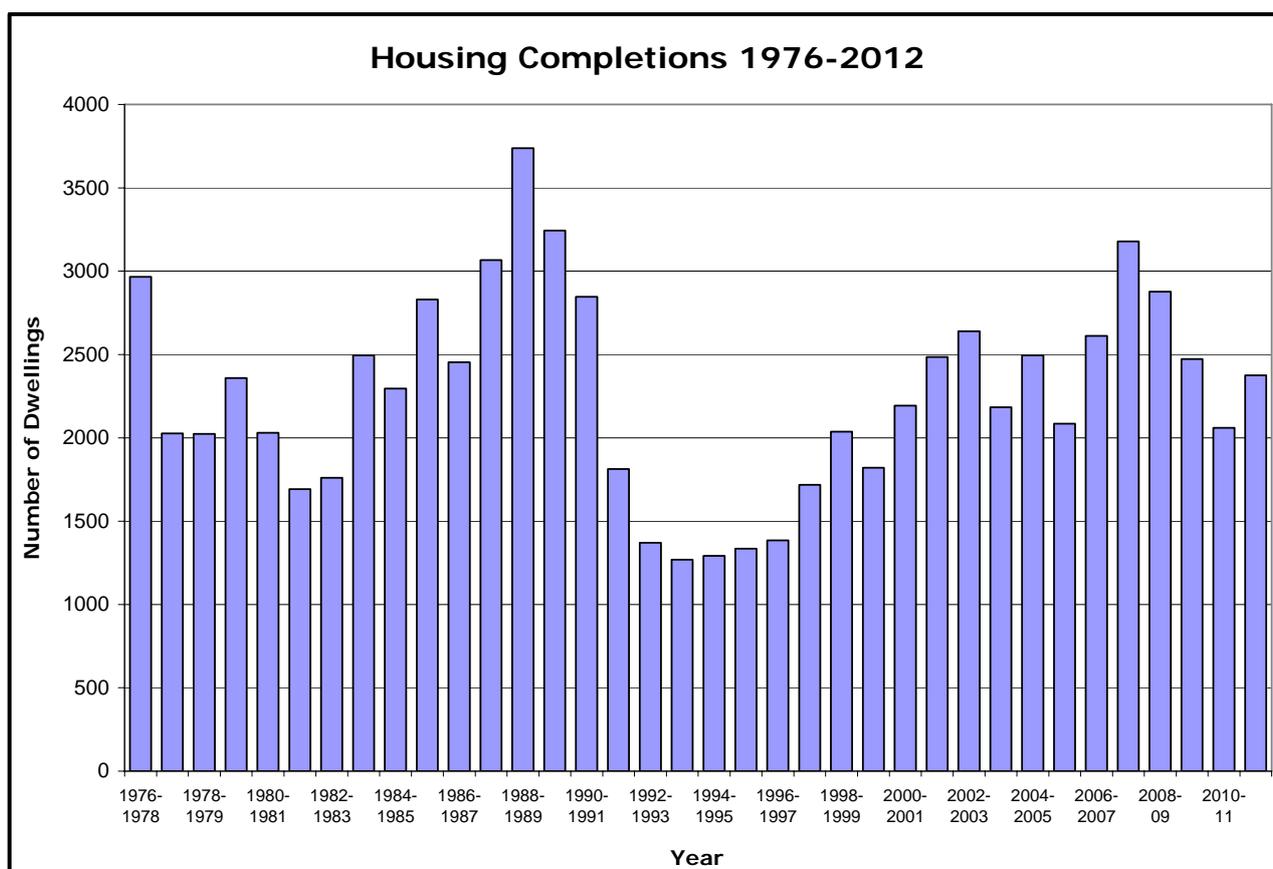


Figure 9: Cornwall Completions since 1976 (Cornwall Council)

6.1.3 This allows us to calculate a long term average, which is as realistic an indication of a house building delivery rate as is possible as it incorporates both upturns and downturns in the market. If house building were to continue as it has over the past twenty years, then we could reasonably expect to deliver 42,000 homes (2,100 per annum) for the period 2010-30. If house building delivery were to continue as it has over the past ten years, then we could reasonably expect to deliver some 50,000 homes (2,500 per annum) for the period 2010-30.

6.1.4 Despite concerns over the decline in the housing market nationally and locally, housing delivery in Cornwall has remained fairly buoyant since 2007. Housing Delivery has averaged almost 2,600 per year for the last five years (2007-12) and has averaged 2,300 completions per year over the last three years (2009-12).

⁶⁵ Cornwall Council (various) Annual Monitoring Reports – www.cornwall.gov.uk

6.2 Future Capacity

6.2.1 Strategic Housing Land Availability Assessments (SHLAA) are described as a key document in helping to determine the level of growth required in the NPPF⁶⁶. A SHLAA is a technical assessment of all potential housing sites that have been proposed and some of the sites included may not be appropriate for development. This type of document is however useful in helping to determine the deliverability of a housing target.

6.2.2 A SHLAA was undertaken in 2010⁶⁷ to assess the capacity of sites around the main towns in Cornwall, and this resulted in a potential capacity of some 92,000 dwellings. This work has been further refined through the preparation of town frameworks⁶⁸ and sites have been proposed that can more than meet the growth figures currently proposed for the main towns (Core Strategy Preferred Approach⁶⁹ stage).

6.2.3 The SHLAA has now been updated and extended to include sites in all settlements across Cornwall. Early indications are that there is capacity to accommodate about 105,000⁷⁰ new dwellings in Cornwall; and although further work is required this does indicate that there is more than enough capacity to accommodate any of the levels of growth proposed.

6.3 Deliverability

6.3.1 Peter Brett Associates⁷¹ were commissioned to undertake a delivery based approach – looking at the capacity of the area to provide housing from a housing market delivery perspective. This review incorporated work from each of the elements identified above in 6.1 and 6.2, and discussions with local developers, agents and Council Officers to provide an objective view on whether the housing growth targets arising out of the work being undertaken as identified in sections 4, 5 and 6 can be delivered.

6.3.2 The combination of the restricted ability of purchasers to borrow and buy properties at the moment, combined with the reduced ability of developers to access financing to purchase land has led to a marked decrease in short term demand for housing land and a consequent fall in land values. This is an unprecedented set of economic circumstances prevailing in the current economic climate that do not flow from a reduction in real long term demand⁷². Economists and property experts predict

⁶⁶ DCLG (2012) National Planning Policy Framework -

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/2116950.pdf>

⁶⁷ Cornwall Council/Entec (2011) Cornwall Strategic Housing Land Availability Assessment -

<http://www.cornwall.gov.uk/Default.aspx?page=19177>

⁶⁸ Cornwall Council (2010) Place Based Plans - <http://www.cornwall.gov.uk/Default.aspx?page=24898>

⁶⁹ Cornwall Council (2012) Our preferred Approach for a Core Strategy -

<http://www.cornwall.gov.uk/Default.aspx?page=32791>

⁷⁰ This figure includes un-assessed SHLAA 2012 Call for Sites submissions only. A density multiplier of 40 dwellings per hectare and net developable areas has been broadly applied. The net developable areas applied are as follows: a) Below 25 units: 100% of site area (net); b) 25-50 units: 85% of site area (net); c) Over 50 units: 70% of site area (net). It is important to note that these are crude initial calculations which do not take factors into account such as site overlap or that some sites are likely to be removed from the process. This includes where there is a reliance on a small number of large sites. There is overlap with SHLAA1 sites. The combined SHLAA will also incorporate potential housing capacity from other sources.

⁷¹ Peter Brett Associates (2010) Housing Provision: housing requirement for Cornwall -

<http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁷² The National Housing & Planning Advisory Unit makes it very clear that the current recession will have little impact on the number of homes required over the next twenty years. *'Recessions do not have a big impact on household growth but they do cause a dip in house building. Homes 'lost' in that dip will need to be made good later in the period.'* In Cornwall Council (2011) Housing Growth Targets - <http://www.cornwall.gov.uk/Default.aspx?page=32791>

that after a period of re-adjustment, underlying demand will return to recent levels, albeit at restructured prices, but no-one is venturing to predict how long recovery will take, although most experts consider that within 4 to 5 years a recovery will be underway.

6.3.3 Whilst short term demand in Cornwall has fallen, medium and long term demand for housing is still considered by the market to be relatively strong. This is underpinned by the well publicised national housing shortage arising from a continuing high level of new household formation combined with record low levels of new house building. Deliverability of sites depends on land owners accepting these new economic circumstances. In some circumstances these land owners could significantly delay development on large urban extensions since many agents fear that some owners have entrenched views of land values, i.e. high expectations.

6.3.4 Peter Brett⁷³ have analysed the Housing Trajectory for Cornwall by Community Network Area to assess deliverability, taking account of the location, characteristics of the site, and the likely dwelling type and mix. Discussions have also taken place with many national and local developers, agents operating in the housing market in Cornwall, as well as with Council Officers responsible for the development of the Town Frameworks. These discussions have reached consensus conclusions about the capacity of the housing market areas (associated with the community network areas) to deliver growth as currently proposed in the Core Strategy Preferred Approach⁷⁴.

6.3.5 Some areas are highlighted as requiring a 'step change' in delivery in order to accommodate proposed growth. These areas are Camborne/Pool/Illogan/Redruth, Falmouth/Penryn, the eco communities, Bodmin and Liskeard.

6.3.6 The Local Plan: Strategic Policies Proposed Submission Version⁷⁵ tries to meet many objectives in terms of the distribution of housing, including the need to redress an imbalance between jobs and homes, the need for regeneration, and the requirement to meet affordable housing needs. However, the distribution of housing growth to meet these objectives and housing need sometimes results in a direction of growth to areas where deliverability prospects are relatively low.

6.3.6 The capacity of the housing market now and in the foreseeable future is considered to be limited. The Peter Brett Associates⁷⁶ assessment of market capacity demonstrates that there is a gap between what is currently proposed in terms of housing requirements (48,850) and what appears to be deliverable. This gap is currently considered to be in the region of 2,500 fewer dwellings in the main settlements which would reduce the housing requirement to about 46,300.

6.3.7 In looking at the issue of a potential under delivery, Cornwall Council and others might need to acknowledge and accept that there are some 'artificial' factors in play at this current point in time. There is very clearly a demonstrable housing requirement, there are development sites able to address that need, but the delivery of housing is stalled by the inability of developers and potential buyers to borrow money in 'normal' ways. If this credit shortage were eased, the industry could set about meeting what

⁷³ Peter Brett Associates (2012) Housing Requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁷⁴ Cornwall Council (2012) Our Preferred Approach for a Core Strategy <http://www.cornwall.gov.uk/Default.aspx?page=32791>

⁷⁵ Cornwall Council (2012) Local Plan: Strategic policies Proposed Submission Version <http://www.cornwall.gov.uk/Default.aspx?page=32813>

⁷⁶ Peter Brett Associates (2012) Housing Requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

will by then be a pent up requirement very effectively. The Council might therefore consider whether the gap between the requirement, however quantified, and delivery, might be presented as a timing issue rather than requiring a fundamental change.

6.3.8 As an alternative, Cornwall Council could consider a lower overall housing target if committed to the distribution of housing currently proposed, or consider a revised distribution either to other areas or by allocating a higher level to smaller towns and villages. Peter Brett Associates⁷⁷ in their analysis consider that the community network areas of Bude, Cornwall Gateway, Hayle & St Ives and Newquay & St Columb could accommodate a higher proportion of the growth. Alternatively, many completions have occurred in smaller towns and larger villages in Cornwall, and a re-distribution of some of the housing growth to these types of settlements is an option for consideration as there would be significant unmet capacity and a high potential to satisfy affordable housing requirements.

Previous Rates of House Building, Future Capacity and Deliverability Summary:

An analysis of capacity and deliverability indicate that there is sufficient land to accommodate the levels of growth proposed but that deliverability indicates a figure towards the bottom end of the housing targets proposed is more likely to be achievable.

Previous Rates of House Building: Based on previous rates of house building over the last twenty years, we could reasonably expect to deliver 42,000 homes (2,100 per annum) for the period 2010-30. If house building delivery were to continue as it has over the past ten years, then we could reasonably expect to deliver some 50,000 homes (2,500 per annum) for the period 2010-30.

Despite concerns over the decline in the housing market nationally and locally, housing delivery in Cornwall has remained fairly buoyant. Housing delivery has averaged almost 2,600 completions per year for the last five years (2007-12) and has averaged around 2,300 completions per year over the last three years (2009-12). This indicates that up to 52,000 new homes could be built based on the last five year delivery rate.

Future Capacity: The SHLAA indicates that there is capacity to accommodate at least 92,000 new dwellings around the main towns, and early indications from the 2012 update is that there is capacity to accommodate about 105,000 new dwellings across Cornwall.

Deliverability: Whilst short term demand in Cornwall is thought to have fallen, medium and long term demand for housing is still considered by the market to be relatively strong. Discussions have taken place with many national and local developers and agents operating in the housing market in Cornwall, as well as with Council Officers responsible for the development of the Town Frameworks. These discussions have reached preliminary consensus conclusions about the capacity of the housing market areas (associated with the community network areas) to deliver growth as currently proposed in the Core Strategy Preferred Approach.

⁷⁷ Peter Brett Associates (2012) Housing Requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

The capacity of the housing market now and in the foreseeable future is considered to be limited. The Peter Brett Associates⁷⁸ assessment of market capacity demonstrates that there is a gap between what is currently proposed in terms of housing requirements (48,350) and what appears to be deliverable. This may be as a result of the current economic downturn and will rectify itself as conditions improve, or Cornwall Council could consider a lower overall housing target if committed to the distribution of housing currently proposed, or consider a revised distribution either to other areas or by allocating a higher level to smaller towns and villages.

These three aspects have been considered to assess likely delivery, and this analysis has resulted in a range of between 42,000 and 52,000 new homes as most likely to be built to 2030, with capacity to deliver over 100,000 new homes.

The difference in figures arrived at in the different aspects assessed in this section confirms that a housing growth target towards the bottom end of the ranges proposed may be more appropriate as it is more likely to be deliverable. It clearly demonstrates the need to regularly monitor and review this aspect of work to reflect changing house building rates and deliverability in Cornwall.

⁷⁸ Peter Brett Associates (2012) Housing Requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

7. Community Network Area Requirements and Proposed Distribution of Housing

7.1 Introduction

7.1.1 How housing is distributed is subject to 'policy on' adjustment to meet either growth opportunities, constraints at more local levels, or to address existing issues such as high levels of housing need. This element is described in detail in a paper – 'Housing Growth and Distribution: Distribution'⁷⁹ - made available during 'Our preferred Approach to a Core Strategy' consultation stage.

7.1.2 This element of the work was then used to understand how housing requirements at a local level that would meet local priorities and objectives could be built up to help inform what the overall housing growth figure for Cornwall should be. This was produced as an 'Officer Recommendation' (see appendix 8) based on 'Our Preferred Approach for a Core Strategy' target of 48,000 and discussed and debated through the Cabinet's Planning Policy Advisory Panel (both informal and formal meetings).

7.1.3 At Full Council⁸⁰, the housing figure for Cornwall was revised by Members to 42,250, and the distribution was proposed to be on a pro-rata basis – with the exception of the Bodmin, Falmouth & Penryn and Newquay areas which were increased to meet local objectives.

7.2.4 Figure 10 summarises the different ranges in housing growth requirements as proposed above (with the exception of the very high economic led figure), and indicates where on the graph the Full Council recommendation of 42,250 and the previous 'Our Preferred Approach for a Core Strategy' proposal of 48,000 new homes falls within or outside of these ranges.

⁷⁹ Cornwall Council (2012) Housing Growth and Distribution: Distribution - <http://www.cornwall.gov.uk/default.aspx?page=32791>

⁸⁰ Cornwall Council (2013) Cornwall Council Meeting 12th February 2013 - <https://democracy.cornwall.gov.uk/ieListDocuments.aspx?CIId=584&MIId=4724&Ver=4>

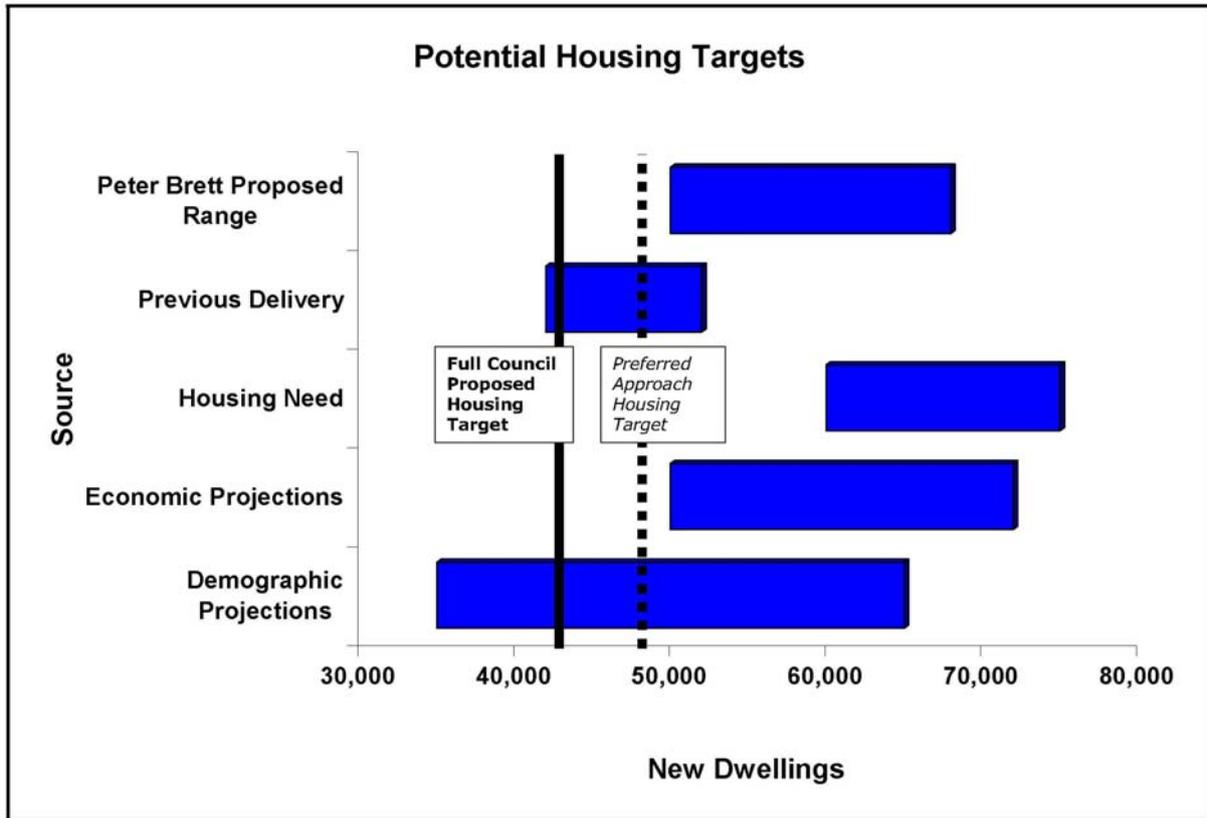


Figure 10 Potential Housing Target and Proposed Housing Target (Cornwall Council)

7.2.5 Figure 11 summarises the housing growth figure for each community network area based on the proposed pro-rata distribution and identifies current completions and commitment for each area:

Figure 11: Housing Distribution by Community Network Area and Main Settlement			
Community Network Area		Submission Version Full Council Recommendation Proposed Numbers	Current Commitments (Built and with Planning Permission)
West Penwith	Penzance/Newlyn (Rest of CNA)	1,400 (1,100)	465 (485)
Hayle & St Ives	Hayle - St Ives (Rest of CNA)	1,300 - 750 (350)	1,257 - 555 (192)
Helston & the Lizard	Helston (Rest of CNA)	900 (900)	450 (512)
Camborne, Pool & Redruth	CPIR (Rest of CNA)	4,000 (500)	2,723 (365)
Falmouth & Penryn	Falmouth/Penryn (Rest of CNA)	3,200 (800)	809 (268)
Truro & the Roseland	Truro/Threemilestone (Rest of CNA)	2,200 (800)	2126 (403)
St Agnes & Perranporth	CNA	1,100	329
Newquay & St Columb	Newquay (Rest of CNA)	3,000 (600)	2,008 (198)
St Austell	St Austell (Rest of CNA)	1,700 (300)	1,554 (134)
China Clay	CNA	1,400	1,071
St Blazey, Fowey & Lostwithiel	CNA	800	351
Eco Community		2,300	0
Wadebridge & Padstow	Wadebridge (Rest of CNA)	800 (900)	253 (522)
Bodmin	Bodmin (Rest of CNA)	3,000 (200)	536 (44)
Camelford	CNA	900	390
Bude	Bude/Stratton/ Flexbury/Poughill (Rest of CNA)	800 (450)	569 (151)
Launceston	Launceston (Rest of CNA)	1,100 (400)	744 (238)
Liskeard & Looe	Liskeard (Rest of CNA)	1,000 (1,000)	320 (667)
Caradon	CNA	1,000	466
Cornwall Gateway [Torpoint]	Saltash (Rest of CNA) [Torpoint]	750 (250) [300]	150 (124) [26]
Total		42,250	21,455

Figure 11 Proposed Housing Target for Cornwall broken down by community network area and main settlements

Community Network Area Requirements and Proposed Distribution of Housing Summary:

The distribution element of the work was then used to understand how housing requirements at a local level that would meet local priorities and objectives could be built up to inform what the overall housing growth figure for Cornwall should be.

A Cornwall housing growth target of 48,350 was proposed by Officers based on 'Our Preferred Approach for a Core Strategy' figure.

At Full Council, the housing figure for Cornwall was revised by Members to 42,250, and the distribution was proposed to be on a pro-rata basis – with the exception of the Bodmin, Falmouth & Penryn and Newquay areas which were increased to meet local objectives.

8 Monitoring and Review

8.1 Introduction

8.1.1 The analysis produced in this paper and associated outcomes should be subject to regular monitoring and review as changes are observed in terms of different demographic and economic changes and emerging alternate policy objectives. No longer can we adhere to the more traditional 'predict and provide' model of housing delivery, but need to constantly review evidence as it emerges in more of a 'plan monitor and manage' approach. Projections are inherently unreliable as they are based on past trends under past and current policies which cannot accurately predict what will happen in the future. The final housing target figure chosen will need to be regularly reviewed to determine if it is still fit for purpose.

8.1.2 The detailed results from the 2011 Census is considered to be the first appropriate opportunity to significantly review the outcomes from the model, as this new data will impact upon existing population and household estimates and future projections (these are all based on 2001 Census and are at their most uncertain at this time). Initial figures from Census 2011 have already been incorporated into section 4.

8.1.3 Outcomes from the work with Plymouth and adjoining local authorities on a Strategic Housing Market Needs Assessment for the sub region will also need to be incorporated into any review. The main results from this work are expected at the end of March 2013.

8.2 Monitoring and Review

8.2.1 Once this methodology is confirmed as appropriate and justifiable in terms of the final 'Local Plan: Strategic Policies Pre Submission Version' document, a regular process of monitoring and review will be introduced. This will ensure that the methodology and its outcomes are up to date and available to monitor the effectiveness of the adopted Local Plan, and will enable changes to be made to future housing growth and distribution as required on a regular basis.

Monitoring and Review Phase Summary:

This methodology and its outcomes should be subject to regular monitoring and review as changes are observed in terms of different demographic and economic changes and emerging alternate policy objectives. This will be an ongoing process as the Local Plan is prepared, and will then be monitored and reviewed on a regular basis once the Local Plan is adopted to monitor its effectiveness and ensure deliverability of the appropriate levels of housing growth and distribution.

Appendices:

Appendix 1: Overview of comments received from the Peer Review of Cornwall Council's early work on developing a housing growth target

Appendix 2: Limitations of Population Projections

Appendix 3: Population Change in Cornwall

Appendix 4: Population Projections

Appendix 5: Household Projections

Appendix 6: Cornwall Council: Revised Average Household Size & Subsequent Re-workings

Appendix 7: Cornwall Housing Completions 1976-2012

Appendix 8: Housing Distribution by Community Network Area and Main Urban Areas

Appendix 1

Overview of comments received from the Peer Review of Cornwall Council's early work on developing a housing growth target

The brief asked for responses to four questions:

- a) A critical analysis of the proposed procedure for converting projected new households to housing need
 - b) A critical examination of the distribution of new households
 - c) An assessment of implications of the Wainhomes appeal decision, and the impact on migration of a prolonged economic downturn
 - d) Identify other possible issues likely to be raised at examination.
-

Keith Woodhead

Keith provided an initial analysis of the housing target model as it was evolving in early 2011. He agreed with the methodology up until the potential discount was applied. Keith was asked to affirm his initial assessment when looking at the paper in its entirety (although he was not asked to fulfil the wider brief), and his key observation was:

"I've revisited my paper and can confirm that, yes, my advice is indeed not to apply the discount. You are perfectly correct when you say that most new single person elderly households are caused by bereavement and do not result in a vacated dwelling as the remaining person (I vaguely that some demographers have been known to use the quaint but rather useful Victorian term "relict" to describe the surviving spouse/partner, but I could be wrong). However, because we use age and gender specific rates to calculate the total No. of h/holds for each broad population category this doesn't mean that the housing required across the population as a whole can be reduced by a percentage (ie by discounting). "

Professor Christine Whitehead

a) Household Projections and Housing Need

1. Table A shows projected households in 2033 according to type of household and age, and the net increase compared with 2008. These net increases are not "new households". They are in total the difference between new households formed plus inward movement of households and existing households dissolved or leaving. New households are formed by people previously living as members of someone else's household moving to live independently; or by separation of couples where both ex-members live as independent households. Changes in the number of households of specific types come about by life-course changes as well, e.g. from childless couple, to couple with children, then back to childless couple, and finally to widow or widower one-person household. A widow or widower one-person household coming into being through the death of the spouse is a continuing household changing from a couple to a one-person household, not a new household.

2. The contention in Cornwall Council's note that a "discount" can be applied to the projected net increase in households is therefore considered not to be soundly based. A secondary criticism is that no supporting evidence is offered for 10 and 20 percent as the size of the discount. Furthermore, the 10 and 20 percent are applied to the whole projected increase in households, not to one-person households alone. Table A shows one-person households to account for between 60 and 65 percent of the total projected increase.

b) The Distribution of New Housing

3. What is proposed appears comprehensive, thorough and in line with general practice, but the authors have no specific comments to offer.

c) Implications of the "Wainhomes" appeal decision

4. The Secretary of State's decision rejects a higher housing need figure in line with the Proposed Changes to the Regional Spatial Strategy, and considers the middle growth option to be more soundly based. The Inspector considered though that the evidence base for the Proposed Changes to the Regional Spatial Strategy (PCRSS) demonstrates a much higher level of housing need than would be met by the lower and middle options in the Cornwall Core Strategy (paragraph 10.19).

5. A slowdown in migration, considered to be the consequence of economic conditions, is likely to prevent the number of households increasing at the rate the PCRSS envisaged. Not known is whether prolonged slow growth in the national economy would imply continuing low migration into Cornwall. It is possible that the effect observed thus far is a short-term response to deteriorating economic conditions which might not continue in the longer term.

d) Possible issues that might be raised at examination

6. Past experience suggests that house builders and developers will argue for higher household figures. Some of the grounds will be specific to particular parts of Cornwall, on which we do not comment as the authors do not know enough about the situation in Cornwall. More generally the builders and developers could argue for a more optimistic view about the national economy, and point to the constraints that there could be on the growth of the economy of Cornwall if policy were based on assumptions that proved to be too pessimistic.

Bob Line

a) A critical analysis of the proposed procedure for converting projected new households to housing need

This brief paper sets out to look at likely future demand for housing in Cornwall by coming at some of the available evidence and data from a *complex systems* perspective. This is essentially based on trying to understand, in broad terms, how

people in households progress through different **lifestages** and interact with forms of accommodation in *dwellings*, all as part of a *housing market system*.

Understanding this more holistically, and as a system, means taking account of the dynamics, transitions, balances and imbalances in all or different parts of it, both for the households and dwellings.

The key point here is that many of these separate categories can contain several different 'lifestages' A large potential source of error is on the biggest category of 'couples without children', which contains young couple before they have children, some who never have children, but also many more, and increasingly, older 'empty nester' couples whose children have grown and left. Similarly lone singles can be of any age, but are increasingly older.

1

leaving parental home >	early housing career- house sharing, small flats
Typical age	18 / 19 +
Approx years in stage	5

At this point going to University and/or moving into sharing is the most typical course of action, and has been for many years since leaving home to get married declined. This can potentially reduce the requirement for supply to meet demand if this were seen as requiring many small units, but at the expense of high levels of density, even overcrowding. There is considerable elasticity in the supply of shared housing because it can be profitable due to multiple incomes, but it also tends to utilise family housing as HMOs, and hence compete, and often conflict socially, with family housing.

5.

larger, mature family	empty nester couple
Age at start 37	57
Years in lifestage 20	10

The next transition can be seen as moving on to the downward slope of the housing ladder, and goes along with ageing, retiring, children leaving, and other lifestage changes that people do not always welcome.

But there is scope here for reducing the requirement for housing if large family homes can be released by more downsizing to allow them to be better utilised by younger, larger households. This should in principle save on the amount of new supply required to match demand.

7.

retirement housing	elderly care
67	77
10	5

This transition may also be unnecessary if the housing is already suitable for providing the level of care required. On recent figures roughly 15% of all households (more of

which will have become single person) will require some form of care (source: Laing & Buisson) , but this is likely to increase as longevity increases.

Applying these variables for transition stages 1, 5 and 7 can be used to crudely adjust the net total of additional housing required, but this will apply **ONLY IF** households do move into more appropriate sizes of accommodation for their different lifestages . Gradually but steadily, and with a more fluid, lubricated housing market system than at present , when it is blocked by its own dysfunction and volatility , and tied into knots by the behaviour it helps to provoke.

John Hollis

a) A critical analysis of the proposed procedure for converting projected new households to housing need

It does not directly follow that the DCLG guidance quoted means that some projected household growth may be discounted. It could, for example, be accepted that migration levels may be higher or lower than projected or that there may be economic reasons for supplying additional, or fewer, homes. A consequence of the current age structure, both nationally as well as in Cornwall, is that there will be a growing number of elderly one-person households projected. There will also be an increase in middle-aged one-person households due to partnership breakdown. Some of these changes from couples to one-person households may be to a temporary transition stage in peoples' lives, as indicated by the HT paper.

This stage of the model introduces the concept of discounting the projected household growth to allow (mainly?) for those newly forming elderly one-person households who will remain in the same house following the death of a partner. While it is true that in the main these newly formed households will not initially need to move it is likely that at some later stage there will be downsizing, a move to join other family members or a move to communal care. This does not reduce these individuals' initial and on-going needs for a home until they give up their independence.

The development of the housing target model was reviewed by Keith Woodhead and although his overall view could be considered as 'positive' he did not specifically endorse the approach to discounting the projected increase in households. In his paragraph 24 he states 'the fact that elderly households are already housed does not reduce the total additional number of new households across the area and **these will, in their totality, still need to be housed**' (my emphasis).

I totally agree with Keith's view and see no good reason to discount any proportion of the projected increase in households.

b) A critical examination of the distribution of new households

In assessing the planned housing growth a number of factors need to be fully investigated. The first of these, recent demographic trends, has been attempted in the HT paper. However, there is an important rider to these projections that has not been shown – the likely impact on the resident labour force. The results of any of the scenarios should include an analysis of the changing size and structure of the resident labour force at key dates. This can be done within the POPGROUP suite of models using the latest local economic activity rates linked to the most recent ONS national labour force projection. Are the projected changes based on the scenarios compatible

with local labour market aspirations? Is there a risk of too few local residents available to fill jobs? What are the potential consequences? An aging population may need a stimulus of new building to attract younger migrants to take local jobs. The location of major new building would need to be investigated as to the likely areas of jobs growth and any impacts on internal or cross-border commuting.

Element 3: Housing Distribution. Clearly this is a task for detailed local planning. My concerns are that, as outlined above, a full analysis of the requirements for economic development of Cornwall as a whole is carried out before considering the local distributional aspects and that some additional allowance be made to additionally accommodate the growth in second homes in key locations.

c) An assessment of implications of the Wainhomes appeal decision, and the impact on migration of a prolonged economic downturn

The pace of return to even 'average' recent levels of migration is very hard to predict but as the Inspector observes it is unlikely to be rapid (para 10.21) and a high level of growth is unrealistic in the short term. I agree that a return to high levels of net immigration is unlikely without faster economic growth, whether this be generally in the UK, or in mainly in the south of England (from where most of Cornwall's immigrants come) or more specifically in Cornwall. Growth in the south will help to encourage retirement migration while growth in Cornwall will encourage employment led inflows. A general easing of the national housing market – based on supply, easier access to finance and a more confident economy – will encourage general mobility, unlock opportunities for higher levels of migration turnover and release some recently suppressed demand to move.

A main conclusion is that the CCS high housing growth scenario is not the most likely outcome and that a stronger case can be made for the middle growth option. I agree with this.

d) Identify other possible issues likely to be raised at examination.

It is accepted that population growth in Cornwall is driven by migration but as a baseline for the demographic work I suggest that a population, household and resident labour force projection is prepared that is based on the latest (indicative) ONS mid-2010 population estimate and uses just the most recent local fertility and survival rates improved along the lines of the ONS 2010-based projection for England. If not already available the new ONS rates should soon be incorporated in POPGROUP. This 'natural change' projection will show the impact of aging on Cornwall in terms of future numbers of households and resident workers. Such an exercise is not realistic but can be salutary in educating Members and the public.

I suggest that the three basic demographic projections presented in the HT paper are repeated using:

- ONS (indicative) mid-2010 population estimate as base
- Follow the fertility and survival assumptions of the ONS 2010-based projection for England
- Full consideration is given to international migration flows
- The Medium scenario being average migration across 2001-10 (+5,086)
- The Low and High scenarios being based on five years' of annual migration data (either the highest and lowest five years, or 2001-06 and 2005-10)

Given that the 2010 MYE is 536.1 thousand, some 6.6 thousand below the population shown in Figure 6, consideration should be given to re-running the projections with both the new base and revised migration assumptions.

Warnings should be given that this work is being done with the expectation that many of the inputs could be at their most uncertain due to the time since the 2001 Census. When full results of the 2011 Census are available there will need to be some commentary on the potential impact of revised data even if it is not possible to construct new projections in time.

Appendix 2

Limitations of Population Projections

Demographic Factors: are those aspects relating to how reliable population and household projections are in determining how many new houses need to be built. Projecting twenty years into the future is complex and this gives rise to many questions about reliability and robustness of the data used. These factors include:

- Household projections should be taken as largely indicative of likely future housing demand and used as the foundation for new build housing targets. This is made clear in DCLG guidance¹:
'Household projections are not an assessment of housing need. They are an indication of the likely increase in households given the continuation of recent demographic trends. They are one part of the evidence that Regional Planning Bodies and local authorities use in the assessment of future housing requirements.'
- The unpredictability of using projections to accurately predict how many household will be generated in an area. Household projections use recent trends in their calculations and this can have a huge impact on future predictions. For example, in recent years, the projected number of households for Cornwall to 2030 has varied from about 317,000 (2004 based projections²) to a high of about 323,000 (2006 based projections³) and then back to the current projection of 294,000 (2008 based projections).
- Given the unpredictability of projections at a national level, working at a local level introduces yet more opportunity for error, as sub-national projections use national trends. We aim to overcome some of these issues by using local trend data in our PopGroup projections of the number of households.
- How soon, if at all, will we see a return to higher levels of net in migration? This is unlikely without faster economic growth, whether this be generally in the UK or in the South East (from where most of Cornwall's immigrants come) or more specifically in Cornwall. Growth in the south will help encourage retirement migration while growth in Cornwall will encourage employment led inflows.
- The impact of net migration from outside of the UK also needs to be factored in to housing projections as they form part of the competition for homes locally. There was some discussion⁴ in 2008 that migration particularly from Eastern Europe may have peaked and will reduce. More recently the figures suggest⁵ (although this trend may change again) that net in-migration is still strong and people are remaining in the UK rather than returning to their own country. In addition to this new migration experimental statistics indicate that for some areas, including Cornwall, net in-migration from people outside of the UK has been underestimated in the past. Between 2006 and 2010 this under-estimation⁶ amounts to some 1,535 persons.

¹ DCLG (2010) Updating DCLG's Household Projections to a 2008 base: Methodology –

<http://www.communities.gov.uk/publications/corporate/statistics/households2008methodology>

² DCLG (2008) 2004 Based Household projections: sub regional projections (go to 2029 – 2030 figure calculated by adding on the average annual gain from previous five years) -

<http://www.communities.gov.uk/publications/corporate/statistics/2026households0208>

³ DCLG (2009) 2006 Based Household Projections: household estimates and projections by district -

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/>

⁴ Cornwall Council (2011) Cornwall 2011: Demographic Evidence Base -

<http://www.cornwall.gov.uk/Default.aspx?page=22137>

⁵ Office for National Statistics (2011) International Migration -

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=International+Migration>

⁶ Office for National Statistics (2011) Improved Local Authority Immigration Statistics: indicative impact on mid year population estimates 2006 to 2010 - <http://www.ons.gov.uk/ons/guide-method/method-quality/imps/improvements-to-local-authority-immigration-estimates/index.html>

- Information⁷ is available on how the variables used in population and household projections can differ at the local level. This analysis looks at how differences in fertility rates, life expectancy, and migration can have an impact on projections and is part of the rationale for reviewing projections frequently.
- Analysis of the 2009, 2010 and subsequent mid year population estimates^{8 9} provides an opportunity to see how they compare to the 2008 based household projection figures, and can provide an early indication of how accurate they are turning out to be. The 2008 based projection for Cornwall indicates that by 2010 the population should be 537,500, yet the 2010 mid year estimate gives the population of Cornwall as 535,300. This indicates a discrepancy of 2,200 persons over a two year period, and although this is too short a time to be sure of a continuing lower trend it could mean that the projection to 2030 will be lower than that anticipated.
- The complexity of household formation at different life stages. Some work has been done on this for Cornwall (Appendix 1) by manipulating the 2008 based household projections to determine what types of housing people will most likely want, need and are most likely to live in already. There are three main life stages at which not every household will require a new home. Some young people leaving the parental home are more likely to share than set up on their own; a proportion of older households will downsize; and a proportion of older households will move into institutional care or residential homes. If a certain proportion of these three groups choose these options then early work suggests this could reduce the number of new homes required by about 5%.
- Demographic changes and the impact on the local labour force. We need to include an analysis of the changing size and structure of the resident labour force at key dates as there may be a risk of too few local residents available to fill jobs? An ageing population may need the stimulus of new building to attract younger migrants to take local jobs. The development of the economy is a key objective for the Core Strategy, and of the Vision for Cornwall and we need to understand what this means in terms of the requirement for new housing.
- These factors indicate the difficulties in using population and household projections to accurately predict how many new homes will be required in Cornwall, but they are nevertheless, the essential starting point in the methodology that we propose to use.

⁷ DCLG (2010) Household Projections Model: table 416 - <http://www.communities.gov.uk/documents/housing/xls/table416.xls>

⁸ Office for National Statistics (2011) Population Estimates - <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Estimates>

⁹ Office for National Statistics (2009) Population Projections - <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population+Projections>

Appendix 3

Population Change in Cornwall

Cornwall's population has been growing steadily since the 1960's, and is amongst the fastest growing areas in the UK¹⁰. In 2001, the population of Cornwall was 501,300 - the latest 2010 estimate suggests that this has now increased to 535,300.

There are two main components of population change: natural change (births and deaths) and migration rates to and from an area. Further information on population change in Cornwall is available from the demographic evidence base for Cornwall¹¹ and reviewed in the Core Strategy Evidence Base Paper 'Population and Household Change in Cornwall'¹². Some of the key messages from these reports relating to the components of population change are:

Natural change: Natural change (total births minus total deaths) in Cornwall in the past has resulted in a loss to the population as deaths were always higher than births. However, over the last few years this gap has decreased significantly and the number of births is moving closer to the number of deaths.

The number of births has grown steadily for the majority of the years since 2000. There were 4,500 births in 2001 compared to 5,300 in 2008. The number of deaths has fallen slightly for the fifth successive year from 6,000 in 2004 to 5,700 in 2008, indicating that the number of deaths has been fairly constant over the last few years. This is probably due to an increasing total population, people living longer, and improvements in medical care.

The impact of a rising number of births and slightly fewer but fairly constant number of deaths on natural change in Cornwall is that the gap is closing, as shown in figure 1 below:

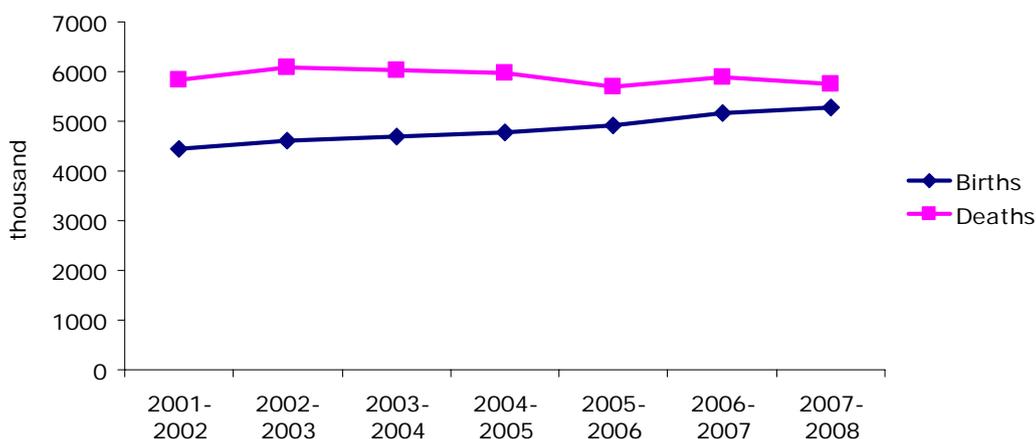


Figure 1: Births and Death in Cornwall (Demographic Evidence Base for Cornwall)

If this trend were to continue, and the number of births became higher than the number of deaths, natural change would start adding to population figures (rather

¹⁰ Community Intelligence Cornwall Council (2011) Demographic evidence base for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22137>

¹¹ Community Intelligence Cornwall Council (2011) Demographic evidence base for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22137>

¹² Strategic Policy Team Cornwall Council (2011) Population and Household Change in Cornwall - <http://www.cornwall.gov.uk/default.aspx?page=22887>

than decreasing them slightly as it does at the moment), and the population of Cornwall could grow faster than it is anticipated to do so. It is therefore important that this element of population change is regularly monitored.

Migration: While natural change is a component of the changing population of Cornwall, migration is the single greatest driver of population change in Cornwall. Annual rates of net migration in Cornwall have fluctuated over the last 40 years, with some significant peaks and troughs as shown in figure 2 below:

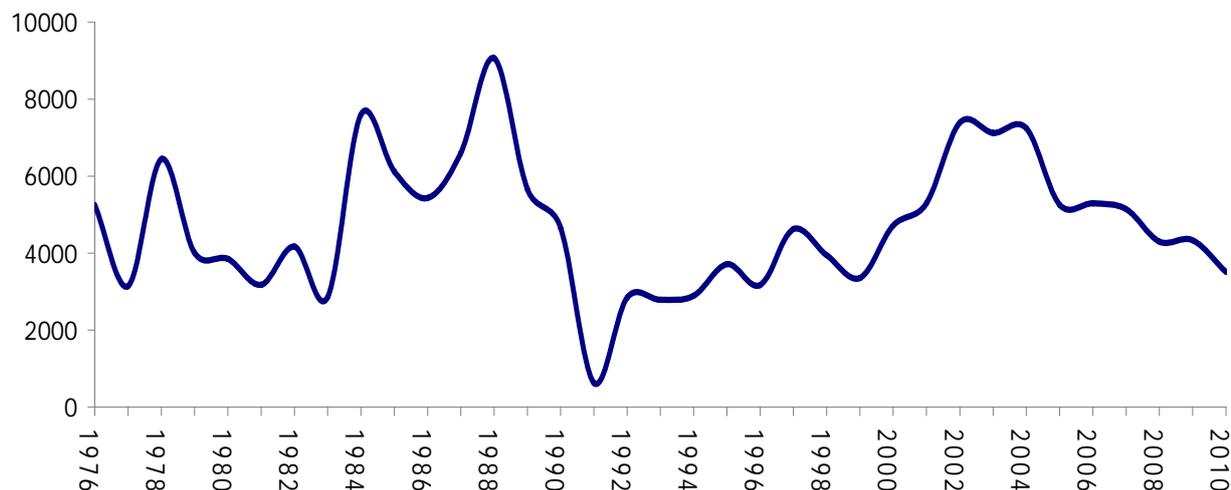


Figure 2: Annual Rates of Net Migration in Cornwall (Demographic Evidence base for Cornwall)

Migration levels generally track what is happening in the economy, and as the economy becomes increasingly fragile, people are less likely to risk moving significant distances. For example in the figure above, the housing crash of the late 1980's, early 1990's resulted in fewer people migrating, whereas the recovery following this period led more people to feel comfortable about moving.

Figure 3 below details the number of people moving into Cornwall and those leaving in more recent years, and this also shows a constantly fluctuating picture. As stated above, the state of the economy has an impact on people's willingness to move home and this is reflected in the levels of migration experienced over the last ten years:

Recent Migration Flows (thousands) ¹³												
Cornwall & IOS	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Persons in	19.3	21.0	21.2	22.7	22.3	22.5	20.1	20.4	20.9	29.9	19.9	20.4
Persons out	15.9	16.3	15.9	15.3	15.5	15.2	14.8	15.1	15.8	25.1	16.4	16.1
Net	3.4	4.7	5.3	7.4	7.1	7.2	5.3	5.3	5.1	4.6	3.4	4.3

Figure 3: Annual Rates of Net Migration in Cornwall (Office for National Statistics)

Contrary to popular belief, recent in migration to Cornwall is predominately for economic and lifestyle reasons, not retirement purposes¹⁴. It is believed that many of

¹³ Office for National Statistics (various) Internal Migration by Local Authority - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm%3A77-21593>

those moving to Cornwall are returners¹⁵ (i.e. they previously lived in the area) and there is every reason and some evidence to believe this is still a strong trend.

Historically Cornwall has experienced high levels of outward migration of those between the ages of 16-29. However, the expansion in the higher education infrastructure and better employment prospects has led to reductions of younger people leaving Cornwall. These trends are neither fixed or guaranteed, and are fragile.

¹⁵ Williams M et al (1995) "Movers and Stayers: Population and Social Change in Cornwall 1971- 1991 Research part funded by Cornwall County Council and Caradon District Council. University of Plymouth

Appendix 4

Population Projections

Government population projections draw heavily on trends over the past five years and are therefore influenced to some extent by trends in recent years associated with the period before the current recession. Consultants Peter Brett Associates¹⁶ recommend using the 2008 based projections for population and households because these are the most up to date and consistent datasets. 2010 based projections¹⁷ for population only (household projections based on these population projections are not currently available) are also available, and these 2010 based population projections have been used to generate a revised set of local population projections. These population projections to 2030 and beyond are indicated in figure 1 below:

Figure 1: Total Projected Population in Cornwall (Sub National Projections)							
	2008	2010	2015	2020	2025	2030	
2008 Based Projected Population	529,300	537,500	559,500	583,100	607,600	630,200	642,500 (2033)
2010 Based Projected Population (Local)	n/a	536,100	557,100	577,500	597,700	615,800	631,300 (2035)

Figure 1: Sub National Population Projections: 2008 Based (Office for National Statistics)¹⁸ and 2010 Based (Cornwall Council)¹⁹

Following a Peer Review (see appendix 1) of local work undertaken in Cornwall in 2011 and 2012, the projections using low medium and high levels²⁰ of migration have been revised to improve their robustness and updated to incorporate another year's data. This has resulted in the following set of local population projections to 2030, based on anticipated trends in natural change figures and a low annual migration rate of 4,402, a medium rate of 5,086, and a high migration rate of 5,647 as shown in figure 3. While it is recognised that there are concerns about the value of this data since the release of 2011 Census data (because the information behind it is based on the mid year estimates which need reviewing - see comments below) it is still of use when testing different migration assumptions as shown below:

¹⁶ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

¹⁷ ONS are releasing short-term interim 2011-based sub national population projection (SNPPs) for England in Sept/Oct 2012. These projections will be re-based using 2011 Census data but will use the assumptions from the 2010-based SNPPs.

¹⁸ Office for National Statistics (2010) 2008 Based Population projections - <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Sub-national+Population+Projections>

¹⁹ Cornwall Council (2010) 2010 Based Population Projections

²⁰ The PopGroup model is a commonly used tool to produce projections of demographic change in local communities and is currently the leading product of its type used by UK local authorities.

Figure 2: Projections for Cornwall based on three levels of migration (Local Projections)					
Projection	2010	2015	2020	2025	2030
Low	536,100	558,200	580,300	601,000	619,100
Medium	536,100	561,600	587,200	611,300	632,800
High	536,100	564,400	592,800	619,700	644,000

Figure 3: Local Projections: 2010 Based (Cornwall Council)

The first release of Census 2011 data²¹ indicates that the population of Cornwall was 532,300 as at March 2011, and has experienced an average increase in population of some 3,320 people per year (33,320 people since 2001). It is good practice to sense check these early Census results against available administrative data, and this exercise is underway. This is lower growth than that indicated by the Mid Year Estimates^{22 23} based on the 2001 Census figures, which had estimated the 2010 mid year population of Cornwall to be 535,300. Although the 2011 Census figure may be revised following review²⁴, it is useful in providing us with another set of projections (crudely calculated²⁵ by Cornwall Council) that we can use to predict future populations, as shown in figure 3:

Figure 3: Projections for Cornwall based on Census 2001 to 2011 average annual increase (Local Projections)					
Projection	2011 (March)	2015	2020	2025	2030
Average	532,300	542,200	558,700	575,200	591,700

Figure 3: Local Projections: 2011 Census Based (Cornwall Council)²⁶

It is good practice to sense check these early Census results against available administrative data, and this exercise is underway. This is lower growth than that indicated by the Mid Year Estimates^{27 28} based on the 2001 Census figures, which had estimated the 2010 mid year population of Cornwall to be 535,300 (latest available).

²¹ Office for National Statistics (2012) Population and household estimates for England and Wales - <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-257414>

²² Office for National Statistics (various) Population estimates for UK, England and Wales, Scotland and Northern Ireland - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-22371>

²³ Published mid year estimates will be revised to fit with the 2011 Census figure. Nationally it has been explained that the difference in mid year estimated population and Census population is due to adjustments over discovered errors in the 2001 census, and improvements of counting of international migration. There are issues to understand locally about the count of students, and how the existence of high levels of second homes has impacted on household and population growth. Some of these issues will require the further levels of detail that will be contained in the November 2011 census release.

²⁴ Some early indications are that other areas with high levels of second homes have experienced lower population growth rates, which may have resulted in some confusion with enumeration levels. Community Intelligence is currently undertaking a piece of work to triangulate and test Census population, age cohorts and households to determine whether or not to raise any challenge to the current 2011 Census figures.

²⁵ Once more information has been released from the 2011 Census we can refine this calculation to take into account actual higher and lower levels of growth over the ten year period.

²⁶ Simple calculation using the average increase in population experienced between the 2001 Census and the 2011 Census.

²⁷ Office for National Statistics (various) Population estimates for UK, England and Wales, Scotland and Northern Ireland - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-22371>

²⁸ Published mid year estimates will be revised to fit with the 2011 Census figure. Nationally it has been explained that the difference in mid year estimated population and Census population is due to adjustments over discovered errors in the 2001 census, and improvements of counting of international migration. There are issues to understand locally about the count of students, and how the existence of high levels of second homes has impacted on household and

Consultants Peter Brett have also used in their analysis average growth levels in two scenarios based on the levels of growth recorded in the Mid Year estimates. The first takes a long term trend between 2001 and 2010 and equates to some 3,920 persons per year, the second a high trend level as suggested by growth experience between 2001 and 2006 equating to some 4,360 persons per annum. The data used to determine these figures is indicated in figures 4 and 5, and what this means in terms of projected population is indicated in figure 6 (please note that this analysis uses the starting population as at 2011 i.e. 19 years as opposed to 20 years):

Figure 4: Components of Population Change in Cornwall (Mid Year estimates)			
Year	Net Migration Rate	Natural Change	Total Change
Mid 2001-Mid 2002	7,000	-1,400	5,600
Mid 2002-Mid 2003	6,200	-1,500	4,900
Mid 2003-Mid 2004	4,800	-1,300	3,500
Mid 2004-Mid 2005	5,200	-1,200	4,000
Mid 2005-Mid 2006	4,600	-800	3,800
Mid 2006-Mid 2007	5,300	-700	4,600
Mid 2007-Mid 2008	3,300	-500	2,800
Mid 2008-Mid 2009	2,500	-600	1,900
Mid 2009-Mid 2010	4,500	-300	4,200

Figure 4: Components of Population Change (Office for National Statistics)²⁹

Figure 5: Population Projections based on Average Population Growth (Mid Year Estimates)		
	Long Term Growth Trend	High Growth Trend
Total Population 2011	532,300	532,300
Annual Rate of Growth	3,920	4,360
Total population 2030	606,800	615,100

Figure 5: Projections based on average growth (Peter Brett Associates)³⁰

population growth. Some of these issues will require the further levels of detail that will be contained in the November 2011 census release.

²⁹ Office for National Statistics (various) Population estimates for UK, England and Wales, Scotland and Northern Ireland - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcn:77-22371>

³⁰ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

Figure 6: Projected, Estimated and Actual Population			
Cornwall	2008 Based Population Projections (2010 based)	Actual Population - MYE & Census	Difference
2009 (June)	533,400 (n/a)	531,100	-2,300 (n/a)
2010 (June)	537,500 (536,000)	535,300	-2,200 (-700)
2011 (March)	541,800 (540,500)	532,300	-9,500 (-8,200)

Figure 6: Sub National Population Projections: 2008 Based³¹; Sub National Mid Year Estimates³² and 2011 Census³³ (Office for National Statistics)

³¹ Office for National Statistics (2010) 2008 Based Population projections - <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Sub-national+Population+Projections>

³² Office for National Statistics (various) Population estimates for UK, England and Wales, Scotland and Northern Ireland - <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-22371>

³³ Office for National Statistics (2012) Population and household estimates for England and Wales - <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-257414>

Appendix 5

Household Projections

ONS population projections draw heavily on trends over the past five years and are therefore influenced to some extent by trends in recent years associated with the period before the current recession. These population projections are then converted to household projections by the Department of Communities and Local Government. Consultants Peter Brett Associates³⁴ recommend using the 2008 based projections for population and households because these are the most up to date and consistent datasets (household projections based on the 2010 population projections are not currently available). These 2008 household projections to 2030 and beyond are indicated in figure 7 below, together with a provisional 2010 based local conversion to households:

Figure 7: Total Projected Households in Cornwall (Sub National Projections)					
	2008	2010	2020	2030	Varies
2008 based Projected Households	232,000	237,000	267,000	295,000	302,000 (2033)
2010 based Local Projected Households	n/a	236,400	264,200	288,400	298,500 (2035)

Figure 7: Sub National Household Projections: 2008 Based Table 406 in Live Tables (Department for Communities & Local Government)³⁵ and a provisional local conversion of the 2010 based population projections into projected households (Cornwall Council)³⁶

Following the Peer Review as outlined above, the low, medium and high levels of population projections have been provisionally revised to give the following household projections in figure 8 using average household sizes from the 2008 based household projections (i.e. 2.23 for 2010, 2.15 for 2020 and 2.1 for 2030):

Figure 8: Total Projected Households in Cornwall (Local Projections)			
Projection	2010	2020	2030
Low	236,400	269,900	290,000
Medium	236,400	273,100	297,800
High	236,400	275,700	301,600

Figure 8: Local Household Projections (rounded) derived from Figure 3 above: 2010 Based (Cornwall Council)

The release of Census 2011 data has been used to provide us with another set of figures that we can use to predict future households (with certain caveats as described above) as shown in figure 9:

³⁴ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

³⁵ DCLG (2010) Household Projections, 2008 to 2033, England - <http://www.communities.gov.uk/documents/housing/xls/140987.xls>

³⁶ Cornwall Council (2012) Provisional conversion of 2010 based sub national population projections into household projections using same average persons per household as in 2008 based household projections.

Figure 9: Total Projected Households in Cornwall based on Census 2001 to 2011 average annual increase			
Projection	2011 (March)	2020	2030
2001-2011 Census average growth	230,400	255,300	277,100

Figure 9: Local Projections: 2011 Census Based (Cornwall Council) ³⁷

Average growth levels have been used by Peter Brett Associates³⁸ and these have been converted to the following household projections based on 2.1 persons per household (minus communal establishment population) in figure 10:

Figure 10: Household Projections using Average Growth Population Projections		
	Long Term Growth Trend	High Growth Trend
Total Households 2011	230,400	230,400
Total Households 2030	284,200	288,100

Figure 10: Average Growth Projections (Peter Brett Associates)

Given the inconsistencies with data as described above, it is considered appropriate to use a range of household projections as they show the impact on growth in Cornwall using different migration assumptions.

³⁷ Simple calculation using the average increase in household population experienced between the 2001 Census and the 2011 Census.

³⁸ Peter Brett Associates (2012) Housing Provision: housing requirement for Cornwall - <http://www.cornwall.gov.uk/Default.aspx?page=22893>

Appendix 6

Cornwall Council: Revised Average Household Size & Subsequent Re-Workings

Community Intelligence (Cornwall Council) produced the following alternative average household sizes (figure 11) for each of the low, medium and high migration scenarios in their calculations used for the previous version, illustrating what could happen if average household size were to slow its decrease. The 'medium' figure has been chosen in the latest analysis to illustrate what could happen if average household size were to be higher than that indicated in the latest 2008 based household projections for 2030.

Figure 11: Population and Household Projections Giving Average Household Size

	low	medium	high	low	medium	high	low	medium	high
2010	542700	542700	542700	238413	238413	238413	2.28	2.28	2.28
2011	546250	547550	548250	240278	240773	241039	2.27	2.27	2.27
2012	549800	552400	553850	242211	243214	243754	2.27	2.27	2.27
2013	553450	557400	559500	244336	245866	246690	2.27	2.27	2.27
2014	557150	562500	565350	246565	248640	249757	2.26	2.26	2.26
2015	561000	567700	571350	248848	251487	252908	2.25	2.26	2.26
2016	565000	573150	577500	251186	254400	256130	2.25	2.25	2.25
2017	569150	578700	583850	253793	257596	259643	2.24	2.25	2.25
2018	573450	584450	590350	256475	260878	263249	2.24	2.24	2.24
2019	577850	590300	597050	259167	264181	266880	2.23	2.23	2.24
2020	582300	596300	603850	261736	267366	270398	2.22	2.23	2.23
2021	586900	602450	610800	264221	270476	273844	2.22	2.23	2.23
2022	591550	608650	617850	266707	273595	277304	2.22	2.22	2.23
2023	596250	614900	624950	269114	276641	280693	2.22	2.22	2.23
2024	600950	621200	632100	271533	279707	284108	2.21	2.22	2.22
2025	605650	627500	639300	273790	282614	287364	2.21	2.22	2.22
2026	610350	633800	646450	275889	285360	290459	2.21	2.22	2.23
2027	614950	640050	653550	278425	288568	294028	2.21	2.22	2.22
2028	619500	646200	660600	280789	291604	297425	2.21	2.22	2.22
2029	623950	652300	667550	282998	294487	300672	2.20	2.22	2.22
2030	628300	658250	674400	285076	297242	303790	2.20	2.21	2.22

The household projections calculated using an average household size of 2.21 at 2030 estimate that the number of households in Cornwall could grow by between 34,800 and 55,300 between 2010 and 2030 (figures 12 and 13):

Figure 12: Household Projections for Cornwall (using Average Household Size of 2.28 at 2010 and 2.21 at 2030)

	2010 Based Local (Figure 1)	Low (Figure 2)	Medium (Figure 2)	High (Figure 2)
Total Population 2010	536,100	536,100	536,100	536,100
Total Households 2010	231,300	231,300	231,300	231,300
Total Population 2030	615,800	619,100	632,800	644,000
Population Change 2010-30	79,700	83,000	96,700	107,900
Projected Private Household population 2030 (-1.65%)	(10,200) 605,600	(10,200) 608,900	(10,400) 622,400	(10,600) 633,400
Additional Households at 2030 Based on 2.21 Persons Per Household	(274,000) 42,700	(275,500) 44,200	(281,600) 50,300	(286,600) 55,300

Figure 13: Population and Household Growth Associated with Census 2001-11 Growth Rate plus the two Growth Scenarios (Peter Brett Associates) (using Average Household Size of 2.27 at 2011 and 2.21 at 2030, plus household growth between 2010 and 2011)

	Census 2001-11 Growth (Figure 4)	Long term growth trend	High growth trend
Total population 2011 (Census)	532,300	532,300	532,300
Total households 2011 (Census)	230,400	230,400	230,400
Total population (2030)	591,700	606,800	615,100
Population Change 2011-30	59,400	74,500	82,800
Projected Private Household population 2030 (-1.65%)	(9,800) 581,900	(10,000) 596,800	(10,100) 605,000
Additional Households at 2030 Based on 2.21 Persons Per Household	(263,300) 32,900	(270,000) 39,600	(273,800) 43,400
2010-11 Household Growth	1,900	1,900	1,900
2010-30 Household Change	34,800	41,500	45,300

Appendix 7

Cornwall Housing Completions 1976-2012

Year	Annual Completions
1976-1977	2,967
1977-1978	2,026
1978-1979	2,024
1979-1980	2,359
1980-1981	2,030
1981-1982	1,692
1982-1983	1,760
1983-1984	2,494
1984-1985	2,295
1985-1986	2,830
1986-1987	2,454
1987-1988	3,066
1988-1989	3,738
1989-1990	3,244
1990-1991	2,846
1991-1992	1,813
1992-1993	1,370
1993-1994	1,269
1994-1995	1,292
1995-1996	1,335
1996-1997	1,385
1997-1998	1,718
1998-1999	2,037
1999-2000	1,821
2000-2001	2,193
2001-2002	2,485
2002-2003	2,639
2003-2004	2,183
2004-2005	2,495
2005-2006	2,084
2006-2007	2,612
2007-2008	3,179
2008-2009	2,877
2009-2010	2,473
2010-2011	2,060
2011-2012	2,375

Appendix 8: Housing Distribution by Community Network Area and Main Urban Areas

West Penwith:

Key Facts

- Population 2011: 39,200 (7.4% Cornwall)
- Dwellings 2011: 20,625 (8% Cornwall)
- Residents in Employment 2011: 17,100 (7% Cornwall)
- Jobs (2009): 13,000 (6.7% Cornwall)

Preferred Approach Figures - Commitments (Remainder):

- Penzance: 2,150 465 (1,685)
- Rest of CNA: 1,100 485 (615)

Community/Stakeholder Preferred Approach Response:

- Natural England concern over amount of growth in AONB
- Environment Agency highlights that development will need to take account of flood and coastal change related issues
- No response from Town and Parish Councils on growth and distribution
- Town Framework produced for Penzance in conjunction with Town and Parish Councils, they have raised some concerns relating to new neighbourhoods

Housing Need:

- Housing Need (Preferred Area): 906 (Band A-D) plus 1,228 (Band E) equates to 7.9% and 8.4% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Penzance 75 p.a., rest of CNA 64 p.a.
- Town Framework: 2,150
- SHLAA 1: Penzance/Newlyn 1,788
- SHLAA 2 (in addition): Penzance/Newlyn 3,152; Rest of CNA: 1,572

Officer Recommendation: (5.2% of Cornwall Total)

- ***Penzance and Newlyn: 1,700 (85 p.a.)***
- ***Rest of CNA: 850 (43 p.a.)***

Rationale:

- Helps deliver affordable need in Penzance/Newlyn, and a balance of market and affordable housing in the wider area – this level of growth is unlikely to meet total housing need in the area but significant constraints, particularly landscape constraints, have suppressed the number achievable and some of the requirement will need to be met in the Hayle & St Ives and the Helston & the Lizard areas;
- It supports Penzance as a main employment centre in the wider West Cornwall area;
- It will help to broaden and diversify the local economy, fostering a culture of economic growth and innovation;
- It supports and maintains the level of facilities and services available in Penzance and the wider area;
- In the 'rest of CNA', the settlements of St Just, Pendeen, Marazion, Goldsithney, Crowlas/Lower Ludgvan, Madron, Rosudgeon, Sennen, St Buryan and Porthcurno are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- The level of growth will ensure development is sensitive to the natural, built and historic environment of the area including the AONB and World Heritage Site, historic landscapes and primary agricultural land;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- Is in conformity with the level proposed through the Penzance & Newlyn Town Framework process; and
- The number recommended is considered broadly deliverable.

Falmouth & Penryn:

Key Facts:

- Population 2011: 42,100 (7.9% Cornwall)
- Dwellings 2011: 19,800 (7.6% Cornwall)
- Residents in Employment 2011: 18,300 (7.5% Cornwall)
- Jobs (2009) 14,500 (7.6% Cornwall)

Preferred Approach Figures – Commitments (Remainder):

- Falmouth: 3,500 809 (2,691)
- Rest of CNA: 500 268 (232)

Community/Stakeholder Preferred Approach Response:

- Homes and Communities Agency supports the housing and employment allocations in Falmouth and would particularly welcome the successful delivery of mixed use development
- Falmouth Town Council – previously advocated higher level of growth but feels this is disproportionate to other areas
- Penryn and Mawnan Town and Parish Council – agree with levels of growth and distribution
- Budock Parish Councils think growth is too high
- Town Framework produced for Falmouth-Penryn in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 907 (Band A-D) plus 1,049 (Band E) equates to 7.9% and 7.1% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Falmouth/Penryn 126 p.a., rest of CNA 20 p.a.
- Town Framework: 3,500
- SHLAA 1: Falmouth-Penryn 5,096
- SHLAA 2 (in addition): Falmouth-Penryn 2,852; Rest of CNA 1,541

Officer Recommendation: (8.2% of Cornwall Total)

- ***Falmouth/Penryn: 3,500 (175 p.a.)***
- ***Rest of CNA: 500 (25 p.a.)***

Rationale:

- Growth needed to help support the development and pressures generated by the University, Falmouth Docks and the Port of Falmouth Masterplan ambitions;
- The level of growth proposed supports the economic ambitions for Falmouth and Cornwall as a whole in relation to the Universities at Tremough and Falmouth, as key economic drivers;
- Helps deliver high affordable need in the area, student accommodation and a balance of market and affordable housing in the wider area;
- It supports and maintains the level of facilities and services available in Falmouth, Penryn and the wider area;
- In the 'rest of CNA', the settlements of Mylor, Flushing, Perranwell/Perranarworthal, Constantine, Mabe, Mawnan Smith and Ponsanooth are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the level proposed through the Falmouth & Penryn Town Framework process;
- The growth will help support the economy, particularly the marine economy; and
- The number recommended is considered broadly deliverable, although there will need to be a step change increase in delivery rates to achieve the figure for Falmouth /Penryn.

Truro & The Roseland:

Key Facts:

- Population 2011: 42,500 (8% Cornwall)
- Dwellings 2011: 20,800 (8% Cornwall)
- Residents in Employment 2011: 20,500 (8.4% Cornwall)
- Jobs (2009): 31,400 (16.4% Cornwall)

Preferred Approach Figures – Commitments (Remainder):

- Truro-Threemilestone: 4,500 626 (3,874)
- Rest of CNA: 700 403 (297)

Community/Stakeholder Preferred Approach Response:

- Probus Parish Council - Disagree, Probus does not need any more houses, although would consider infill.
- Kenwyn Parish Council - Disagree. The housing numbers should be lowered to between 3000 and 4000 as a maximum.
- Truro City Council - Disagree with the levels of growth in the area however, we acknowledge that much of the development will take place in and around Truro. The figure agreed by the Neighbourhood Plan Steering Committee for housing need in Truro and Kenwyn up to 2030 is a maximum of 4,000 new dwellings to include at least 1500 dwellings for local needs, affordable and social housing.
- St. Erme Parish Council and Gerrans Parish Council - No response to growth and distribution.
- St Just in Roseland Parish Council - High level of growth should only be for local needs housing
- Kea Parish Council - Levels of growth are not supported but are seen by us as inevitable
- Neighbourhood Plan for Truro & Kenwyn being produced by the City and Parish Councils with support from Cornwall Council

Housing Need:

- Housing Need (Preferred Area): 1,108 (Band A-D) plus 1,271 (Band E) equates to 9.6% and 8.7% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Truro/Threemilestone 132 p.a., rest of CNA 61 p.a.
- SHLAA 1: Truro-Threemilestone 19,316
- SHLAA 2 (in addition): Truro-Threemilestone 8,780; Rest of CNA 2,838

Officer Recommendation: (11.4% of Cornwall Total)

- ***Truro/Threemilestone: 4,000 (225 p.a.)***
- ***Rest of CNA: 1,000 (50 p.a.)***

Rationale:

- Helps deliver very high affordable need in the CNA;
- The level of growth reflects the high numbers of jobs in Truro for employment purposes and its economic and primary retail role in Cornwall;
- It supports and maintains the level of facilities and services available in Truro and the wider area;
- In the 'rest of CNA', the settlements of Probus, Carnon Downs, Chacewater, Devoran, Trispen, Tregony, St Mawes, Playing Place, Shortlanesend, Gerrans/Portscatho, Grampound, Grampound Road, Ladock, Tresillian, St Just in Roseland and Veyan are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- The higher growth in rest of CNA helps support a more dispersed distribution pattern in what is a very large area; and
- The number recommended is considered broadly deliverable, although there will need to be a step change increase in delivery rates to achieve the figure for Truro/Threemilestone

Newquay & St Columb:

Key Facts:

- Population 2011: 28,400 (5.3% Cornwall)
- Dwellings 2011: 14,150 (5.5% Cornwall)
- Residents in Employment 2011: 13,500 (5.5% Cornwall)
- Jobs (2009): 10,900 (5.7% Cornwall)

Preferred Approach Figures – Commitments (Remainder):

- Newquay: 3,000 2,008 (1,292)
- Rest of CNA: 300 198 (102)

Community/Stakeholder Preferred Approach Response:

- Homes and Communities Agency supports the housing and employment allocations in Newquay and St Columb and would particularly welcome the successful delivery of mixed use development
- No response from Town and Parish Councils on growth and distribution
- Town Framework produced for Newquay in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 952 (Band A-D) plus 1,162 (Band E) equates to 8.3% and 7.9% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Newquay 160 p.a., rest of CNA 41 p.a.
- Town Framework: 3,000
- SHLAA1: Newquay 2,694
- SHLAA 2 (in addition): Newquay 1,134, Rest of CNA: 516

Officer Recommendation: (7.4% of Cornwall Total)

- ***Newquay: 3,000 (150 p.a.)***
- ***Rest of CNA: 600 (30 p.a.)***

Rationale:

- Helps deliver high affordable need in Newquay;
- Helps deliver the Council priority for economic regeneration within the Newquay Aerohub Enterprise Zone, and will help support the diversification of the economy, with more indigenous business both in Newquay and the rural areas, including delivery of new employment space, up-skilling the workforce and extending the tourist season;
- The proposed level of growth will help deliver transport schemes to mitigate against the congestion experienced at peak times in the area;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- It supports and maintains the level of facilities and services available in Newquay and the wider area;
- In the 'rest of CNA', the settlements of St Columb Major, Quintrell Downs and St Mawgan are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the level proposed through the Newquay Town Framework process; and
- The number recommended is considered broadly deliverable

St Austell:

Key Facts:

- Population 2011: 30,400 (5.7% Cornwall)
- Dwellings 2011: 14,500 (5.6% Cornwall)
- Residents in Employment 2011: 13,150 (5.4% Cornwall)
- Jobs (2009): 13,300 (7% Cornwall)

Preferred Approach Figures – Commitments (Remainder):

- St Austell: 1,500 1,554 (-54)
- Rest of CNA: 250 134 (116)

Community/Stakeholder Preferred Approach Response:

- Homes and Communities Agency supports the housing and employment allocations in the St Austell area and would particularly welcome the successful delivery of mixed use development
- St Austell Town Council – target of 1,500 seems reasonable, would need to extend beyond town parish boundary to accommodate
- Mevagissey Parish Council – objects to scale of development

Housing Need:

- Housing Need (Preferred Area): 932 (Band A-D) plus 1,039 (Band E) equates to 8.1% and 7.1% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): St Austell 143 p.a., rest of CNA 32 p.a.
- SHLAA1: St Austell 12,402
- SHLAA 2 (in addition): St Austell 3,722, Rest of CNA: 2,098

Officer Recommendation: (5.7% of Cornwall Total)

- ***St Austell: 2,500 (125 p.a.)***
- ***Rest of CNA: 300 (15 p.a.)***

Rationale:

- Helps deliver the Council priority for economic regeneration within the area in terms of the delivery of 'eco communities';
- The level of growth proposed will help address transport congestion issues and links to the A30;
- Helps deliver high affordable need in the St Austell area;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- The level of growth in the 'rest of CNA' reflects the sensitive nature of the landscape in this area;
- It supports and maintains the level of facilities and services available in St Austell and the wider area;
- In the 'rest of CNA', the settlements of Mevagissey, Gorran Haven and Trewoon are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with proposals in the St Austell, St Blazey & China Clay Area Regeneration Plan in terms of delivering positive and sustainable transformational regeneration: i.e. to create economic growth and jobs, maximise green credentials, improve the natural and built environment and promote community resilience; and
- The number recommended is considered broadly deliverable

Wadebridge & Padstow :

Key Facts:

- Population 2011: 20,100 (3.8% Cornwall)
- Dwellings 2011: 12,425 (4.8% Cornwall)
- Residents in Employment 2011: 9,100 (3.7% Cornwall)
- Jobs (2009): 7,300 (3.8% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Wadebridge: 800 253 (547)
- Rest of CNA: 700 522 (178)

Community/Stakeholder Preferred Approach Response:

- St Ervan Parish Council – 48,000 target too high
- Town Framework being produced for Wadebridge in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 392 (Band A-D) plus 645 (Band E) equates to 3.4% and 4.4% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Wadebridge 27 p.a., rest of CNA 51 p.a.
- Town Framework: 800
- SHLAA1: Wadebridge 2,331
- SHLAA 2 (in addition): Wadebridge 1,972, Rest of CNA: 1,482

Officer Recommendation: (3.7% of Cornwall Total)

- ***Wadebridge: 800 (40 p.a.)***
- ***Rest of CNA: 1,000 (50 p.a.)***

Rationale:

- Helps deliver a balance of market and affordable housing in the area, which will in term help to mitigate against the high level of second and holiday homes;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- The level of growth in the CNA reflects the sensitive nature of the landscape in this area;
- It supports and maintains the level of facilities and services available in Wadebridge and the wider area;
- In the 'rest of CNA', the settlements of Padstow, Rock/Tredrizzick, Port Isaac/Port Gaverne, Polzeath/Trebetherick, St Eval, St Merryn/Shop, St Tudy, St Issey, St Kew Highway, St Maby, St Minver and St Kew are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the conclusions reached through the Wadebridge Town framework process; and
- The number recommended is considered broadly deliverable, although there will need to be a step change increase in delivery rates to achieve the figure for Wadebridge

Bodmin:

Key Facts:

- Population 2011: 18,650 (3.5% Cornwall)
- Dwellings 2011: 8,350 (3.2% Cornwall)
- Residents in Employment 2011: 8,600 (3.5% Cornwall)
- Jobs (2009): 9,900 (5.2% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Bodmin: 1,000 to 5,000 536 (464-4464)
- Rest of CNA: 250 44 (206)

Community/Stakeholder Preferred Approach Response:

- Homes and Communities Agency supports the housing and employment allocations in Bodmin and would particularly welcome the successful delivery of mixed use development
- Bodmin Town Council – would prefer large level of growth linked to sustainable job creation and infrastructure
- Blisland Parish Council – disagree with target of 250 for rest of CNA due to poor infrastructure
- Masterplan produced for Bodmin in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 555 (Band A-D) plus 628 (Band E) equates to 4.8% and 4.3% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Bodmin 104 p.a., rest of CNA 10 p.a.
- Bodmin Masterplan: 1,000 or 5,000
- SHLAA1: Bodmin 9,243
- SHLAA 2 (in addition): Bodmin 2,264, Rest of CNA: 404

Officer Recommendation: (6.5% of Cornwall Total)

- ***Bodmin: 3,000 (150 p.a.)***
- ***Rest of CNA: 200 (10 p.a.)***

Rationale:

- Helps deliver affordable need in Bodmin, and a balance of market and affordable housing in the wider area;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- It should help create a better balance between the amount of housing and jobs, i.e. reduce in-commuting;
- The level of growth is at a level that will not require significant public sector investment in road infrastructure (i.e. a bypass) around Bodmin, but will still enable measures to reduce congestion and improve air quality;
- It supports and maintains the level of facilities and services available in Bodmin and the wider area;
- In the 'rest of CNA', the settlements of Lanivet/Lamorrack, Blisland, Nanstallon and Cardinham are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is within the range reached through the Bodmin Masterplan process; and
- The number recommended is considered broadly deliverable, although there will need to be a step change increase in delivery rates to achieve the figure for Bodmin

Bude:

Key Facts:

- Population 2011: 17,300 (3.3% Cornwall)
- Dwellings 2011: 8,800 (3.4% Cornwall)
- Residents in Employment (2011): 7,600 (3.1% Cornwall)
- Jobs (2009): 5,000 (2.6% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Bude, Stratton, Poughill & Flexbury: 900 569 (332)
- Rest of CNA: 350 151 (199)

Community/Stakeholder Preferred Approach Response:

- Homes and Communities Agency supports the level of growth in Bude
- Bude-Stratton Town Council – number of houses required would be delivered through Binhamy Farm and organic growth – no additional sites required
- Town Framework produced for Bude, Stratton, Poughill & Flexbury in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 346 (Band A-D) plus 475 (Band E) equates to 3% and 3.2% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Bude/Stratton 48 p.a., rest of CNA 23 p.a.
- Town Framework: 900
- SHLAA1: Bude, Stratton, Poughill 2,195
- SHLAA 2 (in addition): Bude, Stratton, Poughill 1,844, Rest of CNA: 833

Officer Recommendation: (2.6% of Cornwall Total)

- ***Bude/Stratton/Poughill/Flexbury: 900 (45 p.a.)***
- ***Rest of CNA: 350 (18 p.a.)***

Rationale:

- Helps deliver a balance of market and affordable housing in the area;
- The level of growth proposed will help maintain Bude's role as a local service centre meeting the needs of the town and the rural hinterland;
- It will help sustain and enhance Bude's role as one of the primary employment hubs in the north-east of the county and aims in doing so to raise the quality and quantity of employment opportunities;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- It will help protect the unspoilt character of the undeveloped coast and the area's special historic significance whilst supporting local needs for housing and other developments;
- It supports and maintains the level of facilities and services available in Bude and the wider area in what is a fairly remote area of Cornwall (which in turn support many Devon settlements);
- In the 'rest of CNA', the settlements of Kilkhampton, Marhamchurch, Shop (Morwenstow), Week St Mary, Whitstone and Jaconstow are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the conclusions reached through the Bude, Stratton, Flexbury & Poughill Town framework process; and
- The number recommended is considered broadly deliverable

Launceston:

Key Facts:

- Population 2011: 19,600 (3.7% Cornwall)
- Dwellings 2011: 8,850 (3.4% Cornwall)
- Residents in Employment 2011: 9,450 (3.9% Cornwall)
- Jobs (2009): 8,200 (4.3% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Launceston: 1,500 744 (756)
- Rest of CNA: 400 238 (162)

Community/Stakeholder Preferred Approach Response:

- Werrington Parish Council – small proportion of growth as current infrastructure cannot cope with large housing development
- Town Framework produced for Launceston in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 295 (Band A-D) plus 444 (Band E) equates to 2.6% and 3% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Launceston 100 p.a., rest of CNA 24 p.a.
- Town Framework: 1,500
- SHLAA1: Launceston 6,347
- SHLAA 2 (in addition): Launceston 2,047, Rest of CNA 1,714

Officer Recommendation: (3.9% of Cornwall Total)

- ***Launceston: 1,500 (75 p.a.)***
- ***Rest of CNA: 400 (20 p.a.)***

Rationale:

- Helps deliver a balance of market and affordable housing in the area;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- It will help sustain and enhance Launceston town's employment role, through the provision of employment sites and necessary infrastructure. This will enable the Town to take better advantage of its location on the A30 and enhance itself as one of Cornwall's economic hubs;
- It supports and maintains the level of facilities and services available in Launceston and the wider area (which in turn support many Devon settlements);
- In the 'rest of CNA', the settlements of Altarnun, Tregadillett, South Petherwin, Lewannick, Stoke Climsland, Coads Green, Petherwin Gate, Boyton, Egloskerry, Lady Cross/Yeolmbridge and Trekener are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the conclusions reached through the Launceston Town framework process; and
- The number recommended is considered broadly deliverable

Liskeard & Looe:

Key Facts:

- Population 2011: 31,850 (6% Cornwall)
- Dwellings 2011: 16,400 (6.3% Cornwall)
- Residents in Employment 2011: 14,400 (5.9% Cornwall)
- Jobs (2009): 8,800 (4.6% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Liskeard: 1,250 320 (930)
- Rest of CNA: 700 667 (33)

Community/Stakeholder Preferred Approach Response:

- Liskeard Town Council – supports proposed level of growth
- Pelynt Parish Council – would like to see expansion (not just Liskeard and Looe)
- Town Framework produced for Liskeard in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 706 (Band A-D) plus 1,073 (Band E) equates to 6.1% and 7.3% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Liskeard 53 p.a., rest of CNA 63 p.a.
- Town Framework: 1,250
- SHLAA1: Liskeard 3,799
- SHLAA 2 (in addition): Liskeard 2,669, rest of CNA: 2,165

Officer Recommendation: (5.1% of Cornwall Total)

- ***Liskeard: 1,500 (75 p.a.)***
- ***Rest of CNA: 1,000 (50 p.a.)***

Rationale:

- Helps deliver a balance of market, family homes and affordable housing in the area;
- The level of growth proposed will help deliver economic growth and employment, providing much needed jobs to counterbalance current and future housing development in and on the edge of Liskeard;
- It will help strengthen Liskeard's role as a service centre and improve town centre viability through regeneration schemes;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- It supports and maintains the level of facilities and services available in Liskeard and the wider area;
- In the 'rest of CNA', the settlements of Looe, Dobwalls, Dowlerry, St Cleer, Polperro, Pelynt, Menheniot, Polruan, St Neot, East Taphouse, Widegates, Trewellard, Lerryn and Quethiock are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Provides opportunities for larger villages such as Pelynt to grow at an appropriate level;
- Is in conformity with the conclusions reached through the Liskeard Town framework process; and
- The number recommended is considered broadly deliverable

Cornwall Gateway:

Key Facts:

- Population 2011: 32,750 (6.2% Cornwall)
- Dwellings 2011: 15,275 (5.9% Cornwall)
- Residents in Employment 2011: 15,900 (6.5% Cornwall)
- Jobs (2009): 8,500 (4.5% Cornwall)

Preferred Approach Figure – Commitments (Remainder):

- Saltash: 1,000-3,500 150 (850-3,350)
- Rest of CNA: 450 124 (326)

Community/Stakeholder Preferred Approach Response:

- Plymouth has serious concerns over the consequences of the proposed higher levels of growth at Saltash on the Tamar and as a result wish to register its objection to the higher growth levels suggested for Saltash
- Saltash Town Council – would support 1,000 if facilitated guaranteed growth in jobs to address current imbalance, do not support 3,500
- Town Framework produced for Saltash in conjunction with Town and Parish Councils

Housing Need:

- Housing Need (Preferred Area): 700 (Band A-D) plus 955 (Band E) equates to 6.1% and 6.5% of Cornwall total respectively

Deliverability:

- Past Delivery Rate (2001-2012): Saltash 95 p.a., rest of CNA 30 p.a.
- Town Framework: 1,000
- SHLAA1: Saltash 1,013 (inc. Torpoint)
- SHLAA 2 (in addition): Saltash 5,716, Rest of CNA: 2,228

Officer Recommendation: (3% of Cornwall Total)

- ***Saltash: 900 (45 p.a.)***
- ***Rest of CNA: 250 plus 300 for Torpoint (28 p.a.)***

Rationale:

- Helps deliver a balance of market and affordable housing in the area;
- The level of growth sits well with the existing level of commitments and allows for a reasonable level of growth over the plan period;
- The level of growth proposed should help enhance employment opportunities and services (including public services) at a level that considers the influence of Plymouth;
- The level of growth in Saltash is constrained by traffic restrictions, particularly at Carkeel Roundabout;
- It supports the regeneration of Saltash and Torpoint town centres;
- It supports and maintains the level of facilities and services available in Saltash and the wider area;
- In the 'rest of CNA', the settlements of Millbrook, St Germans, Kingsand/Cawsand, Landrake, Craffhole and Cargreen are identified as being able to accommodate an appropriate level of growth which will help maintain their sustainability;
- Is in conformity with the level proposed through the Saltash Town Framework process; and
- The number recommended is considered broadly deliverable