

Summary

Planning can shape the places where people live and work, and as it cannot control population change, planning must plan for places that take all aspects of population change into account including migration.

Population Change: Cornwall's population has been growing steadily since the 1960's. Migration into the area is the reason why the population of Cornwall has grown. If recent migration trends continue the population of Cornwall will continue to grow, although recent figures indicate that the current economic situation has affected the rate of in-migration by reducing levels somewhat. Natural change is now contributing towards population growth (until very recently there were more deaths than births).

Household Change: The number of households in Cornwall has been growing steadily since the 1960's. The number of households in Cornwall has increased at a higher rate than that of population and this is mainly as a result of a changing household formation rate driven by declining average household size.

For Cornwall between 2010 and 2030 if recent trends continue, the latest full set of government projections indicate an increase in the population, and the number of new households created by this growth is predicted to be:

2008 Based Projections	2010	2030
Total Population	537,500	630,300
Extra Population	-	+92,800
Total Households	237,000	295,000
Extra Households	-	+58,000

Key Messages for Spatial Planning Policy

The projected changes that will take place in terms of population and household growth will have an impact on spatial planning, and some of these are identified below:

- The National Planning Policy Framework requires that assessment of future housing requirements should have regard to current and future demographic trends and profiles and take into account evidence including the Government's latest published household projections.
- The population of Cornwall is predicted to increase by 17% over the next twenty years and the number of households is predicted to increase by 25%.
- The migration of working age people into the County is important in helping to support younger and older age groups (i.e. the dependency ratio).
- If migration levels were to fall in the future, the demand for new homes would still increase because of a decreasing resident average household size and other housing pressures (e.g. the demand for second homes).
- The decreasing average household size in Cornwall (and nationally) is fuelling the demand for new homes. Household projections will help determine the level of housing that will be required to accommodate future growth in the population, and can be used as a baseline against which to test housing growth scenarios.
- Household growth does not take into account the need to replace ageing stock, losses to supply through properties lying vacant or being used as second homes, and most importantly, the existing backlog of unmet need.

1.1 Purpose and Role of the Evidence Base

1.1.1 This is one in a series of papers dealing with a specific evidence base issue. Developing the evidence base is central to the preparation of Development Plan Documents (DPD) within the Cornwall Local Plan, and this evidence base underpins the generation and testing of housing growth and distribution scenarios. Establishing an appropriate evidence base is central to developing a justifiable plan.

1.1.2 The National Planning Policy Framework¹ makes it clear that *'each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area'*. This document adds that at examination, an independent inspector will assess whether a plan is considered sound, and one of the key elements in testing soundness is that the plan can be justified. That is, *'the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence'*.

1.1.3 The first document to be produced will be the Cornwall Local Plan: Strategic Policies document which will provide a long-term spatial vision for the area, as well as an overall development strategy indicating where future development should be directed. As part of this process, settlements in Cornwall will be analysed in terms of their current level of community facilities and hence their potential future ability to accommodate new housing, employment and associated infrastructure.

1.1.4 This paper sets out how the evidence base relating to population and household growth and identifies how this can inform the issues that need to be addressed in the Cornwall Local Plan. Other evidence base background papers and reports available in this series include:

- Community Facilities and Services Survey 2012 Update
- Settlements: Hierarchy and Settlement Categories 2012 Update
- Housing Growth & Distribution: Housing Growth Proposed Submission Version
- Housing Growth & Distribution: Housing Distribution Proposed Submission Version
- Planning for the role and future of smaller settlements in Cornwall

1.2 What is Population and Household Change?

1.2.1 The way in which a population changes is determined by two factors: natural change (births and deaths) and migration. People are born, they age, they have children, and they die. People move around an area and/or move in and out of an area. They are part of a family, they create new households, and households can split up and reform.

1.2.2 See '2.1 How is Cornwall's Population Changing?', '2.2 Population Projections', '3.1 How are Cornwall's Households Changing?', and '3.2 Household Projections' later on in this paper for more information.

1.2.3 Population growth is the main driver of household growth, and the constantly changing population structure has an impact on the creation of households and the demand for new homes, and, ultimately, on how settlements in Cornwall function. Some of the key messages for spatial planning in terms of population and household growth are identified at the end of this paper and in the above summary. How

¹ DCLG (2012) National Planning Policy Framework - <http://www.communities.gov.uk/publications/planningandbuilding/nppf>

population and household change can inform the requirement for housing in an area is explored further in the accompanying paper on 'Housing Growth & Distribution: Housing Growth'².

1.3 Relevant Policy Context

1.3.1 Planning can shape the places where people live and work but it cannot control population change. For example, planning cannot set a target for the number of births there will be in an area, and it cannot stop people from migrating in or out of an area. Planning therefore must plan for places that take all aspects of population change into account including migration.

1.3.2 Projections are an essential tool for planning and policy formulation as they provide likely demographic future scenarios which can be used as the basis for planning service needs such as housing, employment, transport, education and social services, as well as developing a strategic understanding of changing economic and social trends. The National Planning Policy Framework requires that assessment of future housing requirements should have regard to current and future demographic trends and profiles and take into account evidence including the Government's latest published household projections.

1.3.3 The Government has set a clear policy agenda that in the future communities need to be sustainable, and the National Planning Policy Framework³ acknowledges that the '*purpose of the planning system is to contribute to the achievement of sustainable development*'.

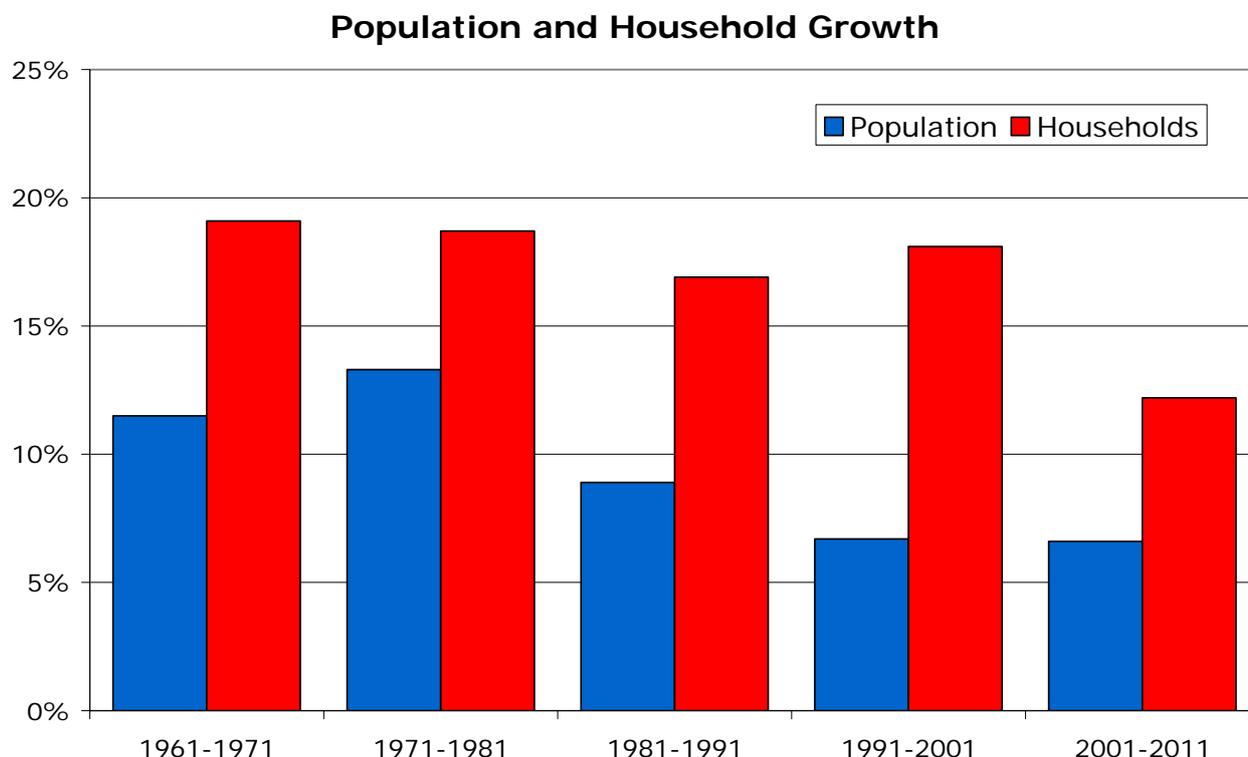
1.3.4 Being sustainable means living within environmental limits, the most obvious of which is the need to limit greenhouse gas emissions. This means that in future we have to plan for communities which use less energy, need to use their cars less, and can cope with the impacts of climate change, whilst maintaining a good quality of life. The Core Strategy aims to do this by encouraging a close proximity of housing, jobs and services, therefore reducing the need to travel, especially by private car. These themes are also at the core of the Sustainable Community Strategy for Cornwall.

² Cornwall Council (2013) Housing Growth & Distribution: Housing Growth Proposed Submission Version -

³ DCLG (2012) National Planning Policy Framework - <http://www.cornwall.gov.uk/Default.aspx?page=32813>
<http://www.communities.gov.uk/publications/planningandbuilding/nppf>

2.1 How is Cornwall's Population Changing?

2.1.1 Cornwall's population has been growing steadily since the 1960's. The graph⁴ below shows how households are growing at a faster rate than the population.



2.1.2 Migration is the single greatest driver of population change, with internal migration (i.e. within the UK) accounting for the largest proportion of net migration in Cornwall. Migration is the more complex part of population change to estimate as while there is a legal requirement to register a birth or a death there is no such requirement to register a change of address. Assumptions about projected natural change and net migration however are not independent of each other, as the projected numbers of future births and deaths are themselves partly dependent on the assumed level of net migration.

2.1.3 Migration: Cornwall experiences high rates of in-migration (some 20-25,000 people per year) and although this is counter-balanced to some extent by out-migration (some 15-20,000 persons per year) the average net gain in people to the area is usually around 5,000 persons per year. The graph below shows how levels of net migration to Cornwall have changed over the last twelve years. Population projections tend to project forward the patterns in net migration of the previous five to ten years, and this can lead to over or under estimates of future population change if the pattern of net migration changes significantly and natural change remains constant.

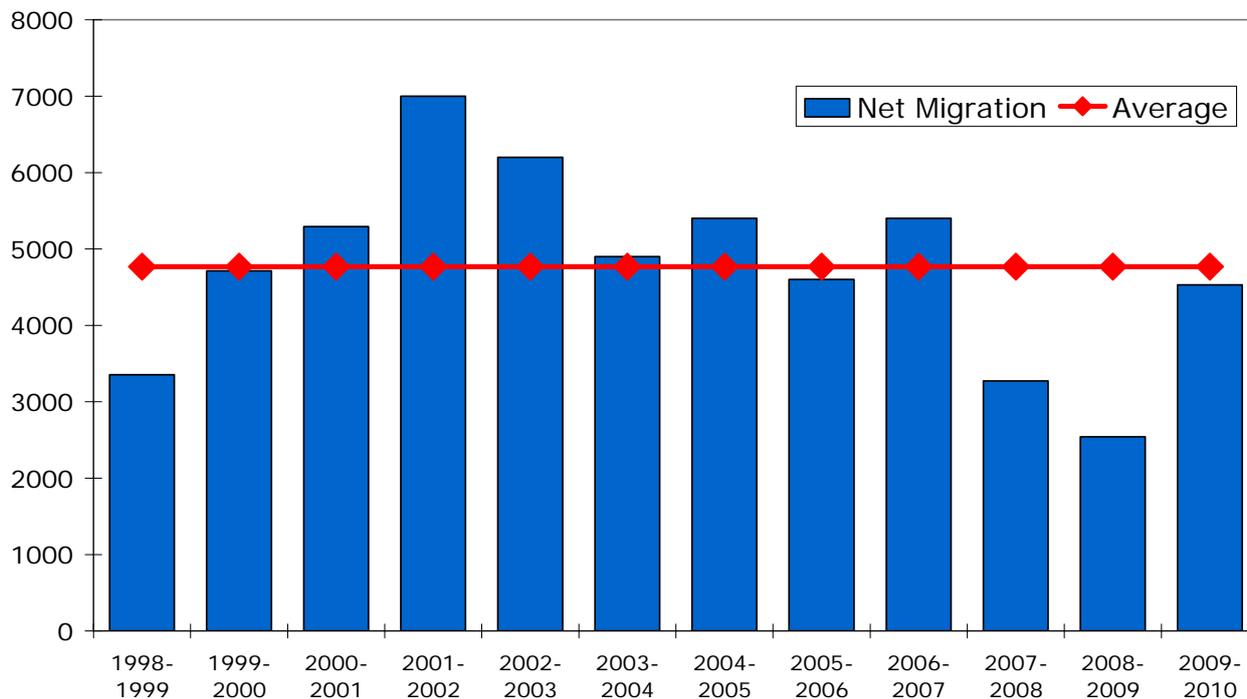
2.1.4 In-migration to Cornwall is predominantly for economic and lifestyle reasons rather than for retirement purposes (as commonly believed), and many in-migrants are in fact 'returners' (i.e. they were originally from Cornwall)⁵. In-migrants are

⁴ Office for National Statistics (2013) Census various

⁵ 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

generally of working age and the majority will already have found suitable employment before making their move, and this will have an impact on employment and the economy of Cornwall⁶.

Net Migration and Annual Average

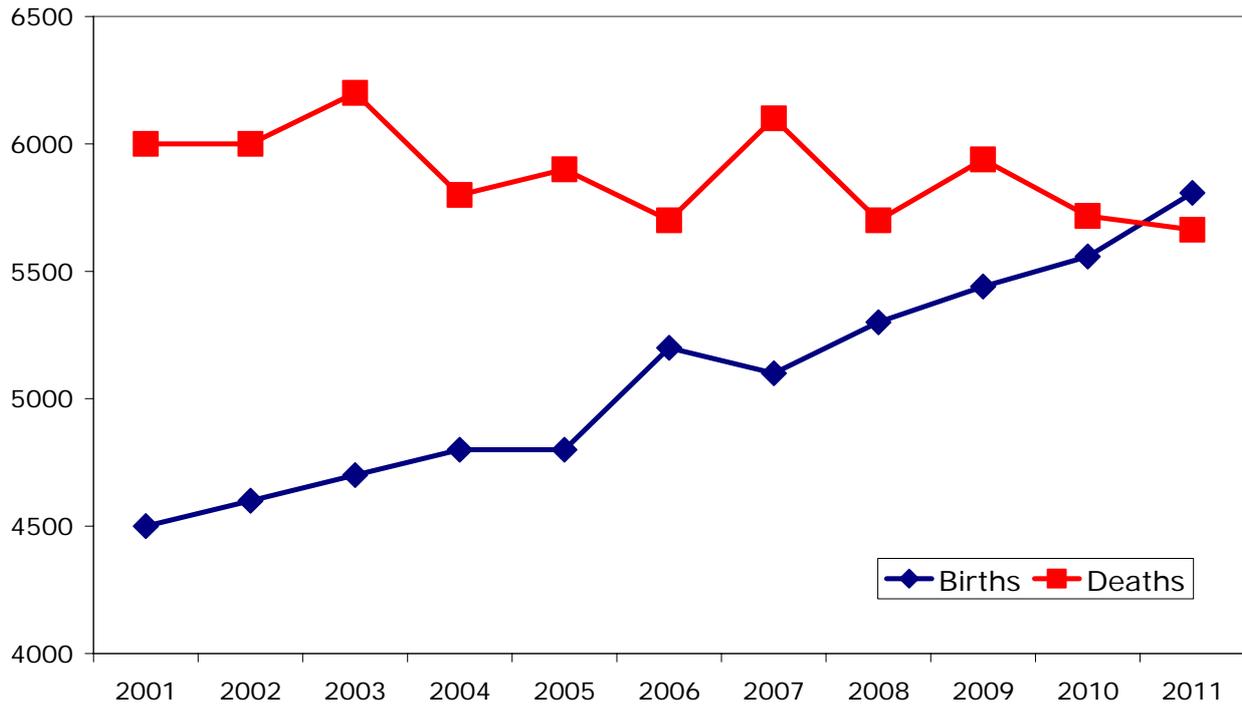


2.1.5 Natural Change: Cornwall is one of those areas of the UK that has historically experienced a natural decrease, as deaths exceed births. This has been changing over the last few years. Between 2001 and 2011 in Cornwall the number of births has risen and the number of deaths has decreased, and the gap between the two has significantly decreased. Deaths are decreasing as life expectancy levels rise, and births appear to be rising because there are a higher proportion of women than usual in the key child bearing age groups. In 2001 natural change accounted for a loss of nearly 1400 people, by 2011 this had completely reversed to natural change accounting for an increase of nearly 150 people. If this trend continues, natural change will account for some of the future population growth in Cornwall⁷.

⁶ Office for National Statistics (various) Migration Statistics Unit – rebased following release of Census 2011 data

⁷ Office for National Statistics (2013) Live Births in England & Wales and Deaths Registered in England & Wales by Usual Place of Residence - <http://www.ons.gov.uk>

Natural Change 2001-2011



2.1.6 Historically, high numbers of young people left the area for education and employment reasons, but this trend is reversing due to the expansion of the higher education sector in Cornwall and improving employment prospects. The Combined Universities in Cornwall have successfully secured funding for an additional 450 places every year starting from 2010 and this growth agenda may have implications for Mid and West Cornwall in terms of in and out-migration of younger people.

2.1.7 Cornwall has recently experienced high levels of migrant workers from European and other countries registering to work in the area, and many of these may not be picked up in migration terms if their original intention is to stay for less than a year. The majority of migrant workers are aged 34 and under and may also have had an impact on the rising number of births in the area. Many migrant workers in Cornwall work in the tourism, agriculture & food production sectors. Although the global recession may have an impact on the demand for migrant workers in the short term, there is a need to consider changes in the numbers of migrant workers, as the need for them in the above mentioned sectors is likely to continue and could increase.

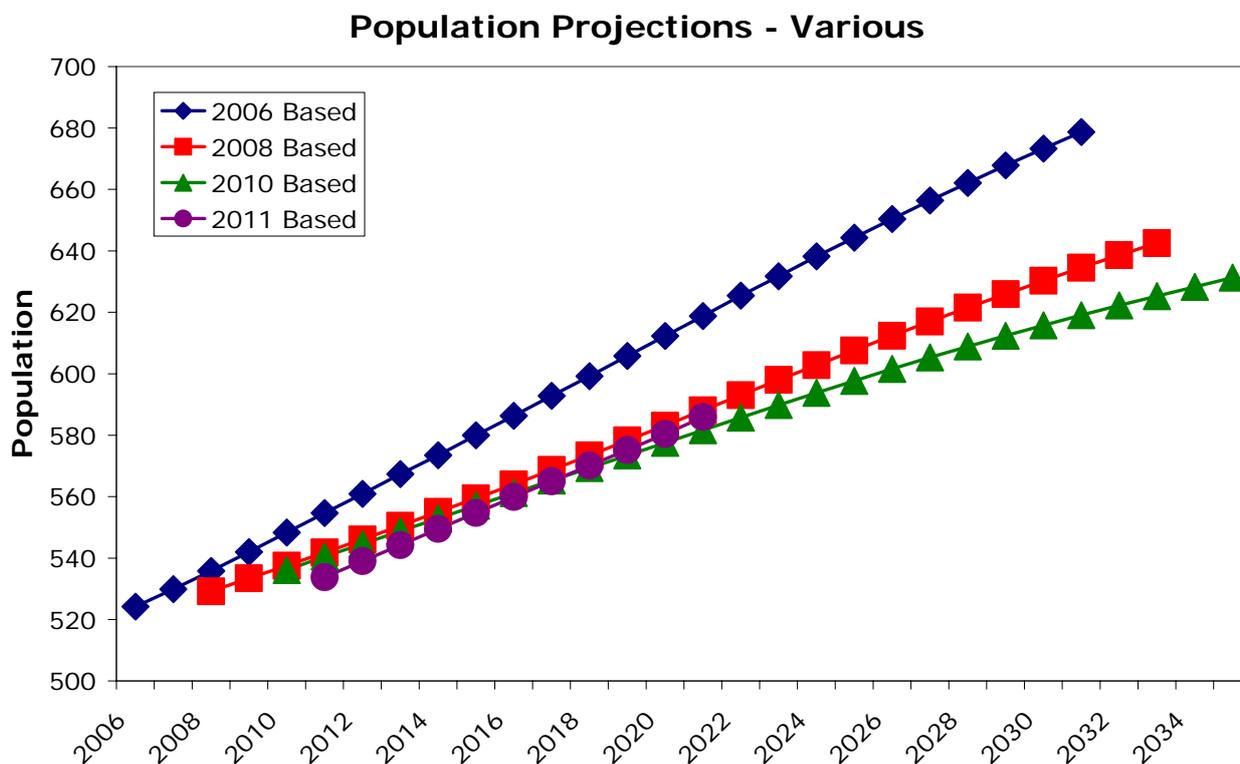
2.2 Population Projections

2.2.1 Population Projections for England are currently produced every two years by the Office for National Statistics (ONS) and are based upon their Mid Year Population Estimates. Sub-national (i.e. areas such as Regions and Counties) population projections are also produced by ONS. Population projections tend to look forward twenty-five years.

2.2.2 Population projections provide estimates of the size of the future population, and are based on assumptions about births, deaths and migration. The assumptions are based on past trends and so the projections only indicate what may happen should the recent trends continue. Projections done in this way do not make

allowances for the effects of local or central government policies on future growth, distribution and change.

2.2.3 The latest full set of government population projections available are the 2010 based projections and these are available at an England and sub-national level⁸. These projections are lower than the 2006 and 2008 based projections (see chart below). Recent figures show that net migration for Cornwall does fluctuate and this has an impact on population projections.



2.2.4 As migration is the biggest driver of population growth in Cornwall, the trends experienced over the last few years need to be carefully monitored as any 'out of the ordinary' changes will be reflected in the longer term projections, impacting not only on the number of people predicted to be resident but also the demographic profile (age) that result, and which may not show the 'true picture' of likely change. Some local analysis and remodeling⁹ of the 2010 based population projections using the very latest available data and rebased to incorporate Census 2011 findings estimate that the population of Cornwall will grow by 78,000 in twenty years.

2.2.5 However, it is interesting to note that the 2011 Based Short Term Population Projections which start at a lower figure in 2011 and incorporate some 2011 Census data show a higher rate of growth over the ten years and are almost back to the 2008 based levels by 2021.

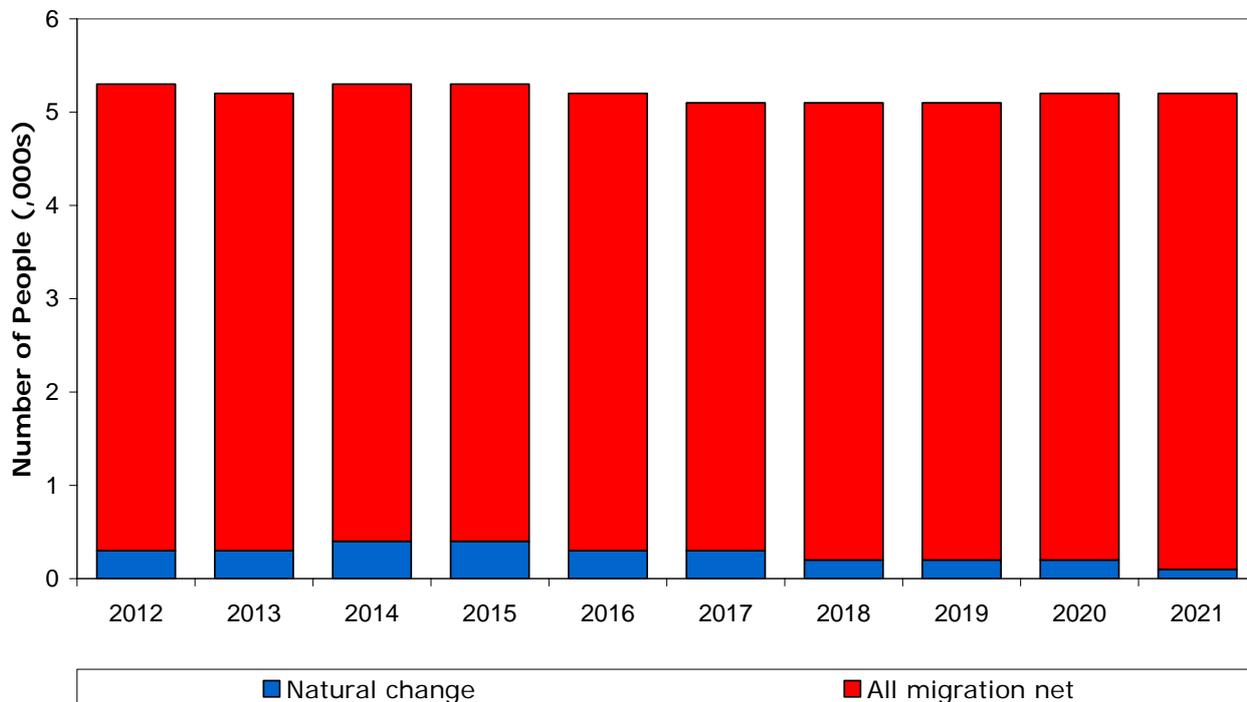
Projections	2010	2021	2030
2006 Based	548,300	618,800	673,300
2008 Based	537,500	588,100	630,300
2010 Based	536,100	581,600	615,800
2011 Based	(2011) 533,800	585,900	n/a
2010 Based (Local)	(2011) 533,760	568,964	608,074

⁸ Office for National Statistics (2012) 2010 Based Population projections - <http://www.ons.gov.uk>

⁹ GVA/Edge Analytics (2013) Cornwall Housing Demand Model Outputs

2.2.6 These short term projections also indicate that natural change is predicted to remain positive throughout the next ten year period.

Components of Change from 2011



2.2.7 The projected population for each year is calculated by ageing on the population from the previous year, applying assumed local fertility and mortality rates to calculate the number of projected births and deaths, and then adjusting for local migration into and out of the area. If past trends continue, population will continue to grow.

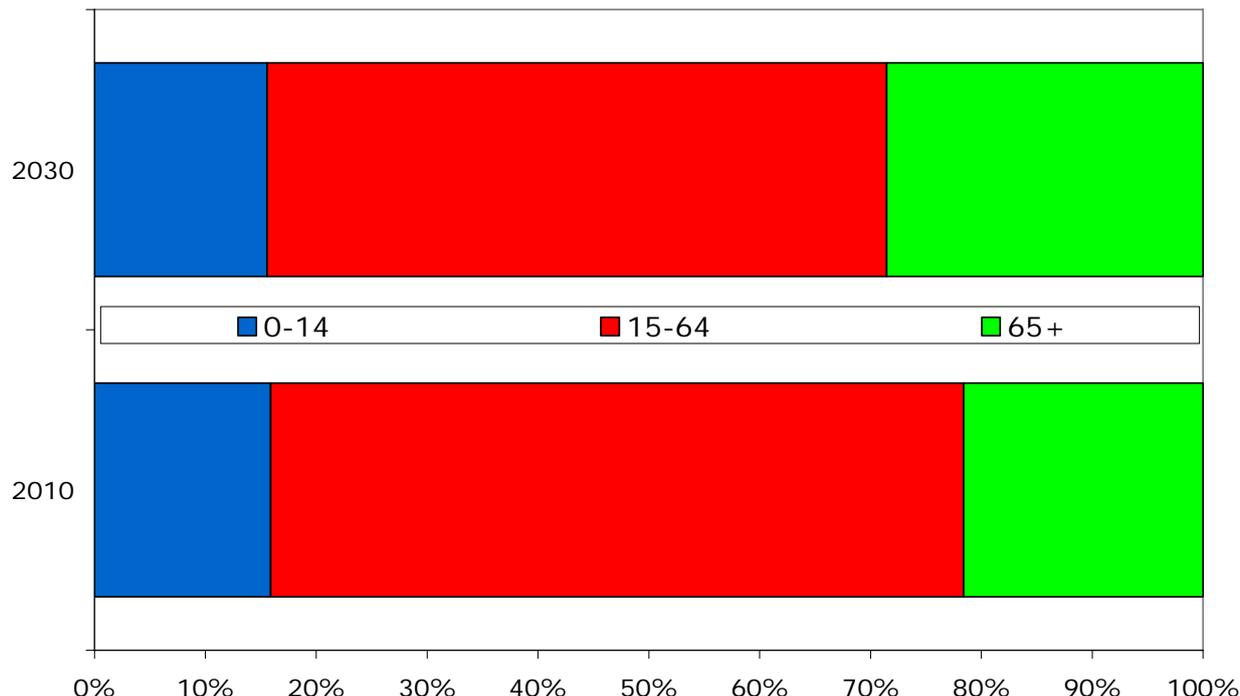
A basic equation is often used: $P_p = P_c + B * S_1 + B * S_2 - D + M_w + M_i$

(P_p = projected population; P_c = current population; B = projected births; S_1 = sex ratio of males; S_2 = sex ratio of females; D = projected deaths; M_w = net internal migration from within England; and M_i = net international migration from outside England)

2.2.8 Population Projections by Age in Cornwall: The following age breakdown for Cornwall between 2010 and 2030 shows that there will be a similar proportion of younger aged people, a significantly lower proportion of working age people and a higher proportion of older people in the population by 2030¹⁰.

¹⁰ Office for National Statistics (2012) 2010 based Population Projections - <http://www.ons.gov.uk>

Age in Cornwall (2010 Based Projections)

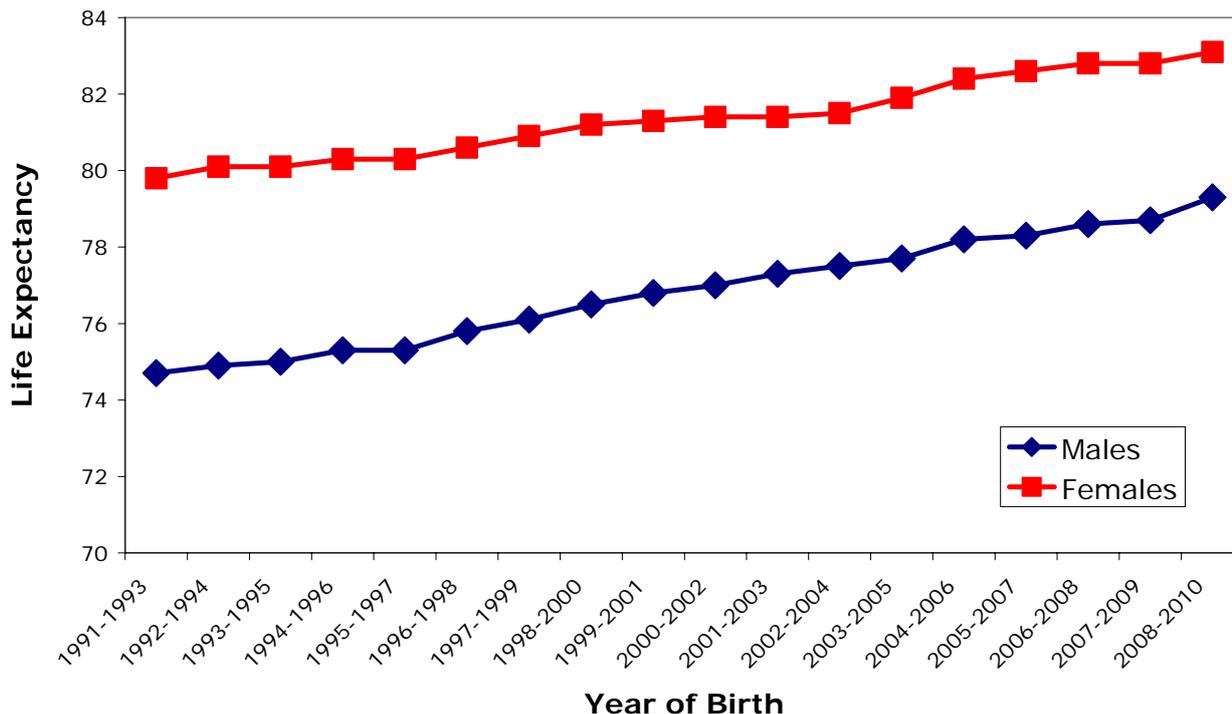


2.2.9 In line with national trends, Cornwall’s population is getting older as average life expectancy continues to rise.

2.2.10 Life Expectancy in Cornwall: A contributor to Cornwall’s population growth is improvements in life expectancy rates. Life expectancy for males in Cornwall at birth for the years 2008-10 was estimated to be 79.3 and life expectancy for females in Cornwall at birth for the years 2008-10 was estimated to be 83.1. Disability free life expectancy¹¹ at age 16 is also rising along with general life expectancy, and older people in the future will include the very active who may still be working in paid employment or in the voluntary sector, as well as those who are more vulnerable because of poor health and deprivation.

¹¹ Disability Free Life Expectancy is defined as the number of years free from limiting long term illness.

Life Expectancy from Birth in Cornwall



	Disability Free Life Expectancy at Age 16
Males	48.1
Females	48.8

2.2.11 Dependency Ratios: This changing age structure means that there is likely to be a lower proportion of working age people to support the other two age groups - this is referred to as the dependency ratio. In 2010, Cornwall had a dependency ratio of 60 compared to 56.5 across the South West¹². This means that in Cornwall, 100 people of working age provide for and support 60 young and pension age people. A higher dependency ratio means that there are more people not working and paying taxes, less people who are working and paying taxes, and more people who could need treatment and/or care. By 2030, the dependency ratio for Cornwall is predicted to rise to 78.8 compared to the South West figure of 74.4 and this increase in dependency will be entirely within the older age group.

2.2.12 Ethnic Groups in Cornwall: Cornwall in 2011¹³ had a lower proportion of people in ethnic groups other than 'white' (1.8%) when compared to both the South West (4.6%) and England (14%).

¹² Office for National Statistics (2012) 2010 based Population Projections - <http://www.ons.gov.uk>

¹³ Office for National Statistics (2013) Census 2011 February 2013 release - <http://www.ons.gov.uk/ons/guide-method/census/2011/index.html>

3.1 How are Cornwall's Households' Changing?

3.1.1 Household types are usually described as comprising couples (with or without children), lone parent families, single, and multi person households.

3.1.2 One Family Couple Households: Couples can be married cohabiting or same sex civil partnerships and can have dependent, non-dependent, or no children. About 55% of households in Cornwall in 2011¹⁴ were couple households with or without children compared to about 56% in 2001. As with the rest of England, the number of people getting married is gradually reducing and the number of people cohabiting slowly rising.

3.1.3 Lone Parent Family Households: About 9% of households in Cornwall in 2011 were single parent households with dependent or non-dependent children, compared to 8% in 2001. Lone parent households are projected to increase across Cornwall by 2030.

3.1.4 Single Person Households: Single person households are usually described as pensioner or other one person households. 30.1% of households in Cornwall were single person households in 2011 compared to a very similar rate in 2001. The number of elderly one person households in Cornwall decreased between 2001 and 2011 and the number of younger one person households increased quite significantly.

3.1.5 Other and Multi Person Households: Are all other types of households and make up 6.3% of households in Cornwall in 2011 compared to just under 6% in 2001. Multi person households are projected to increase across Cornwall by 2030.

3.2 Household Projections

3.2.1 Household projections are compiled by the Department for Communities & Local Government (DCLG) and the latest available nationally are the 2008 based projections^{15 16}. Household projections are compiled by applying projected household membership rates to a projection of the private household population broken down by age, sex and marital/cohabitational status. There are five key components to the household projections – the population, marital status composition, the institutional population, household representative rates and sub national controlling:

- National and sub-national populations are taken from the most recent population projections with the institutional population subtracted.
- The latest marital status projections are produced by the Government Actuary's Department.
- The household representative rate is the probability of anyone in a particular demographic group being part of a separate household.
- The projections for the English Regions are calibrated to the national projections for England, with the controlled projections for each area being used to calibrate the projections of its sub areas.

¹⁴ Office for National Statistics (2013) Census 2011 February 2013 release - <http://www.ons.gov.uk/ons/guide-method/census/2011/index.html>

¹⁵ DCLG (2011) 2008 Based Household Projections - <http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/li-vetables-households/>

¹⁶ The 2010 population projections are due to be converted into household projections shortly and should be made available in March 2013 – the publication of these has been delayed due to the release of Census 2011 data.

3.2.2 The number of households is essentially the household population multiplied by the appropriate household representative rate. The total number of projected households is equal to the sum of households represented by all age, sex and marital status types.

3.2.3 Household Projections for Cornwall: If the trends in population growth continue the number of households in Cornwall will continue to grow. The 2008 based national household projections indicate that Cornwall is likely to contain 295,000 households by 2030 if trends continue as they have¹⁷ - an additional 58,000 new households. Some local analysis and remodeling¹⁸ of the 2010 based population projections using the very latest available data and rebased to incorporate Census 2011 findings estimate that households in Cornwall will grow by some 46,400 in twenty years, which equates to a need for some 47,750 new homes.

3.2.4 The projected rate of growth in rural areas of England is higher than that of predominantly urban areas, and Cornwall is highlighted as one of the areas that will experience high rates of growth. The Commission for Rural Communities report indicates a growth rate of between 32% and 64% for areas of Cornwall¹⁹.

3.2.5 Average Household Size: 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 2011²⁰. Reasons for the increase in household numbers and the fall in average household size include more lone parent families, divorce, higher incomes, smaller family sizes, living longer, and more one person households. It is this decreasing average household size that is fuelling the need for more homes, and this is a national and global trend that is set to continue for some time.

3.2.6 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 2030²¹. Current 2011 Census²² information suggests that the household size at 2011 is 2.27²³ in Cornwall, and as this is slightly higher than the figures forecast, it will be important to see how this is used to recalibrate the projections when the next round of household projections is released.

3.2.7 It will also be important to explore if the slow down currently seen in the rate of average household size continues or is possibly a 'blip' because of the current state of the economy and the consequence that fewer people are setting up their own households than normal.

3.2.8 Other Household Growth Factors: The availability and affordability of housing can influence the rate of household formation, through delaying young people leaving the parental home, or increasing the number of households comprised of unrelated individuals sharing accommodation in order to share accommodation and housing costs. The draw of the area in terms of its offer and attractiveness is a

¹⁷ DCLG (2011) 2008 Based Household Projections -

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

¹⁸ GVA/Edge Analytics (2013) Cornwall Housing Demand Model Outputs

¹⁹ Commission for Rural Communities (2010) State of the Countryside Update: Housing demand and supply

²⁰ Cornwall Council (2012) The 2011 Census - <http://www.cornwall.gov.uk/Default.aspx?page=26945>

²¹ DCLG (2010) Household Projections, 2008 to 2033, England -

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

²² Cornwall Council (2012) The 2011 Census - <http://www.cornwall.gov.uk/Default.aspx?page=26945>

²³ Which is the total household population of 523,400 divided by 230,400 the number of households with at least 1 usual resident

significant factor in population growth. The reality of those who choose to move normally means that they are well placed to compete in local housing markets.

3.2.9 This issue is explored in more detail in the 'Housing Growth & Distribution: Housing Distribution'²⁴ paper.

²⁴ Cornwall Council (2013) Housing Growth & Distribution: Housing Distribution Proposed Submission Version - <http://www.cornwall.gov.uk/Default.aspx?page=32813>

4. Key Messages for Spatial Planning

The projected changes that will take place in terms of population and household growth will have an impact on spatial planning, and some of these are identified below:

- The National Planning Policy Framework requires that assessment of future housing requirements should have regard to current and future demographic trends and profiles and take into account evidence including the Government's latest published household projections.
- The population of Cornwall is predicted to increase by 17% over the next twenty years and the number of households is predicted to increase by 25%.
- The migration of working age people into the County is important in helping to support younger and older age groups (i.e. the dependency ratio).
- If migration levels were to fall in the future, the demand for new homes would still increase because of a decreasing resident average household size and other housing pressures (e.g. the demand for second homes).
- The decreasing average household size in Cornwall (and nationally) is fuelling the demand for new homes. Household projections will help determine the level of housing that will be required to accommodate future growth in the population, and can be used as a baseline against which to test housing growth scenarios.
- Household growth does not take into account the need to replace ageing stock, losses to supply through properties lying vacant or being used as second homes, and most importantly, the existing backlog of unmet need.

Further Information

Cornwall Council – Demographic Evidence Base -
<http://www.cornwall.gov.uk/default.aspx?page=22137>

Office for National Statistics – Population -
<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population>

Office for National Statistics – Migration -
<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Migration+within+the+UK>

Department for Communities and Local Government – Housing Tables
<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/livetables-households/>