Wealden District Council and South Downs National Park Authority
Core Strategy Examination
Statement from East Sussex County Council
16 December 2011

Matter 3: Housing

1. Introduction

1.1 East Sussex County Council have been asked by the Inspector to provide further clarification on the derivation of its projections on growth which have been used by Wealden District Council in the development of their Core Strategy.

1.2 This statement expands on the information referred to in paragraphs 1.10 to 1.26 in Wealden's letter of 2 December 2011 to the Inspector titled 'Inspector's Summary of Concerns and letter dated 31st October 2011' and sets out the methodology for deriving the County Council's projections and why there are differences with the ONS/CLG projections.

2. Methodology for Growth Projections

2.1 The ESCC Demographic Projections are produced according to the 'cohort component method' using the Chelmer Population and Housing Model developed by the Population and Housing Research Group (PHRG) at Anglia Ruskin University and then managed and run by Cambridge Econometrics.

2.2 The model is based on a 'cohort component method', where the starting point is an existing estimate of the population, by single year of age and gender and in a particular area, which is projected forward, one year at a time, taking account of the impact of births, deaths and migration (internal and international migration). Assumptions about future fertility, mortality and migration trends are derived from recent historical evidence from the local area (or is it national).

2.3 In order to calculate the policy based household projections, the projected number of households is calculated by multiplying the headship rates by the policy-based population projections. The headship rate measures the proportion of household residents in an age/gender group that 'represent' a household of a particular type.

2.4 The projected households are then converted into dwellings by using the household/dwellings conversion rates to ensure that vacancy rates, second home and holiday accommodation and sharing rates are taken into account.

2.5 The model allows for operation in various modes and the testing of a variety of assumptions. Generally, projections by the County Council

Economy, Transport & Environment Department (ETE) are produced in the 'housing-led' mode whereby changes are projected in terms of the changing capacity of the dwelling stock to accommodate households.

2.6 They therefore reflect the future changes in housing development, whereas the 'migration-led' population projections, as used by Wealden District Council, do not reflect the level of housing provision being planned locally. The 'zero net-migration' projections, on the other hand, show future changes in population projected according to future level of fertility and mortality, assuming that the number of people moving into and out the area is equal to zero. Therefore, it is assuming that there no migration into and from the area.

2.7 The 2006-based ESCC projections were produced for Wealden Council in September 2010. They cover five-year periods from 2006 to 2031 and incorporate key demographic data from area covered by the District, much of it from the 2001 Census. They use the revised 2006 Mid Year estimate to constrain the projections to 2006 by age and gender and the 2006-based household representative rates produced by DCLG/ONS. The Policy based projections reflect the housing provision figures provided by Wealden Council in September 2010.

2.8 The figures produced by ESCC are therefore more local in nature and relevant than the CLG projections, although t must also be emphasised that the only certainty about the future is its very uncertainty, and that a projection can only prove to be as "good" as the assumptions upon which it is based. As a forecast of the future, any projection will inevitably prove to be inaccurate to some degree and such inaccuracies are only likely to increase the further into the future we wish to look, the smaller the area under consideration and the more detailed our requirements for information.