



Strategic Planning & Research Unit

Statement of Common Ground between  
Redrow Homes Ltd

Statement of Common Ground on Objectively Assessed Housing Need  
In respect of Telford and Wrekin Borough Council

**Land East of Kestrel Close & Beechfields Way, Newport, Shropshire**

**Roland G Bolton  
Strategic Planning Research Unit  
DLP Planning**

November 2016



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INSPECTORATE REF: APP/C3240/W/16/3144445

PLANNING APPLICATION REF: TWC/2016/0704

APPEAL SITE: Land East of Kestrel Close & Beechfields Way,  
Newport, Shropshire

TOWN AND COUNTRY PLANNING ACT 1990  
SECTION 78

STATEMENT OF COMMON GROUND  
ON THE OBJECTIVELY ASSESSED HOUSING NEED FOR  
THE TELFORD AND WREKIN BOROUGH COUNCIL

Statement of Common Ground between  
of  
Roland G Bolton BSc (Hons) MRTPI  
and  
Cristina Howick MA (Oxon), MSc (Econ)

Strategic Planning Research Unit  
Ground Floor  
V1 – Velocity  
Tenter Street  
Sheffield  
S1 4BY

Tel: 0114 228 9190  
Fax: 0114 2721947

[www.dlpconsultants.co.uk](http://www.dlpconsultants.co.uk)

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### **1.0 OBJECTIVELY ASSESSED HOUSING NEED**

- 1.1 It is agreed that the DCLG 2014 Household Projections are the starting point for this assessment.
- 1.2 It is further agreed that these official projections should be tested against different scenarios including alternative migration assumptions, market signals, and the ability of the proposed level of housing to meet the future demand for labour in the area.
- 1.3 The council's consultant consider that the level of housing provision generated by utilising a migration trend from 2005 to 2015 of some 502 dwellings a year will provide more than enough increase in the labour force to support forecast economic growth of 710 jobs a year. This projection is based on average numbers of in- and out- migrants in each age and sex group over this selected 10 year period.
- 1.4 The council's consultant, PBA, reached this conclusion in two ways, both using the Experian local economic forecasting model. Firstly, PBA compared Experian's standard, or baseline, forecast of unconstrained labour demand with the demographically projected labour supply. Secondly, it commissioned from Experian an alternative scenario to test the implications of lower economic activity rates.
- 1.5 The appellants consider that some 933 dwellings are required to address the average rate of employment growth as forecast by the three forecasting houses of Experian, Cambridge Econometrics and Oxford Economics. This dwelling requirement is the output of the Chelmer Model. This projection utilises the average characteristics of migrants over the last 5 years (2010 to 2015).
- 1.6 Table 1 sets out the differences between the housing projections, while table 2 proves an insight to what the different migration assumptions mean in terms of the population aged 16-64 (sometimes known as 'working age population') and table 3 illustrates the differences between the employment projections.

**Table 1: Summary of differences between household / dwelling projections**

Statement of Common Ground	PBA	PBA Comment	SPRU	SPRU Comment
DCLG 2014 – net new households p.a.	487		487	DCLG table 406
Vacancy Rate	3.1		3.08	DCLG table 406 RGB (Paragraph 6.1)
DCLG 2014 – net new dwellings per year (dpa)	502	(CH paragraph 2.16)	502	
Adjustments				
Dwellings per year based on alternative demographic scenario	502	PBA Trends 2005-15 scenario. This carried forward the migration trends of 2005- 2015 for each demographic group (Age x sex)	667	This reflects the average character (age/sex of migrants) over the period 2010 to 2015
Dwellings per year adjusted for alternative household formation rates	-	No adjustment	732	This reflects the "return to half 2008 HRR trends"
Dwellings per year adjusted as above and for future jobs	-	No adjustment	933	This reflects the average rates of growth from the Cambridge Econometrics, Oxford Economics and Experian economic forecasting models and "return to half 2008 HRR trends" for selected groups
Market Signals	-	No adjustment	-	No specific change has been made for market signals as the employment led housing requirement will address these issues (RGB paragraph 9.5)

**Table 2: Changes to population 2011 to 2031**

Population Change 2011 to 2031	SNPP 2014	SPRU	PBA Trends 2005-15
0-15	580	2,317	2,570
16-24	253	2,045	576
25-34	-1,088	684	150
35-44	-1,685	-1,110	-296
45-54	-2,486	-1,151	-1,939
55-64	2,012	4,233	1,774
65-70	3,586	4,975	3,373
71-84	8,927	11,253	7,520
85+	3,602	5,101	2,816
Total	13,701	28,348	16,545



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**Table 3: Differences approach of balancing employment growth to dwelling provision**

Change 2011 to 2031	PBA Trends 2003-13 From Background Paper App A	PBA comment	SPRU (933 dwgs)	SPRU comment
Total population	16,651		28,348	RGB table 19
Population aged 16-64	-500		2,382	Chelmer output tables
Population 65+	14,171		10,050	Chelmer output tables
Change in activity rates for 16 – 60 (SPRU), 16-64 (PBA)	3%	Plus 2.2 percentage points, from 73.5% to 75.7%	2%	RGB A1.29 to A1.34
Change in activity rates for over 60's (SPRU), 65+ (PBA)	138%	Plus 11.1 percentage points, from 8.1% to 18.2%	17%	RGB table 18 average for male & female for age groups 60 - 64 and 65 - 70
Workplace jobs	17,064		12,020	RGB table 19 (all jobs)
Resident Employment	11,023		11,084	RGB table 19 (all employed)
Labour force	7,402		6,249	RGB table 19 (Making allowance for double jobbing)
Net commuting	1,740		937	RGB para 6.22
Double jobbing	4,300		619	RGB para A1.39 to A1.42
Reduction in unemployment	3,621		4,215	RGB para 6.16

**Conclusion**

1.7 The main differences between the parties are the following:

a. Demographic projection

i. Migration

- Whether based on 10-year history (2005-15) or five-year history (2010-15)

ii. Household formation rates – whether CLG 2014 rates should be uplifted for certain age groups to half or full CLG 2008 rates.

b. Labour market balance

i. Modelling method

ii. Level of commuting

iii. Double jobbing

1.8 The future economic activity rates of the population



BEDFORD - BRISTOL - CARDIFF - EAST MIDLANDS - LEEDS - LONDON - MILTON KEYNES - SHEFFIELD

#### BEDFORD

4 Abbey Court  
Fraser Road  
Priority Business Park  
Bedford  
MK44 3WH

Tel: 01234 832 740  
Fax: 01234 831 266  
bedford@dlpconsultants.co.uk

#### BRISTOL

1 Blenheim Court  
Beaufort Office Park  
Woodlands  
Bradley Stoke  
Bristol  
BS32 4NE

Tel: 01454 410 380  
Fax: 01454 410 389  
bristol@dlpconsultants.co.uk

#### CARDIFF

Sophia House  
28 Cathedral Road  
Cardiff  
CF11 9LJ

Tel: 029 2064 6810  
cardiff@dlpconsultants.co.uk

#### EAST MIDLANDS

The Old Vicarage  
Market Street  
Castle Donington  
DE74 2JB

Tel: 01332 856 971  
Fax: 01332 856 973  
eastmids@dlpconsultants.co.uk

#### LEEDS

Princes Exchange  
Princes Square  
Leeds  
LS1 4HY

Tel: 0113 280 5808  
leeds@dlpconsultants.co.uk

#### LONDON

1st Floor  
3 More London Riverside  
London  
SE1 2RE

Tel: 020 3283 4140  
london@dlpconsultants.co.uk

#### MILTON KEYNES

Midsummer Court  
314 Midsummer Boulevard  
Milton Keynes  
MK9 2UB

Tel: 01908 440 015  
Fax: 01908 357 750  
miltonkeynes@dlpconsultants.co.uk

#### SHEFFIELD / SPRU

Ground Floor  
V1 Velocity Village  
Tenter Street  
Sheffield  
S1 4DE

Tel: 0114 228 9190  
Fax: 0114 272 1947  
sheffield@dlpconsultants.co.uk