Forecasts for homes of all tenures: a summary

Interest and relevance

- This chapter presents "objectively assessed need" figures for market and affordable housing across the Cambridge housing sub-region, between 2011 and 2031 (2036 in Huntingdonshire). The chapter also includes information to guide the size and type of homes required over the local plan period.

Headline messages

- The chapter identifies a requirement for 93,000 additional market and affordable dwellings across the Cambridge housing market area between 2011 and 2031. Within this overall figure, district-level housing demand figures are identified which each district will use to determine housing targets in their Local Plans, taking account of the requirements of national policy and local circumstances.
- The objectively assessed housing need figures included in this chapter have been informed by a Technical Report prepared by Cambridgeshire County Council Research Group (CCCRG) setting out analysis of a range of projections and forecasts at national, sub-national and local levels. This includes data from the 2011 Census. The Technical Report is available at www.cambridgeshireinsight.org.uk.
- Within the overall demand for housing across the sub-region between 2011 and 2031, there is a high level of need for affordable housing.
- The majority of household change between 2011 and 2031 is accounted for by households aged over 65. This and other changes in the profile of the population means that the greatest need over the next 20 years will be for smaller to medium sized dwellings.

Changes over time

- This chapter is a new addition to the SHMA in this format. The previous SHMA included economic and demographic context and forecasting, including the targets previously set out in the East of England Plan, in former Chapters 10 and 11. These are still available for reference at http://www.cambridgeshireinsight.org.uk/housing/previous-versions. The East of England Plan was formally revoked on 3 January 2013.
- The most recently updated chapters of the SHMA are based on 2009/10 data, including the need for affordable homes. To ensure data is as far as possible aligned for the purpose of setting targets to 2031 and 2036, alongside this chapter and the existing 2009/10 affordable housing needs chapter, we are presenting an update of Chapter 13 using 2010/11 and 2011/12 data. All other chapters of the SHMA will be updated on the same basis ready for consultation and launch later in 2013, to keep the entire SHMA "date consistent".
- At the time of writing (May 2013) there is news that CLG is considering issuing new SHMA guidance as part of the Taylor Review. However for this version of the SHMA we continue to rely as far as practicable on existing guidance to inform our approach.

Future monitoring points

- It will be possible to comment on this chapter through district local planning processes. Table 1 provides a timetable of planned consultation by districts on their emerging Local Plans.
- Updates based on (for example) more detailed Census 2011 results and revised to Travel to Work areas and commuting patterns, and an updated local economic assessment, will become available later in 2013 and will be fed into the SHMA as they become available, as part of the continuing process of updating and developing of our understanding of our housing market area and the forces which act upon it.

Chapter 12 Forecasts for homes of all tenures: Contents

Chapter 12: **Forecasts for homes of all tenures**

12.1 Introduction

This chapter looks at the overall need for market and affordable housing market in the SHMA area, between 2011 and 2031 and 2036 for Huntingdonshire[1].

It sets out an 'objective assessment' of total housing need for the housing market area and each local authority within it, which meets the requirements of the National Planning Policy Framework (NPPF) and Communities and Local Government (CLG) 2007 SHMA guidance.

The chapter includes background information on the size and type of homes required over the local plan period.

The 2011 NPPF is the chief driver of this update to the SHMA. However we note CLG may be planning to revise existing 2007 SHMA guidance as part of the Taylor Review, later in 2013.

This chapter (and the whole SHMA) will evolve as and when new guidance is issued, but in the meantime we have remained with the approach set out in CLG's 2007 guidance especially in calculating affordable housing need - see Chapter 13 *Identifying affordable housing need* and in the NPPF - objectively assessed housing need.

As set out in Chapter 1 *Introduction and background* and Chapter 2 *Defining our housing market area* our sub-regional housing market assessment has been created and developed under a partnership arrangement, and very much in the spirit of the "duty to cooperate" as set out in the 2011 Localism Act. The area covered is set out in section 12.2.

Other evidence of cooperation across the housing sub-region and the county includes:

- The cooperative leadership provided by the Chief Planning Officers and Sub-regional housing board, across Cambridgeshire & Peterborough and the housing sub-region.
- The *Joint Statement on the Development Strategy for Cambridgeshire and Peterborough by the Local Authorities*, July 2012 which develops the principles set out in the Structure Plan and East of England Plan and the draft East of England Plan review. For more detail see also Chapter 11 *Planning and land availability*.
- The Cambridgeshire Quality Charter for growth.
- Establishment of the Joint Strategic Planning Unit for Cambridgeshire and Peterborough.
- The sub-regional Home-Link choice based lettings system, including the use of shared nomination rights to strategic growth sites in the sub region where it has been agreed that a proportion are made available to support mobility across the area.
- The employment of a sub-regional housing coordinator.

At the time of writing this updated chapter, there are several influences on how housing need is objectively assessed, and how this relates to setting targets for all homes within each local authority in the housing sub-region through the local plan process. To summarise briefly, these include:

- Revocation of the East of England Plan, which in the past set out housing targets for each local authority area.
- Introduction of National Planning Policy Framework (NPPF).
- A continuing desire by local authorities to work together across our wider area, to assess and meet housing need and demand for all homes.
- Initial and continuing publication of data from the 2011 Census.

[1] This end date to accommodate the implications of strategic development at Alconbury Enterprise Zone.

Section 12.1 Introduction

- Availability of national forecasts of economic and population growth and commissioning of different local forecasting models which use different data sets and assumptions, to help inform projections into the future for both population and our economy.
- Uncertainty about the continuing effects of the economic downturn, how soon recovery might happen in our area, how the recovery will affect future population, jobs, housing needs and housebuilding.
- News that new SHMA guidance will be issued following the Taylor Review, but which is not yet available.
- Uncertainty about the effects of various reforms in housing; new tenures, new flexibilities, new welfare reforms etc which may influence issues like occupation rates – for example will people move from larger to smaller homes, to make better use of the stock and responding to changes in benefit levels; or will people choose not to move, to find the funds needed to remain in the current home.

The SHMA forms a key part of the evidence base to support local plans which are consulted on fully and formally and will help inform housing targets. When draft Local Plans are published, there will be an opportunity to comment on the SHMA at the same time. Key dates for local plan consultations are summarised below.

Table 1 Timetable for consultation and submission of local plans in the Cambridge housing market area

	Draft local plan consultation	Target date for submission
Cambridge	July to Sept 2013	Early 2014
East Cambridgeshire	February to March 2013	July 2013
Fenland	Draft local plan consultation held July to Oct 2012. Further pre-submission consultation February to March 2013	July 2013
Huntingdonshire	May to July 2013, pre-submission consultation Jan 2014	March 2014
South Cambridgeshire	July to Sept 2013	Early 2014
Forest Heath	August to September 2013	Jan 2014
St Edmundsbury	St Edmundsbury Borough Council adopted its Core Strategy in December 2010, which plans for growth to 2031.	

Note: Table correct as at May 2013, SEBC text amended 1 July 2013.

A collated timetable for emerging Cambridgeshire Local Plans is available at www.cambridgeshire.gov.uk/environment/planning/policies/district-local-plans.htm and the Local Plan timetable for Forest Heath is available at www.forest-heath.gov.uk.

Section 12.1 Introduction

Format of the chapter

The CLG SHMA methodology (2007) has been used consistently throughout the SHMA since its inception in 2006. We await new guidance expected later in 2013 which will provide more detail on how to fulfill NPPF requirements. In this context, Chapter 12 sets out key data and analysis to fulfill requirements of both the CLG 2007 guidance and paragraph 159 of the NPPF.

Table 2 How this chapter meets CLG and NPPF requirements

Paragraph and side heading	Which part of the CLG guidance does this fulfill?	Which part of the NPPF does this address?
12.1.1 An overview of the Strategic Housing Market Area		Work[ing] with neighbouring authorities where housing market areas cross administrative boundaries (para 159)
12.2.2 Housing delivery	Background information on historic trends.	
12.2.3 Trends in housing affordability		
12.2.4 Economic background to the area	How might economic factors influence total future demand?	Assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals. (para. 158)
12.2.5 Looking ahead: projections to 2031 and 2036	How might the total number of households…change in the future?	Cater for housing demand and the scale of housing supply necessary to meet this demand; and (requirement) meets household and population projections, taking account of migration and demographic change (para.159)
12.2.6 Mix of age groups and households types	How might the total number of households and household structure change in the future? And how are household types changing, e.g. is there an aging population?	Identify the scale and mix of housing and the range of tenures that the local population is likely to require… Address the need for all types of housing, including … the needs of different groups in the community (such as families with children, older people, disabled people, service families and people wishing to build their own homes. (para. 159)
12.2.7 Forecast of affordable housing need	Key question: Is affordability likely to worsen or improve?	Address the need for all types of housing, including affordable housing (para. 159)
12.3 Conclusions	What are the key issues for future policy/strategy?	

Section 12.1 Introduction

Technical Report

A Technical Report was commissioned in 2012 by the local planning authorities and Joint Strategic Planning Unit to inform work on this chapter of the SHMA. It was produced by Cambridgeshire County Council's Research and Performance Team.

The Report addresses a wide range of national, sub-national and local data to provide an overview of population change and economic performance over the next 20 or so years. A central update that the report provides is to include the available 2011 Census population figures and implications for available data. The Report considers the implications of these for numbers of new jobs and homes required over the period to 2031 (and 2036 for Huntingdonshire).

The Technical Report provides information which is integral to this chapter of the SHMA and meeting the NPPF requirements. A copy of the full Report can be found at www.cambridgeshireinsight.org.uk.

12.2 Key drivers and housing market facts & figures

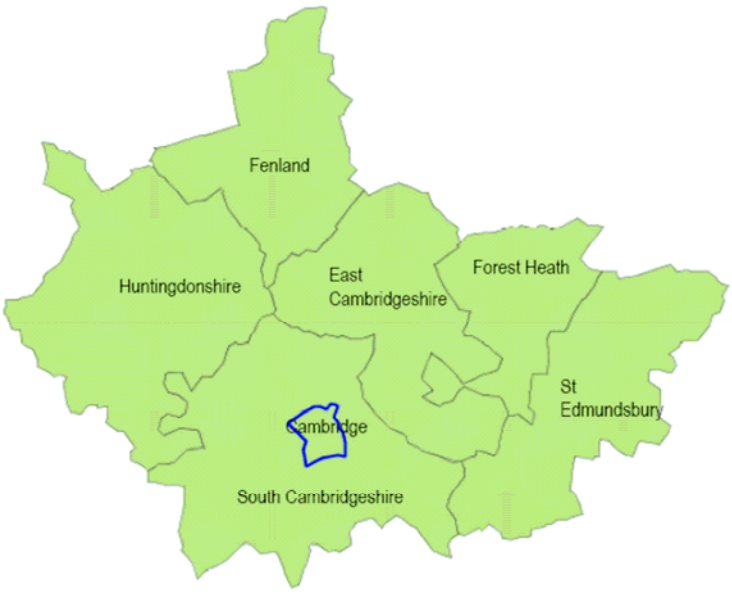
As outlined in Chapter 2, *Defining our housing market area*, there are various different housing market boundaries which affect our seven constituent districts. The headline message for the districts in our housing sub-region is that strong partnership working continues to support our relationship with neighbours surrounding our sub-region including Peterborough, neighbouring housing market areas, travel to work areas, broad rental market areas and the Local Enterprise Partnership area.

Chapter 2 highlights all the most relevant boundaries, and strengthens our commitment to work as a housing sub-region with all partners to identify and tackle housing issues, and to work with our neighbours to build our understanding of the effect of linked housing markets. Map 1 and Map 2 clarify our strategic housing market area and the seven SHMA districts.

Map 1 The Cambridge housing sub-region's geography

Source: Chapter 2 Defining our housing market area

Map 2 The Cambridge housing sub-region's districts



Source: Chapter 2 Defining our housing market area

Section 12.2 Facts and figures

12.2.1 An overview of the Strategic Housing Market Area

Our strategic housing market area includes the city of Cambridge, a number of market towns and numerous villages. Cambridge is at the heart of a city region of international importance and reputation. It includes a world-class university, a strong knowledge-based economy and a built and natural environment that is second to none.

The area's economy has, as a whole, historically outperformed the national and regional economy and this continues to be the case, despite the challenges brought about by recession.

However, economic prosperity is not spread evenly with the south and west of the area developing faster economically than the north and east, although these latter areas have seen housing growth in recent years supporting the wider Cambridgeshire economy. A large part of the area's land is in agricultural production.

The Enterprise Zone at Alconbury in Huntingdonshire established in 2011 will be a particular point of focus for future economic growth.

Many of the market towns in the south, including Huntingdon, St Neots, Ely and Newmarket look to the Cambridge economy and services, although they continue to develop and strengthen their own local economic, retail and service offers. To the north there is a strong relationship between places such as Ramsey and Whittlesey with Peterborough, while Wisbech is closer to King's Lynn.

The area contains a diverse range of natural environments. The Ouse and Nene Washes are of international importance for wildfowl and migratory birds, while low-lying fenland areas provide unique landscapes. Significant new and expanded habitat and green-space creation is a major objective for the area. Strategic examples include the award-winning Great Fen and Wicken Fen.

The area's economic strengths, in particular the established Cambridge high tech cluster, and related population growth have led to significant and continued pressure for growth over recent years. The development strategy established in the 2003 Cambridgeshire and Peterborough Structure Plan is currently being implemented (see 'Policy Drivers' section below), with major urban extensions to Cambridge and the new town of Northstowe coming forward. Cambridge University is planning a strategic expansion area to the north-west of the city, while the Addenbrooke's biomedical campus has enhanced the institution's international reputation.

Planned growth at market towns is also making good progress, with urban extensions proposed at Ely, St Neots and Huntingdon. March, Soham, Bury St Edmunds and Haverhill have experienced regeneration and growth over the same period. Housing affordability is an acute issue in many parts of the market area, particularly to the south and focused on Cambridge. Relatively lower market house prices away from Cambridge play an important part in meeting housing needs associated with the economic success of the area. It remains an important objective for the authorities to maximise affordable housing provision to support the social and economic well-being of the area and of local communities. Delivery challenges include housing viability especially in the north of the housing market area.

The strategic road network is extremely busy and a number of key routes suffer congestion at peak times particularly are a result of commuting in to Cambridge. The local authorities are working with government to address the current capacity challenges on the A14. There have been some successes in public transport, with the opening of the Cambridgeshire Guided Busway, Peterborough's TravelChoice Initiative, and increased use of park and ride services. However, public transport services and use vary across the county. In rural areas, bus services tend to be less frequent with longer journey times, therefore these areas often rely on the private car for transport. The area is well served by the strategic rail network, with the East Coast Main Line, Fen Line and others providing links to London, Ipswich, Norwich and further afield.

Section 12.2 Facts and figures

Policy drivers

Six of our seven district and city councils are currently reviewing their local plans to update them to 2031 (or 2036 in the case of Huntingdonshire). St Edmundsbury is the only exception, with an adopted Core Strategy to 2031 that includes provision for some 11,000 additional homes.

The National Planning Policy Framework requires local planning authorities to seek opportunities to meet the development needs of their area in a positive way. More specifically, local plans should meet the objectively assessed needs of the area unless any adverse impacts of doing so would outweigh the benefits.

The Localism Act 2011 places a Duty to Co-operate on local planning authorities. This requires them to engage constructively, actively and on an on-going basis in the preparation of development plan documents where this involves strategic matters. National policy in the NPPF adds to this statutory duty as it expects local planning authorities to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts.

The existing development strategy was established in Regional Planning Guidance for East Anglia (2000), the Cambridgeshire and Peterborough Structure Plan (2003) and the Suffolk Structure Plan (2001) and carried forward into the East of England Plan (2008).

The Cambridgeshire local authorities have more recently re-stated their commitment to the principles of the existing development strategy through an updated Joint Statement[2]. The key objective of this strategy is to secure sustainable development by locating new homes in and close to Cambridge and Peterborough and to other main centres of employment while avoiding dispersed development which increases unsustainable travel and provides poor access to key services and facilities. Further sustainable locations for growth focus mainly on Cambridgeshire's market towns and Peterborough's district centres, with one large new town (Northstowe) to be connected to Cambridge and other key locations through a new dedicated public transport option, the Cambridgeshire Guided Busway. Planning policies in the past have sought to restrain development around Cambridge, with the objective of protecting the city's historic character, and to disperse both housing and employment development. This led to the unsustainable patterns of development which the current strategy is designed to avoid.

The main aim of the existing development strategy in adopted plans is to enable genuinely sustainable development that balances economic, social and environmental needs. This is the central purpose of the planning system included in the National Planning Policy Framework.

Key points

- The sub-region is diverse, including areas of economic prosperity in the south and east, which are generally developing faster economically than areas in the north and east. Economic strengths and related population increase means significant, continued pressure for growth in recent years.
- The development strategy included in the East of England Plan is being implemented including urban extensions to Cambridge, the new town of Northstowe, and regeneration and growth at the main market towns.
- Housing affordability is an acute issue in many parts of the housing market area. It remains an important objective for the authorities to maximise affordable housing provision to support the social and economic well-being of the area and of local communities. Delivery challenges include housing viability especially in the north of the housing market area.

[2] Joint Statement on the Development Strategy for Cambridgeshire and Peterborough by the Local Authorities, July 2012.

Section 12.2 Facts and figures

12.2.2 Housing delivery

As outlined in more detail in Chapter 4, *Dwelling Profile* the local level of housing completions highlights the continuing success of the Cambridge sub-region at delivering new homes, despite the downturn in market forces in the last two to three years, national recession and a marked slow-down in completion rates nationally.

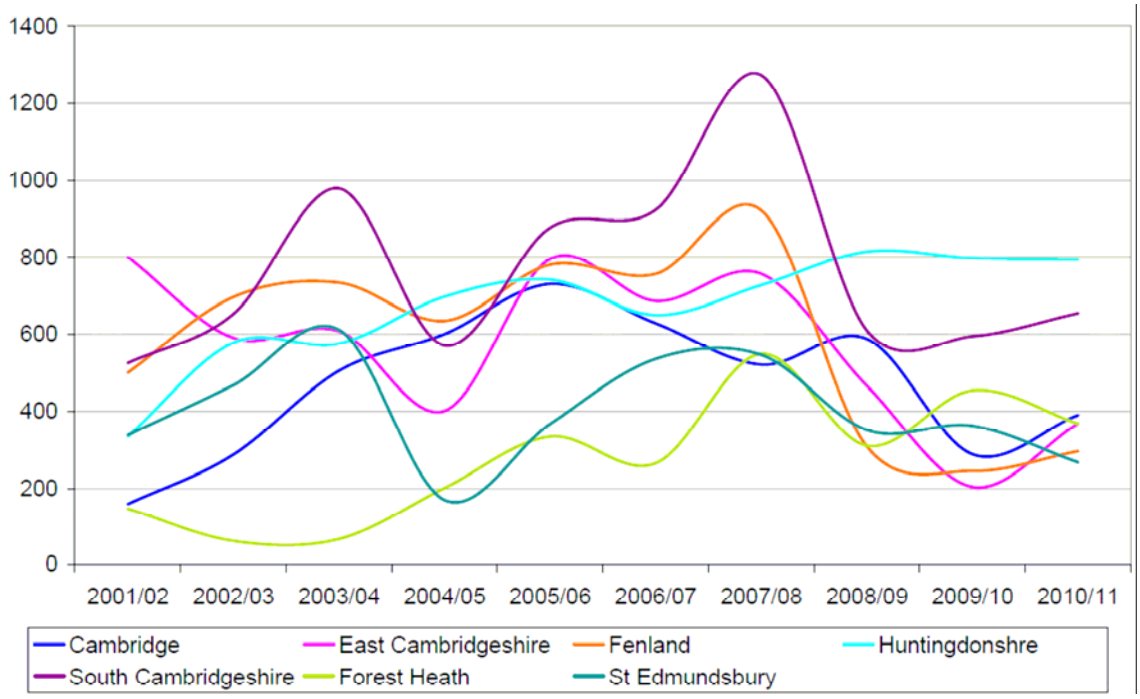
Table 3 Dwelling Completions as reported in district Annual Monitoring Reports

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Cambridge	159	287	505	601	731	629	521	588	288	390
East Cambridgeshire	801	591	608	401	796	687	757	466	204	368
Fenland	500	697	734	635	781	757	922	308	245	296
Huntingdonshre	334	578	576	698	742	650	728	815	798	795
South Cambridgeshire	525	653	979	571	877	924	1274	610	595	655
Cambridgeshire	2,319	2,806	3,402	2,906	3,927	3,647	4,202	2,787	2,130	2,504
Forest Heath	147	62	67	201	334	265	549	310	454	368
St Edmundsbury	338	468	612	170	367	536	546	351	362	267
SHMA area	2,804	3,336	4,081	3,277	4,628	4,448	5,297	3,448	2,946	3,139

Source: CCC Research & Monitoring Team, Technical Report

Although completions have been lower since the economic downturn than the "peak" reached in 2007/08, homes have continued to be delivered in all our districts. Between 2001/02 and 2010/11 a total of more than 30,000 homes were completed across Cambridgeshire, and more than 37,000 across the Cambridge housing sub-region.

Fig 1. Number of housing completions, housing sub-region, 2001-2 to 2011-12

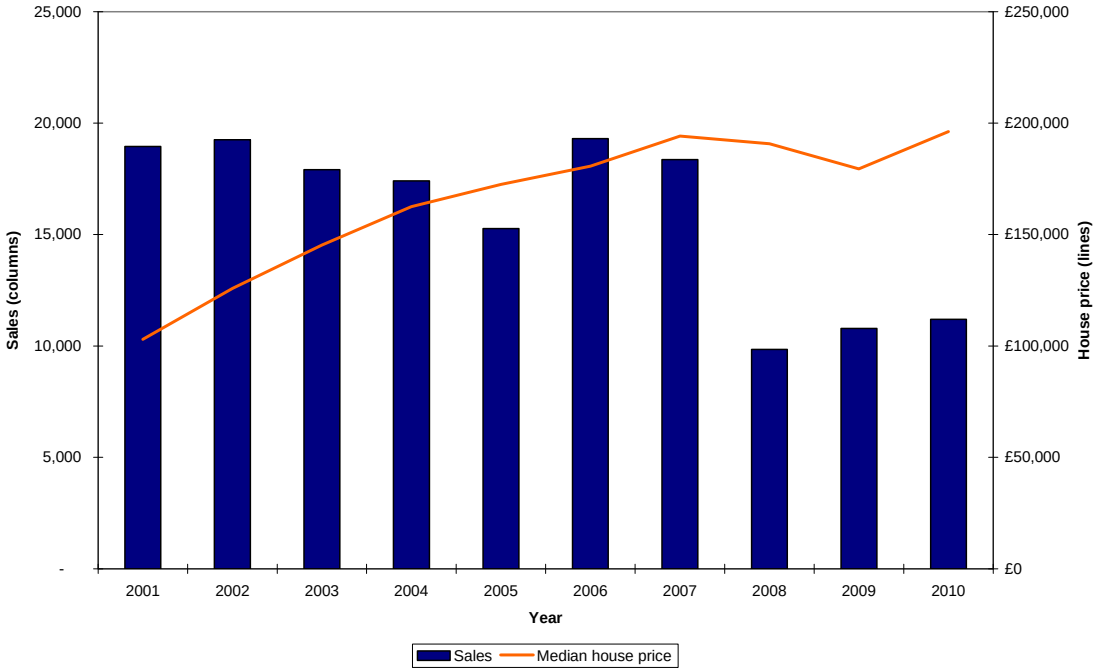


Source: CCC Research & Monitoring Team, Technical Report

Fig 1 shows the number of house sales completed across the Cambridge housing sub-region and the median house price being achieved.

Section 12.2 Facts and figures

Fig 2. Median house price and number of sales, Cambridge sub-region 2001-2010



Source: DCLG Table 586 and 588

Of course, the Cambridge housing sub-region is not immune to the national recession. While significant progress is being made on the growth sites identified in current plans, progress was slowed due to the effects of the recession in 2008. The development strategy envisaged that the step change in housing delivery would be seen towards the end of the then plan period to 2016, given the long lead in times for major developments. The overall trend in completions was moving in the right direction when the recession struck. However, after an initial stall at the beginning of the recession, progress has continued to be made and notable progress has been made on a number of the major development sites at and close to Cambridge:

- Over the last year housing development has progressed on the large sites on the edge of Cambridge at Clay Farm, Glebe Farm and Trumpington Meadows in the Southern Fringe, and on Huntingdon Road as part of the larger NIAB site. However, given their scale and as a result of the recession these have taken some time to come forward to a stage where houses are now being built.
- Progress is also being made in relation to Cambridge's Station area, Addenbrooke's Hospital, the University site at North West Cambridge and part of Cambridge East (although Cambridge Airport is no longer available for development for the foreseeable future).
- A resolution to grant permission for a first phase of development at Northstowe has also recently been made, with development due to start soon and (given the scale of development involved) development will continue throughout the period to 2031 and beyond.

Delivery and viability of development continues to be an issue, due both to the on-going economic downturn and the large scale of some of the planned development with added complexities and long lead-in times for development to start. Mortgage finance availability and the size of deposits required to secure a mortgage have had a particular impact on developer confidence.

Sir John Harman's report, *Viability Testing Local Plans* is a very valuable resource when considering viability in the context of the NPPF, under CIL and cross-boundary working - among other issues. Please see Section 12.4 for a link to the full report and section 12.7.2 for a very brief summary.

Section 12.2 Facts and figures

Table 4 Housing completions compared to regional spatial strategy targets 2001/2 to 2009/10 (percentages rounded)

	RSS target per year	RSS target 2001/2 to 2009/10 (9 years)	District RSS target as % of Cambridgeshire target	Actual delivery 2001/2 to 2009/10	Actual delivery as % of Cambridgeshire total	% below or above RSS target
Cambridge	950	8,550	26%	4,309	15%	- 50%
East Cambridgeshire	430	3,870	12%	5,311	19%	+ 37%
Fenland	550	4,950	15%	5,579	20%	+ 13%
Huntingdonshire	560	5,040	15%	5,919	21%	+ 17%
South Cambridgeshire	1,175	10,575	32%	7,008	25%	- 34%
Cambridgeshire	3,665	32,985	100%	28,126	100%	-15%

Although the East of England Plan (our region's spatial strategy or RSS) was revoked in 2013, it is useful to compare housing delivery to the targets in the RSS from 2001/2 to 2009/10.

Over these nine years, some 85% of the RSS target across Cambridgeshire was achieved. Three of the five districts achieved more than the RSS target, and two achieved less.

Some of the reasons are set out above, however it was always envisaged that the step change in housing development planned on the edge of Cambridge and at the new town of Northstowe would come towards the end of the plan period of 2016, due to the longer lead in time for major developments. Good progress was being made on planning applications for most of the strategic sites before the recession hit and work slowed, although as set out above, notable progress is now being made. Furthermore, East Cambridgeshire, Huntingdonshire and Fenland have seen significant levels of housing growth in recent years, in excess of planned RSS targets.

Key points

- Districts have continued to deliver new homes, and compare favourably with regional and national housing completion numbers, even if development has slowed on some sites.
- Although completions have lowered since a "peak" in 2007/08, homes have continued to be delivered in all our districts and good progress is now being made on the strategic sites.
- As nationally, viability and mortgage availability issues have had an impact, and have affected developer confidence, slowing rates of delivery. However the overall picture is reasonably positive across the housing sub region and progress is being made on existing development sites.

Section 12.2 Facts and figures

12.2.3 Trends in housing affordability

Detailed analysis of housing affordability is included in Chapter 10 *Income and affordability* in the 2012 SHMA. A brief summary of the core evidence and analysis is provided below:

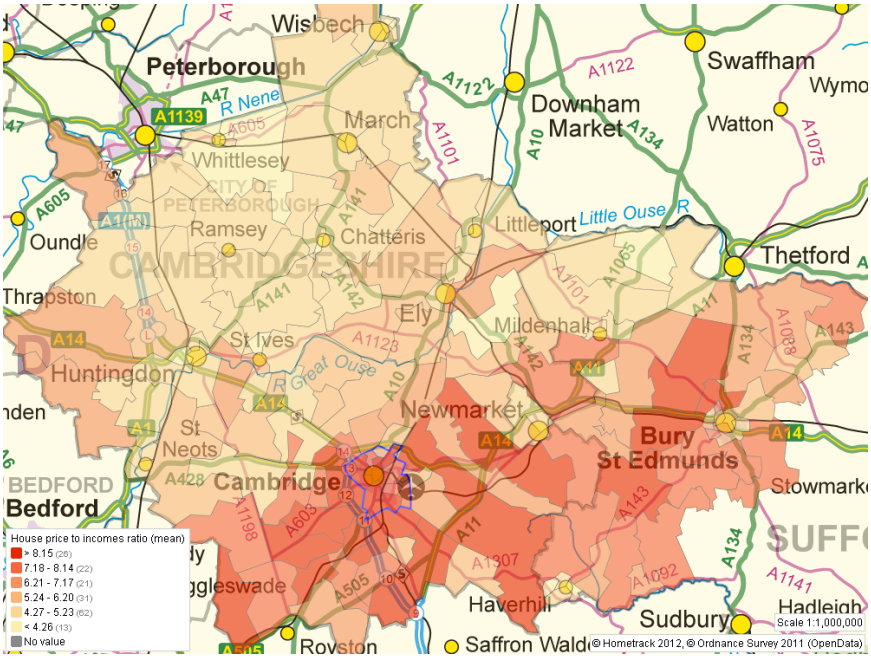
Table 5 Mean house price to income ratios (rounded)

	Jun-09	Sept-09	Feb-10	Mar-10	Jun-10	Sept-10	Dec-10	Mar-11	Jul-11	Sept-11	Dec-11	Mar-12
Cambridge	7.9	8.1	8.7	8.7	8.8	8.9	9.2	9.2	9.1	9.1	9.2	9.3
East Cambridgeshire	5.7	5.5	5.7	5.7	5.8	5.9	6.1	6.0	5.7	5.6	5.6	5.7
Fenland	4.9	4.8	4.7	4.7	4.8	4.9	4.9	4.9	4.7	4.7	4.7	4.7
Huntingdonshire	5.2	5.1	5.2	5.2	5.3	5.4	5.5	5.5	5.2	5.2	5.1	5.0
South Cambridgeshire	6.6	6.5	6.9	6.9	7.0	7.0	7.1	7.2	6.8	6.8	7.0	6.9
Forest Heath	5.3	5.0	5.0	5.0	5.0	5.3	5.4	5.4	5.3	5.2	5.2	5.2
St Edmundsbury	5.8	5.8	6.0	6.1	6.1	6.2	6.4	6.5	6.2	6.3	6.3	6.2
Average for sub-region	5.9	5.8	6.0	6.0	6.1	6.2	6.4	6.4	6.1	6.1	6.2	6.1

Source; Hometrack March 2012

As shown in Table 5 , across the housing market area mean house price to income ratios have increased very slightly between 2009 and 2012. This ratio has consistently remained significantly higher in Cambridge than in the other districts in the housing market area, and has also increased more in Cambridge in this period than in the other districts. When compared to the rest of the housing market area, South Cambridgeshire continues to have the second highest mean house price to income ratio, linked to its proximity to Cambridge. Fenland continues to have the lowest mean house price to income ratio in the housing market area.

Map 3 Mean house price to income ratio by ward



Source; Hometrack March 2012

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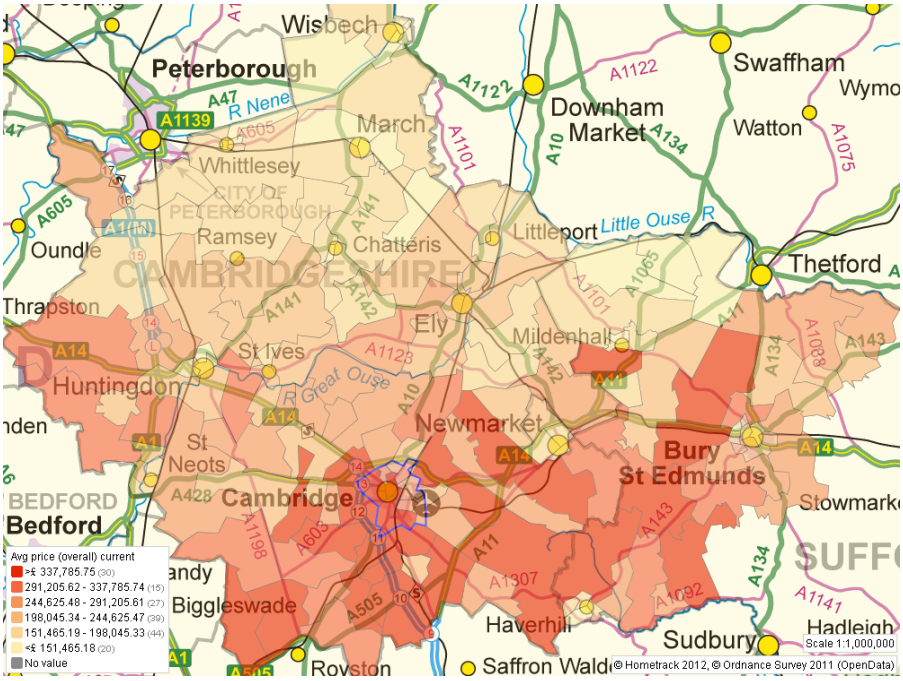
Looking at the same information in closer detail, Map 3 shows that mean house price to income ratios by ward are highest in Cambridge, notably to the south and east of the city, and in West Suffolk just to the west of Newmarket and St Edmundsbury.

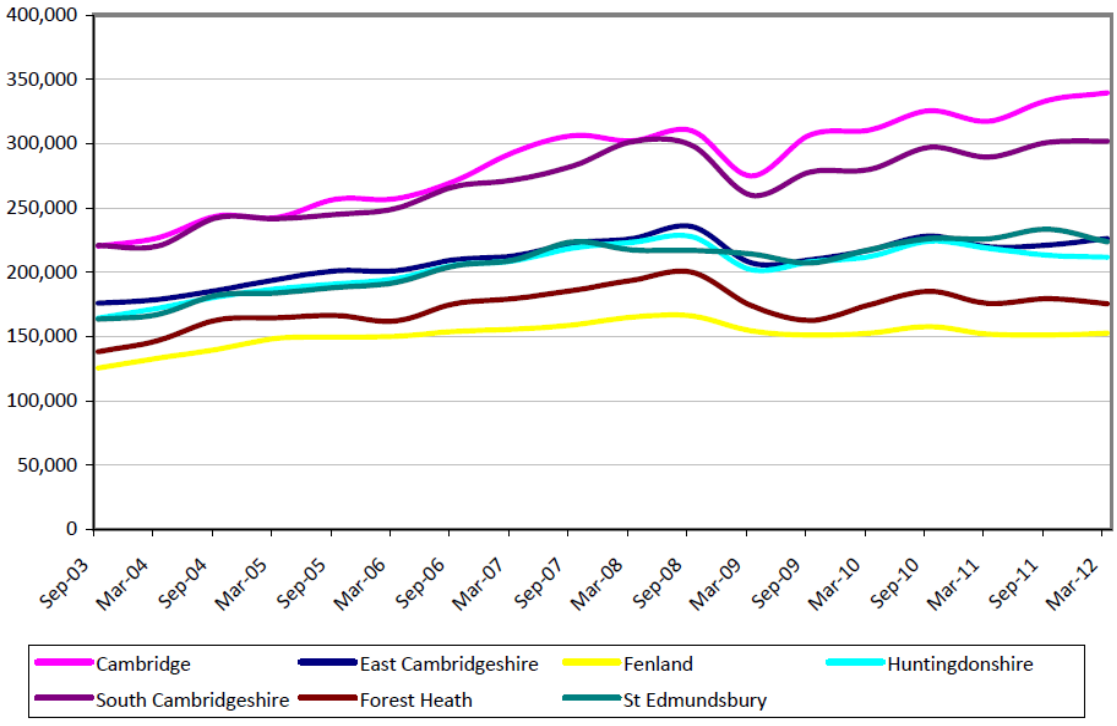
Map 4 shows a similar pattern of average house prices. Where house prices are higher, around Cambridge and West Suffolk, incomes are not keeping pace. It also shows that house prices are lower to the north of Cambridge and provide more affordable housing for those priced out of the market close to Cambridge, including those working in and close to the City.

Map 4 Average property prices, shown by ward



Source; Hometrack March 2012

Fig 3. Average prices for individual districts over time



Source: SHMA 2012 Chapter 10, Incomes and affordability

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Fig 3 shows that between 2003 and 2012 average house prices in the districts have remained pretty consistent relative to each other. Cambridge and South Cambridgeshire show much higher house prices than the other districts, and Fenland and Forest Heath are consistently much lower.

All the districts show an increase in house prices between 2003 and 2012, and a fall in house prices around 2008-9, linked to the economic downturn. Cambridge shows the highest increase in house prices during the period 2003 to 2012; South Cambridgeshire house prices matched the rise seen in Cambridge until the recession, but have not risen as much as Cambridge since 2009.

Market entry private rent affordability

- In the housing market area, private rents are least accessible to the resident population in Cambridge where 45% of households have an income below the level needed to afford market entry (lower quartile) private rent.
- In South Cambridgeshire, Forest Heath and St Edmundsbury around a third of households have an income below the level needed to afford market entry private rent.
- In both East Cambridgeshire and Fenland, just over a quarter of households have an income below the level needed to afford market entry private rent.
- Market entry private renting is most accessible in Huntingdonshire, where only a fifth of households have an income below the level needed to afford market entry private rent.

Please see Chapter 10, *Incomes and affordability* and Chapter 13 *Identifying affordable housing need* for more detail on the affordable housing need calculation, following the CLG methodology.

For further detail on private sales, prices and affordability, Housing Market Bulletins are available at www.cambridgeshireinsight.org.uk/housing which are updated every 3 months.

Key points

- Overall, affordability remains an issue for households across the housing sub-region. Based on current incomes, between 20% (Huntingdonshire) and 45% (Cambridge) of households cannot afford lower quartile private rents, based on a third of income being spent on housing costs, across our seven districts.
- Across the Cambridge sub-region, the affordability of buying a house has worsened slightly over the past few years, with the highest increases in house prices and accompanying mean house price to income ratios being shown in and around Cambridge, and the lowest house prices and accompanying mean house price to income ratios being shown in the north and west of Cambridgeshire and in Forest Heath. A similar picture is seen in the rental market.

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12.2.4 Economic background to the area

Within the Housing Market Area, Cambridgeshire's labour market is relatively self contained, with 80% of Cambridgeshire's residents working in the county, and 81% of Cambridgeshire's workers living in the county, according to the 2001 Census. Cambridge acts as a regional centre of employment. Commuting patterns into Cambridge stretch across the Cambridgeshire local authority boundary into the surrounding districts of St Edmundsbury, Forest Heath and Uttlesford. These patterns overlap significantly with those of Peterborough.

Analysis within Cambridgeshire's Economic Assessment has therefore been undertaken at the level of the functional economic area (Greater Cambridge), county and district with comparisons taken at regional and national level. The previous Economic Assessment is summarised in Chapter 3 Economic and demographic context in the 2012 SHMA. In Spring 2013, the Local Economic Assessment is being updated, amongst other issues to align with Census 2011 results.

The updated assessment will be available at the link below, where the previous assessment is currently available in full:
http://www.cambridgeshire.gov.uk/business/economicandcommunitydev/ecodevelopment/economicassessment.htm

Overview of the area's economy

The area has a diverse, relatively resilient economy with nationally significant strengths in research and development, higher education, software consultancy, high value engineering and manufacturing, creative industries, pharmaceuticals, agriculture, processing and tourism. Many of these sectors are recognised to have significant growth potential which bodes well for the future health of the economy.

Much of the resident population is highly skilled, levels of economic activity are high, crime levels are low and generally residents are satisfied with the area as a place to live. However, the gap in prosperity and skills between the north of the area and the south of the area is growing; women earn significantly less than men and transport congestion costs businesses millions in lost productivity.

High house prices and inadequate broadband access may severely restrict the capacity of the economy to grow. High carbon emissions will increase the vulnerability of businesses and residents to possible future increases in energy prices. Table 6 shows the percentage of the economy in each district attributed to seven major economic classifications.

Table 6 Percentage of district employee jobs in each industry sector, 2011

Industry	Cambridge	East Cambridge-shire	Fenland	Huntingdon-shire	South Cambridge-shire	Forest Heath	St Eds.
Manufacturing	2.8%	14.3%	20.6%	13.5%	14.9%	12.3%	14.0%
Construction	1.9%	7.1%	5.3%	4.3%	5.2%	6.3%	4.0%
Distribution, hotels and restaurants	20.0%	21.0%	23.2%	22.2%	17.9%	30.9%	22.7%
Transport and communications	8.2%	9.9%	7.2%	7.4%	13.8%	4.5%	5.7%
Banking, finance and insurance	20.1%	19.9%	17.0%	16.9%	23.7%	17.3%	21.9%
Public administration, education & health	42.5%	19.9%	20.6%	28.8%	19.9%	19.6%	25.3%
Other services	3.8%	6.0%	3.1%	4.9%	3.6%	7.9%	4.3%

Source: Business Register and Employment Survey 2011

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Latest economic context

Across the housing market sub-region, the percentage of residents in employment aged 16-74 increased very slightly between 2001 and 2011 from 68.4% to 68.9%, remaining at a higher level than the national figure of 64.7%. This slight increase, however, does not qualify the type of employment in the area. Between 2001 and 2011, there has been a shift away from full-time towards part-time employment. At a district level Huntingdonshire and St Edmundsbury were the only districts in the sub-region to experience a fall in the employment rate between 2001 and 2011, from 72.5% to 71.0% in Huntingdonshire and 70.1% to 69.8% in St Edmundsbury.

Table 7 Rates of employment and unemployment as a proportion of all residents aged 16-74, 2001 and 2011

	In Employment			Unemployed		
	2001	2011	Percentage point change	2001	2011	Percentage point change
Cambridge	57.7%	60.5%	2.8	2.8%	3.5%	0.7
East Cambridgeshire	70.0%	72.3%	2.3	2.4%	3.3%	0.9
Fenland	63.2%	64.3%	1.1	2.9%	4.8%	1.9
Huntingdonshire	72.5%	71.0%	-1.5	2.2%	3.6%	1.4
South Cambridgeshire	72.9%	73.4%	0.5	1.8%	2.7%	1.0
Cambridgeshire	67.8%	68.5%	0.7	2.3%	3.5%	1.2
Forest Heath	70.8%	71.6%	0.8	2.4%	3.6%	1.2
St Edmundsbury	70.1%	69.8%	-0.4	2.3%	3.5%	1.2
Cambridge HMA	68.4%	68.9%	0.5	2.3%	3.5%	1.2
England	63.2%	64.7%	1.6	3.7%	5.2%	1.5

Source: Census 2001 and 2011

Unemployment rates between 2001 and 2011 have increased in all districts. The lowest increases were seen in Cambridge and East Cambridgeshire, with rises of 0.7 and 0.9 percentage points respectively. The highest increases were seen in Fenland and Huntingdonshire, with rises of 1.9 and 1.4 percentage points respectively. Fenland already had the highest unemployment rate in 2001.

The economic inactivity level across the housing market area has fallen from 2001 to 2011. It seems that the increase in unemployment rates noted above has been influenced by a rise in the number of people who were previously inactive now looking for work, not by a fall in the proportion in employment.

Commuting patterns

Definitive commuting data will be available when the 2011 Census workplace population figures are released towards the end of 2013.

At present only a partial picture is available, using total jobs and employed residents figures. While these figures enable broad inferences to be made about changes in commuting patterns, as noted above between 2001 and 2011 there has been a shift away from full-time towards part-time employment.

Some caution should therefore be applied to conclusions about net commuting drawn from a comparison of changes in total jobs and employed residents.

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Table 8 Change in total jobs 2001-11 and employed residents 2001-11

	Number of jobs			Number of employed residents			Net out commuting 2001 (approx)	Net out commuting 2011 (approx)	Change in net out commuting 2001-2011
	2001	2011	Difference 2001-2011	2001	2011	Difference 2001-2011			
Cambridge	96,000	98,000	2,000	49,000	59,000	10,000	-47,000	-39,000	8,000
East Cambridgeshire	26,000	29,000	3,000	37,000	44,000	7,000	11,000	15,000	4,000
Fenland	33,000	35,000	2,000	38,000	45,000	7,000	5,000	10,000	5,000
Huntingdonshire	74,000	81,000	7,000	82,000	89,000	7,000	8,000	8,000	0
South Cambridgeshire	67,000	82,000	15,000	69,000	79,000	10,000	2,000	-3,000	-5,000
Cambridgeshire	296,000	325,000	29,000	276,000	316,000	40,000	-20,000	-9,000	11,000
Forest Heath	28,000	28,000	0	28,000	32,000	4,000	0	4,000	4,000
St Edmundsbury	55,000	68,000	13,000	50,000	56,000	6,000	-5,000	-12,000	-7,000

Source: ONS Jobs Density, Census 2001 and 2011

Changes in total jobs numbers and numbers of employed residents suggest that commuting patterns have changed in the last 10 years. In general, the number of jobs has risen at a lower rate than the number of employed residents.

Notwithstanding the caveat noted above, this infers an increase in net out-commuting, particularly from Cambridge, Fenland, East Cambridgeshire and Forest Heath. On the other hand, South Cambridgeshire and St Edmundsbury saw a higher increase in jobs than in the number of employed residents, which infers a reduction in net out-commuting. One possible explanation for this pattern is that people are moving to areas such as East Cambridgeshire, where house prices are cheaper, and commuting to work in South Cambridgeshire.

Percentage changes in the method of travel to work between 2001 and 2011 show in particular that there has been a large relative increase in train travel across the county, with the highest increases in Cambridge and East Cambridgeshire. Assuming that people who take the train to work are travelling longer distances, this might support the idea that there are now more out-commuters in Cambridgeshire. However, given the good train links between Cambridge and Ely, it also supports the known view that a relatively large proportion of out-commuting from East Cambridgeshire is to Cambridge.

Detailed information on commuting patterns based on the 2001 Census can be found in Chapter 2 *Defining our housing market area*. The paragraphs below provide a summary of this evidence.

- Cambridge employed residents work predominantly within the city and South Cambridgeshire district (nearly 88% combined), with just under 10% commuting outside Cambridgeshire. Within the housing market area, the main locations that provide in-commuters to Cambridge are South Cambridgeshire (26.3%), East Cambridgeshire (7.9%) and Huntingdonshire (5.4%).
- South Cambridgeshire residents' workplace reflects the strong functional relationship with Cambridge, with nearly 80% of employed residents working in the two areas. Cambridge (12.3%), Huntingdonshire (7.9%) and East Cambridgeshire (6.5%) are the main destinations within the housing market area from which there is in-commuting to South Cambridgeshire.
- Just over half of East Cambridgeshire's employed residents work in the district, while nearly 17% commute to Cambridge and just over 11% to South Cambridgeshire, with Suffolk also

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being a destination for nearly 12% of working residents. Suffolk also provides the largest single source of in-commuters at just over 7% of the workforce.

- Some 63% of Fenland's working population is employed in the district, with Peterborough as the main destination for commuters (13.7%). The largest single location for in-commuters to Fenland is Norfolk (10%).
- Nearly 65% of Huntingdonshire's employed residents work in the district, with out-commuting predominantly to Peterborough (7.4%) and, within the housing market area, to South Cambridgeshire (6.2%) and Cambridge (5.2%). The Huntingdonshire workforce is relatively self-contained with some 77% originating within the district. Peterborough (3.7%) and Fenland (3.1%) provide the largest source of in-commuters from any single district.
- For Forest Heath, East Cambridgeshire and St Edmundsbury are the main sources for in-commuting to the district. The USAF bases at Lakenheath and Mildenhall are major employers within the district and attract commuters from Norfolk, Cambridgeshire and other parts of Suffolk.
- St Edmundsbury includes Bury St Edmunds, which is one of the largest towns in the sub-region with a significant labour market. However, there is only one ward outside St Edmundsbury which contributed 25% or more of its employed residents to the town's workforce. Most other commuters to the town come from Forest Heath, Babergh and Mid Suffolk districts.

Key points

- Between 2001 and 2011 unemployment has increased in all districts. However, the total level of employment has remained steady, explained by both the resilience of the area's economy and an increase in part-time working.
- Changes in total jobs numbers and numbers of employed residents suggest that commuting patterns have changed between 2001 and 2011. In general, the number of jobs has risen at a lower rate than the number of employed residents, which infers an increase in net out-commuting, most notably from Cambridge, Fenland, East Cambridgeshire and Forest Heath.
- Percentage changes in the method of travel to work between 2001 and 2011 show there has been a large relative increase in train travel, the highest increases seen in Cambridge and East Cambridgeshire.
- Commuting patterns based on the 2001 Census are summarised in this chapter, and will be updated when new data is available from the 2011 Census. Historic commuting patterns reflect a strong inter-relationship between Cambridge and South Cambridgeshire, while a significant element of East Cambridgeshire's working population commutes to both these districts and to Suffolk. To the north and west there is a stronger economic relationship between Cambridgeshire districts and Peterborough.

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12.2.5 Looking ahead: projections to 2031 and 2036

A key role of the SHMA is to assess economic and demographic change forecast to take place in the future to help inform the identification of objectively assessed need that in turn informs local plan preparation and setting targets for new homes.

This section looks at predicted changes in population, jobs and household numbers from 2011 to 2031 (and 2036 in Huntingdonshire).

It uses a wide range of trend-based national, sub-national and local data and provides a summary of key findings and conclusions.

Population forecasts

The purpose of the Technical Report that informs this chapter of the SHMA is to draw a consistent set of conclusions from the available population, jobs and dwellings projections relating to the housing market area. The report includes a comparison of the various relevant population forecasts, and each forecast is considered in the light of the 2011 Census. The sources considered in the Technical Report are:

National data:

- Department for Communities and Local Government annual dwelling stock estimates and housing statistics
- Office for National Statistics annual population estimates and projections and annual "business register and employment survey" statistics

Local data:

- Cambridgeshire County Council (CCC) Research and Monitoring Team annual monitoring data
- CCC Research and Performance Team annual population and dwelling stock estimates and annual population and dwelling stock forecasts

Economic forecasts:

- East of England Forecasting Model, Spring 2012 economic forecasts
- Local Economy Forecasting Model, Spring 2012 economic forecasts

Links to the sources of data are included in Section 12.4. In addition full details and analysis of the data sources are set out in the Technical Report on population, housing and employment forecasts.

By comparing the various population outputs based on the above range of forecasts and projections, it is possible to identify both the outliers and also the broad convergence of the other available forecasts. Therefore, a comprehensive approach has been taken to demographic change including population implications resulting from job creation, migration and changes in all age groups.

On this basis an indicative population figure for each district in 2031 is determined, which reflects the broad convergence of the economic and demographic projections, and is influenced by both, but not wholly dependent on either. This takes account of inherent forecasting uncertainties and limitations. The indicative population figure is therefore a trend-based population forecast, that has regard to evidence on both demographic change and forecast additional jobs. The sum of these indicative population figures provides a "bottom-up" population forecast for the area as a whole.

Full details of the basis for the population figures are included in the Technical Report.

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Table 9 provides population figures for 2011 (from Census 2011) the forecast population to 2031 or 2036, the change and percentage this represents.

Table 9 Population at 2011, forecast to 2031 / 2036 and increase over time

	Population 2011	Population 2031 / 2036	Increase 2011 to 2031 / 2036	% increase 2011 to 2031/36
Cambridge	123,000	150,000	27,000	22%
East Cambridgeshire	84,000	110,000	26,000	31%
Fenland	96,000	118,000	22,000	23%
Huntingdonshire to 2031	170,000	201,000	31,000	18%
Huntingdonshire to 2036	170,000	209,000	39,000	23%
South Cambridgeshire	150,000	188,000	38,000	25%
Cambridgeshire to 2031	623,000	767,000	144,000	23%
Cambridgeshire incl. HDC to 2036	623,000	775,000	152,000	24%
Forest Heath	60,000	73,000	13,000	22%
St Edmundsbury	111,000	130,000	19,000	17%
Housing sub-region to 2031	794,000	970,000	176,000	22%
Housing sub-region incl. HDC to 2036	794,000	978,000	184,000	23%

Source: Technical Report, 2013

Table 9 highlights the increase in population forecast for all districts across the housing sub-region, the total population reaching 970,000 by 2031; an increase of 176,000 on the 2011 population.

Across the housing sub-region the total population increase identified is 22%, compared to the 2011 population. The increase ranges by district from 17% in St Edmundsbury to 31% in East Cambridgeshire.

Future demand for housing

The indicative population figures set out above provide a basis for determining the indicative housing growth across the market area, identified from a run of the East of England Forecasting Model (EEFM) with the population outputs adjusted to the indicative population figures.

Occupancy ratios are an important consideration in calculating housing figures and can vary by area and over time depending on demographic changes. Occupancy ratios describe the average number of people per dwelling. In 2011, the Census provided data showing that in Cambridge, an average of 2.54 people occupied each dwelling, while in Fenland the average was 2.27.

The EEFM assumes that each district's occupancy ratio will fall by 4.5% between 2011 and 2031. This is an East of England-wide assumption based on the fall in occupancy rates witnessed between 1996 and 2007.

Most "pre-Census" projections, such as those from CLG, assume that occupancy ratios will fall in the future because of an aging population and more single person households. The CLG "pre-Census" projections[3] in particular assume that occupancy ratios will fall at a faster pace over the next twenty years than the EEFM assumes. The 2011 Census showed, however, that in general, occupancy ratios did not fall as much between 2001 and 2011 as these projections expected. This could be for a number of reasons, including that housing delivery has slowed particularly during the economic downturn.

The EEFM assumes in common with the national perspective that with an upturn in house building, occupancy ratios will fall in the future, but that the fall will not be as strong as the fall suggested by the 2008-based projections. The CLG "post-Census" (2011-based) projections also follow this assumption. While it is acknowledged that dwelling numbers are sensitive to changes

[3] These are 2008-based

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in assumed occupancy levels, the approach taken is considered to be a reasonable one given the circumstances described.

Table 10 shows mid-2011 dwelling stock estimates derived from the Census 2011 dwellings figure plus local housing completions data, the indicative dwellings figure for each district in 2031, and the indicative dwellings change from 2011 to 2031.

Table 10 Dwelling forecasts

	Dwellings 2011	Occupancy ratio 2011	Dwellings 2031	Occupancy ratio 2031	Increase 2011 to 2031	% increase
Cambridge	48,000	2.54	62,000	2.43	14,000	29%
East Cambridgeshire	36,000	2.35	49,000	2.24	13,000	36%
Fenland	42,000	2.27	54,000	2.17	12,000	29%
Huntingdonshire	72,000	2.37	89,000	2.26	17,000	24%
Huntingdonshire to 2036	72,000	2.37	93,000	2.24	21,000	29%
South Cambridgeshire	62,000	2.42	81,000	2.31	19,000	31%
Cambridgeshire to 2031	260,000		335,000		75,000	29%
Cambridgeshire incl. HDC to 2036	260,000		339,000		79,000	30%
Forest Heath	28,000	2.17	35,000	2.07	7,000	25%
St Edmundsbury	47,000	2.36	58,000	2.25	11,000	23%
Housing sub-region to 2031	335,000		428,000		93,000	28%
Housing sub-region incl. HDC to 2036	335,000		432,000		97,000	29%

Source: Technical Report, 2013

Based on the occupancy levels outlined above, Table 10 shows that the additional indicative dwelling figure across the housing sub-region is 93,000 by 2031 (97,000 when looking to 2036 in Huntingdonshire). Across the housing sub-region this represents a 28% increase on 2011 dwelling figures. The percentage increase varies from 23% in St Edmundsbury to 36% in East Cambridgeshire.

Housing completions to date have not fully met planned requirements for a range of reasons, including the recession and the challenges of delivering large sites. Many of the undeveloped allocations will be carried forward into the updated plans. The 2011 Census provides the most up-to-date population figures available, which correspond with the baseline date for the population forecasts, and these are reflected in the dwelling forecasts. There is therefore no backlog of demand for housing above and beyond these figures.

Benchmarking the housing figures

By way of a benchmark, it is useful to compare the dwelling forecasts to the outputs from other sources, and to the former strategic housing targets included in the East of England Plan. *How Many Homes* is a recently-produced toolkit that provides helpful guidance on future housing need at district level, based predominantly on national household projections.

Table 11 compares the level of overall housing demand identified in the SHMA, to overall *How Many Homes* outcomes. We have also used the toolkit to examine the type and mix of homes required in future in section 12.2.6.

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Table 11 Comparing How Many Homes: extra households and the dwellings change 2011 to 2031

	Dwellings Change 2011 to 2031 (*from Table 10*)	Number of extra households between 2011 and 2031 (*How Many Homes*) (rounded)
Cambridge	14,000	9,400
East Cambridgeshire	13,000	12,400
Fenland	12,000	13,400
Huntingdonshire to 2031[4]	17,000	16,200
South Cambridgeshire	19,000	18,200
Cambridgeshire	75,000	69,600
Forest Heath	7,000	7,200
St Edmundsbury	11,000	11,000
Cambridge sub-region	93,000	87,700

Source: http://www.howmanyhomes.org/resources/WHW+2013+East+97+2003.xls and Table 10 Dwelling Forecasts

Both approaches rely on a continuation of past trends, and forecast on the basis of this trend continuing in future. However, *How Many Homes* is based on data published before the Census 2011 became available, while the figures included in this SHMA chapter are based on Census 2011 outcomes wherever possible and are, therefore, more up to date. One of the main sources used in *How Many Homes* is ONS 2008 data, which proved to be particularly problematic for Cambridge, which became clear once Census 2011 results were published. This must be taken into account when looking at the Cambridge outputs from *How Many Homes*.

The dwellings change figures identified in the SHMA are higher for all but one district than those in the *How Many Homes* toolkit and the overall figure across the market area is 5,400 homes higher.

Table 12 sets out the targets previously in place across the housing sub-region, through the East of England Plan (2008) and the draft revision to the East of England Plan (2010).

Table 12 East of England Plan: minimum regional housing provision / distribution

	Dwellings Change 2011 to 2031 (Table 10)	**East of England Plan:** Total to build April 2001 to March 2021	**Draft revision to East of England Plan:** Total net dwelling increase target, Apr 2011 to Mar 2031
Cambridge	14,000	19,000	14,000
East Cambridgeshire	13,000	8,600	11,000
Fenland	12,000	11,000	11,000[5]
Huntingdonshire to 2031	17,000	11,200	11,000
South Cambridgeshire	19,000	23,500	21,000
Cambridgeshire	75,000	73,300	68,000
Forest Heath	7,000	6,400	6,800
St Edmundsbury	11,000	10,000	10,800
Housing sub-region	93,000	89,700	85,600

Source: East of England Plan, Go-East[6] and Source: Draft revision to the RSS for the East of England, March 2010[7]

This highlights the difference between former strategic targets and the dwellings change forecast through the work to inform the SHMA between 2011 and 2031. The East of England Plan covered a different 20 year period and very different economic conditions, whilst the abandoned review (which did cover the period 2011 to 2031) took account only of the beginning of the

[4] *How Many Homes* does not project beyond 2031
[5] Note: column in table reads: "Additional potential for Fenland (up to another 150 homes per annum) will be tested to in form a future review of (policy) H1"
[6] http://www.broads-authority.gov.uk/broads/live/planning/future-planning-and-policies/RSS_East_of_England_Plan.pdf
[7] http://www.norfolk.gov.uk/view/ncc089175

downturn. They reflect the top down regional approach to plan-making and pre-date the NPPF requirement to identify objectively assessed needs, but provide a comparison with the scale of change that is identified through the SHMA.

Job forecasts

Jobs forecasts for the housing market area are provided by two models – the East of England Forecasting Model (EEFM) and the Local Economic Forecasting Model (LEFM). Both models are characterised by a professional assessment of the economic climate at the time of the baseline forecasts. Local economic growth determines employment growth, and both models forecast local economic growth based on observed past trends, albeit with potentially different growth assumptions for the different industry sectors.

The indicative population figures provide a basis for determining consistent jobs figures, by using an economic forecasting model with the population forecasts adjusted to the indicative population figures. This reflects the view that the indicative population figures are considered the most likely having regard to all available forecasts, including economic forecasts. On this basis it is considered that the indicative population forecasts are the most appropriate to use to identify forecast jobs and reflect anticipated growth in the economy.

The Technical Report sets out the indicative jobs figure for each district in 2031, a 2011 jobs estimate (derived from the BRES 2011 employee jobs figure, multiplied by the ratio of total jobs to employee jobs from the ONS 2010 Total Jobs and BRES estimates), and the indicative jobs change from 2011 to 2031.

Table 13 sets out indicative jobs numbers for 2011, projected to 2031 or 2036, and the change between these dates for Cambridgeshire and for the housing sub-region.

Table 13 Indicative jobs numbers from 2011 to 2031 / 2036

	Jobs 2011	Jobs 2031 / 2036	Jobs change 2011 to 2031 / 2036	% increase 2011 to 2031 / 36
Cambridge	98,000	120,000	22,000	22%
East Cambridgeshire	29,000	36,000	7,000	24%
Fenland	35,000	40,000	5,000	14%
Huntingdonshire to 2031	81,000	96,000	15,000	19%
Huntingdonshire to 2036	81,000	100,000	19,000	23%
South Cambridgeshire	82,000	104,000	22,000	27%
Cambridgeshire to 2031	325,000	396,000	71,000	22%
Cambridgeshire incl. HDC to 2036	325,000	400,000	75,000	23%
Forest Heath	28,000	31,000	3,000	11%
St Edmundsbury	68,000	75,000	7,000	10%
Housing sub-region to 2031	421,000	502,000	81,000	19%
Housing sub-region incl. HDC to 2036	421,000	506,000	85,000	20%

Source: Technical Report, 2013

Table 13 highlights that across the housing sub-region, an increase of 81,000 jobs is forecast, representing a 19% increase on 2011 jobs numbers. Again, this increase varies by district, ranging from 10% in St Edmundsbury to 27% in South Cambridgeshire.

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Comparing new jobs and new dwellings

Table 14 sets out a comparison of the increase in jobs, compared to the increase in dwellings.

Table 14 Comparison of jobs increase and dwellings increase to 2031/2036

	Jobs change 2011 to 2031 / 2036	Dwellings Increase 2011 to 2031/2036	2031/2036 Jobs to homes ratio
Cambridge	22,000	14,000	1.57
East Cambridgeshire	7,000	13,000	0.54
Fenland	5,000	12,000	0.42
Huntingdonshire to 2031	15,000	17,000	0.88
Huntingdonshire to 2036	19,000	21,000	0.90
South Cambridgeshire	22,000	19,000	1.16
Cambridgeshire to 2031	71,000	75,000	0.95
Cambridgeshire incl. HDC to 2036	75,000	79,000	0.95
Forest Heath	3,000	7,000	0.43
St Edmundsbury	7,000	11,000	0.64
Housing sub-region to 2031	81,000	93,000	0.87
Housing sub-region incl. HDC to 2036	85,000	97,000	0.88

Source: Data from Technical Report, 2013. Ratio expressed to one additional decimal place

Looking at 2011 to 2031, across the housing sub-region, some 81,000 new jobs are forecast, compared to 93,000 new dwellings; or 0.87 new jobs to each new dwelling. The ratio varies between districts, ranging from 0.42 in Fenland to 1.57 in Cambridge.

Table 15 Comparison of jobs and dwellings totals in 2011 and 2031/2036

	Jobs 2011	Dwellings 2011	2011 Jobs to homes ratio	Jobs 2031 / 2036	Dwellings 2031/2036	2031/2036 Jobs to homes ratio
Cambridge	98,000	48,000	2.04	120,000	62,000	1.94
East Cambridgeshire	29,000	36,000	0.81	36,000	49,000	0.73
Fenland	35,000	42,000	0.83	40,000	54,000	0.74
Huntingdonshire to 2031	81,000	72,000	1.13	96,000	89,000	1.08
Huntingdonshire to 2036	81,000	72,000	1.13	100,000	93,000	1.08
South Cambridgeshire	82,000	62,000	1.32	104,000	81,000	1.28
Cambridgeshire to 2031	325,000	260,000	1.25	396,000	335,000	1.18
Cambridgeshire incl. HDC to 2036	325,000	260,000	1.25	400,000	339,000	1.18
Forest Heath	28,000	28,000	1.00	31,000	35,000	0.89
St Edmundsbury	68,000	47,000	1.45	75,000	58,000	1.29
Housing sub-region to 2031	421,000	335,000	1.26	502,000	428,000	1.17
Housing sub-region incl. HDC to 2036	421,000	335,000	1.26	506,000	432,000	1.17

Source: Technical Report, 2013

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Comparing population, jobs and dwellings increase

Table 16 shows the forecast change in population for each district across the sub-region; the change in number of jobs forecast; and the change in number of dwellings that the increased population would need, from 2011 to 2031 (and 2036 for Huntingdonshire).

Table 16 Indicative change in population, jobs and dwellings from 2011 to 2031/2036

	Population increase	Jobs increase	Dwelling increase
Cambridge	27,000	22,000	14,000
East Cambridgeshire	26,000	7,000	13,000
Fenland	22,000	5,000	12,000
Huntingdonshire to 2031	31,000	15,000	17,000
Huntingdonshire to 2036	39,000	19,000	21,000
South Cambridgeshire	38,000	22,000	19,000
Cambridgeshire to 2031	144,000	71,000	75,000
Cambridgeshire incl. HDC to 2036	152,000	75,000	79,000
Forest Heath	13,000	3,000	7,000
St Edmundsbury	19,000	7,000	11,000
Housing sub-region to 2031	176,000	81,000	93,000
Housing sub-region incl. HDC to 2036	184,000	85,000	97,000

Source: Technical Report, 2013

For ease of comparison, Table 17 compares the increase for each district from 2011 to 2031. It presents the percentage of the change set out in Table 16 for population, jobs and dwellings.

Table 17 % of population, jobs and dwellings change represented by each district (2011 to 2031)

	Population increase	% of HMA total change	Jobs increase	% of HMA total change	Dwelling increase	% of HMA total change
Cambridge	27,000	15%	22,000	27%	14,000	15%
East Cambridgeshire	26,000	15%	7,000	9%	13,000	14%
Fenland	22,000	13%	5,000	6%	12,000	13%
Huntingdonshire to 2031	31,000	18%	15,000	19%	17,000	18%
South Cambridgeshire	38,000	22%	22,000	27%	19,000	20%
Forest Heath	13,000	7%	3,000	4%	7,000	8%
St Edmundsbury	19,000	11%	7,000	9%	11,000	12%
Sub-region to 2031	176,000		81,000		93,000	

On population, South Cambridgeshire sees the greatest increase, representing 20% of the sub-regional change from 2011 to 2031. Forest Heath sees the lowest increase at 8%.

On jobs, Cambridge and South Cambridgeshire show the greatest increase, both at 27% – between them accounting for 54% of the sub-region's increase in jobs to 2031. The lowest increase in jobs is forecast in Forest Heath at 4%.

On dwellings, the largest share of the increase is taken by South Cambridgeshire at 20%, followed by Huntingdonshire at 18% (to 2031). Forest Heath sees the lowest share at 8%.

Some districts, such has Huntingdonshire, see a broad overall balance between additional jobs and homes, reflecting the existing strong degree of self-containment within the area. For others, notably Fenland and East Cambridgeshire, more homes than jobs are projected, reflecting and possibly exacerbating existing patterns of out-commuting. The increases in housing numbers in these and other districts do, however, also reflect the significant increase in an ageing population over the next 20 years, with people living longer and forming smaller households.

Overall, there is a reasonable balance of additional jobs and homes across the housing market area, reflecting the historic trends of relative self-containment in the wider geographic area (which itself informed the travel to work areas on which the market area is based). However, as already noted, there are differences in the balance of projected jobs and homes between districts.

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In large part, this is symptomatic of the established relationship between the economic strengths of Cambridge and the larger towns, and the wider housing market. In particular, challenges of housing affordability means that the wider market area provides an important source of housing choice.

Key points

- A wide range of projections and forecasts have been used to draw a consistent set of conclusions about future population, jobs and dwellings across the housing market area.
- The increase in population projected across the market area is for some 176,000 additional people by 2031, a 22% increase from 2011.
- Based on a reasonable approach to occupancy levels this level of additional population results in a need for 93,000 additional homes in the market area by 2031.
- Economic forecasts result in the creation of 81,000 additional jobs across the area by 2031.
- Overall, there is a reasonable balance of additional jobs and homes across the housing market area, reflecting the historic trends of relative self-containment in the wider geographic area, although there are often significant differences in the balance of projected jobs and homes between districts.

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12.2.6 Mix of age groups and households types

The sections above outline how we have used forecasts to identify the dwellings needed across our SHMA area, to support population and employment growth. There is a level of detail within these projections, which relate to the types of homes needed. This is dictated mainly by the types of households forming, and the mix of age groups within these households.

Tables and charts have been downloaded from the *How Many Homes* toolkit to bring together household age and type information across Cambridgeshire and the housing sub-region. Whilst the toolkit has not been used directly to inform the objectively assessed need for new housing, it is based on recent CLG 2008-based household projections, which is the most recently available national source for this information to 2031. In future updates to the SHMA, this data will be incorporated into *Chapter 14, Size and types of homes*.

Summary of projected household changes

Table 18 shows the number of households by district within four broad age groups, at three dates, while Table 19 shows the projected change in each age group between 2011 and 2031.

Table 18 How household ages have changed and are projected to change ('91, '11 and '31)

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
Cambridge	4,297	3,691	3,523	15,723	19,285	21,277	10,902	13,318	16,724	11,096	9,706	13,834
East Cambridgeshire	865	689	759	8,961	11,799	13,594	7,721	12,892	16,100	6,837	10,256	17,536
Fenland	1,363	1,266	1,488	10,408	11,475	12,666	9,510	15,401	17,932	9,547	13,314	22,780
Huntingdonshire	3,054	1,658	1,650	24,112	23,643	25,207	16,739	26,731	27,697	11,587	18,988	32,675
South Cambridgeshire	1,412	921	1,021	18,371	20,525	23,995	15,455	22,753	25,853	11,399	16,556	28,093
Cambridgeshire	10,991	8,225	8,441	77,575	86,727	96,739	60,327	91,095	104,306	50,466	68,820	114,918
Forest Heath	1,617	1,119	1,272	9,511	10,209	11,521	5,815	7,964	9,504	5,417	6,570	10,733
St Edmundsbury	1,798	1,225	1,480	13,329	14,297	15,650	11,588	15,722	16,300	9,679	13,855	22,668
SHMA area	14,406	10,569	11,193	100,415	111,233	123,910	77,730	114,781	130,110	65,562	89,245	148,319

Source: How Many Homes

Table 19 Projected increase/decrease in each age group, 2011 to 2031

Number of households	15-24	25-44	45-64	65+	Total
Cambridge	-168	1992	3406	4128	9358
East Cambridgeshire	70	1795	3208	7280	12353
Fenland	222	1191	2531	9466	13410
Huntingdonshire	-8	1564	966	13687	16209
South Cambridgeshire	100	3470	3100	11537	18207
Cambridgeshire	216	10012	13211	46098	69537
Percentage of the total increase	0.3%	14.4%	19.0%	66.3%	100%
Forest Heath	153	1312	1540	4163	7168
St Edmundsbury	255	1353	578	8813	10999
SHMA area	624	12677	15329	59074	87704
Percentage of the total increase	0.7%	14.5%	17.5%	67.4%	100%

Source: How many homes

Table 18 and Table 19 highlight…

- Age 15 to 24 shows the smallest increase of the four age bands across the County and the sub-region, representing 0.3% and 0.7% of the total change respectively. Only Cambridge and Huntingdonshire see a decrease in this age group.
- Age 25 to 44 represents just over 14% of the total increase in number of households for both Cambridgeshire and the housing sub-region.

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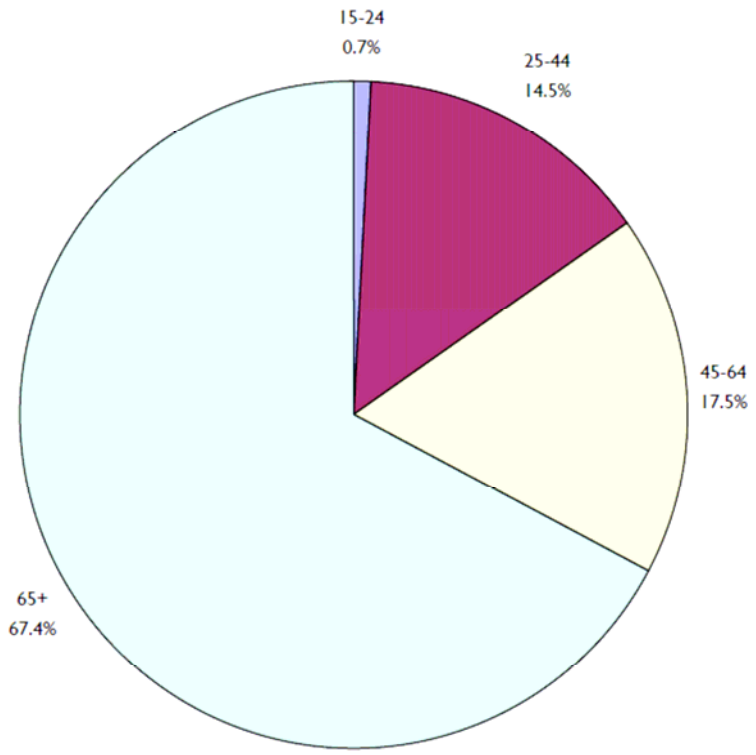
- Age 45 to 64 represents 19% of the total household increase across Cambridgeshire, and 17.5% of the increase across the housing sub-region.
- Age over 65 represents 66% of the total increase in households across Cambridgeshire and more than 67% of the increase across the whole housing sub-region. This is clearly the most significant proportion of the total projected increase in households.

Fig 4. % change in household numbers by broad age band, housing sub-region, 2011 to 2031



Source: How many homes

Housing implications

The overwhelming majority of household change is accounted for by households aged over 65, between 2011 and 2031. While some older people may need specialist accommodation, many live in their own homes and would continue to do so, provided their homes meet their needs and if needed they can access adaptations or additional facilities, and possibly some support. Housing options for older people are set out in Chapter 15 *Specific housing issues* including plans for additional extra care housing, and the role of support in enabling people to continue to live safely in their own homes.

Around 30% of household change is accounted for by 25 to 44 and 45 to 64 year old households. The smallest proportion of the increase comes from households in the 15 to 24 age band.

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Table 20 shows the projected change in household type, again across Cambridgeshire and across the housing sub-region.

Table 20 Projected increase/decrease in each household type, 2011 to 2031

Number of households	One person household	Couples on their own	Small families with one child	Larger families with child/children	Other households	Total
Cambridge	5,739	1,508	673	515	919	9,358
East Cambridgeshire	6,252	5,064	347	931	- 244	12,353
Fenland	7,820	5,418	394	531	- 757	13,410
Huntingdonshire	10,764	7,313	794	- 714	- 1,944	16,209
South Cambridgeshire	10,351	6,409	1,895	1,044	- 1,500	18,207
Cambridgeshire	40,926	25,712	4,103	2,307	- 3,526	69,537
% of total increase	59%	37%	6%	3%	-5%	100%
Forest Heath	4,578	1,667	455	516	- 57	7,159
St Edmundsbury	7,236	4,490	316	385	- 1,425	11,002
SHMA area	52,740	31,869	4,874	3,208	- 5,008	87,698
% of total increase	60%	36%	6%	4%	-6%	100%

Source: How many homes

Table 20 highlights…

- Of the total increase in households, one person households comprise the biggest proportion of the change at 59% across Cambridgeshire and 60% across the housing sub-region.
- Couples on their own comprise the second largest change in number of households, at 37% and 36% respectively.
- Small families with one child show an increase representing 6% of the total change both for Cambridgeshire and the housing sub-region.
- Larger families with a child/children show a modest increase representing 4% and 3% of the total change respectively. The only exception is seen in Huntingdonshire where a decrease is forecast.
- Other households decrease as a proportion of all household change, at –5% and –6% respectively for Cambridgeshire and the sub-region. The only exception is Cambridge which is projected to see an increase in "other" households.
- If one person and couple households make up the majority of the household increase from 2011 to 2031, making up 96% of the change in household numbers, it will be vital to provide homes which accommodate these smaller households in our future plans.
- Families with children comprise 10% of the change in households, which is obviously a much smaller but still significant proportion of the change in households.
- "Other households" fall in proportion to 2031, everywhere except Cambridge.

District-level information regarding household age and type can be found in the Additional Information section of this chapter at 12.7.1.

How does this inform housing mix?

How Many Homes provides a useful introduction to the concepts at play. In trying to identify the sizes of homes that are needed by the increased population, it would be a mistake to assume that just because, for example, the growth in households is largely single person households or couples, all that is needed are small homes with 1-2 bedrooms. Many small households live in larger homes.

Data is available from the 2001 Census showing the size of homes which households of a particular age and type were living in, within each local authority area at that time. If we assume

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that those occupation patterns reflect preferences that continue into the future we can estimate the mix of house sizes needed to accommodate the projected change in household sizes.

A basic breakdown of home sizes is provided. By using the *How Many Homes* toolkit, individual local authorities can vary some assumptions used, for example how many people are likely to downsize or not. In the spirit of the NPPF, the SHMA presents the baseline information and encourages local authorities to apply local context and factors to vary from this baseline, as they see fit.

The 2001 Census asked people how many rooms there were in their home, not how many bedrooms. Kitchen, bathrooms and toilets were excluded. In broad terms:

1 room	=	Bedsit
2 rooms	=	flat/house with one bedroom
3 rooms	=	flat/house 2 bedrooms
4 rooms	=	flat/house with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room
5 rooms	=	flat/house with 3 bedrooms and 2 reception rooms
6 rooms	=	house with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms
7+ rooms	=	house with 4, 5 or more bedrooms house

In this chapter of the SHMA, unlike in the *How Many Homes* toolkit, we present the proportion of dwellings of each size which are forecast to be needed, rather than numbers. This enables us to apply the proportions to the Technical Report dwelling numbers as necessary.

Table 21 Dwelling mix required: converting numbers into percentages

	Bedsit	Flat/house with one bedroom	Flat/house 2 bedrooms	Flat/house with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room	Flat/house with 3 bedrooms and 2 reception rooms	House with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms	House with 4, 5 or more bedrooms house
Cambridge	1%	5%	15%	18%	22%	21%	19%
East Cambridgeshire	0%	2%	11%	25%	24%	16%	21%
Fenland	0%	3%	14%	31%	26%	16%	10%
Huntingdonshire	1%	3%	16%	26%	24%	16%	14%
South Cambridgeshire	0%	2%	10%	26%	22%	17%	23%
Forest Heath	1%	3%	12%	34%	24%	13%	12%
St Edmundsbury	1%	4%	14%	25%	24%	16%	15%
Overall %	1%	3%	13%	26%	24%	16%	17%

Source: How many homes

Table 21 shows what the dwelling mix should be for new homes between 2011 and 2031, based on a continuation of past trends from 1991 to 2010.

This highlights the different dwelling sizes needed within each district.

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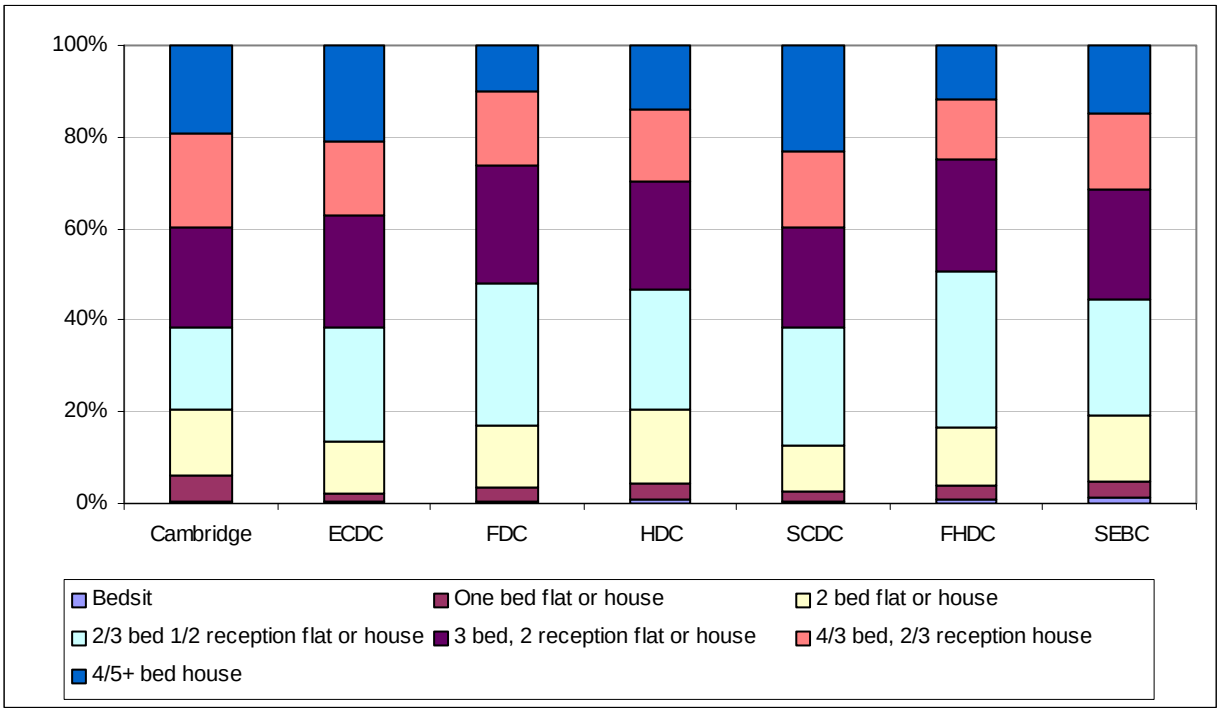
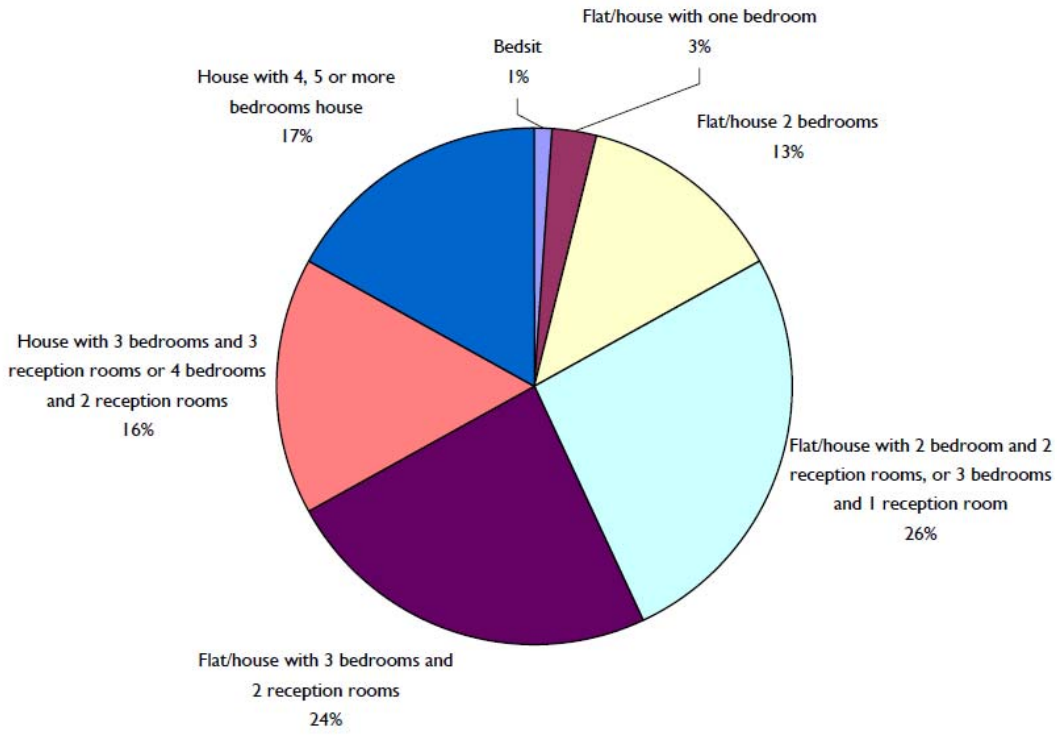
Fig 5. Dwelling mix required: converting numbers into percentages for each district, 2011-2031



Source: How many homes

Fig 6. Overall SHMA area dwelling mix required, 2011-2031



Based on Census 2001 occupancy patterns, Fig 6 shows the required dwelling mix 2011-31 across the housing sub-region. This highlights:

- Bedsits comprise less than 1% of the dwelling mix across the sub-region, with no district requirement being more than 1%.
- Flats and houses with one bedroom comprise between 2% and 5% of the dwelling mix across all seven districts. The highest proportion of 5% is seen in Cambridge.

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- Flats and houses with 2 bedrooms form a larger part of the mix, representing between 10% and 16% of the mix across the seven districts. The highest proportion of 2 beds, compared to other districts, is seen in Huntingdonshire.
- Flats and houses with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room, account for the largest proportion of dwelling types across the sub-region at 26%. This varies from 18% in Cambridge, up to 34% in Forest Heath.
- Flats and houses with 3 bedrooms and 2 reception rooms account for 25% of the mix across the housing sub-region, with much less variation in the proportion accounted for within each district, all falling between 22% and 26%.
- Houses with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms account for 16% of the mix across the housing sub-region. Forest Heath sees the lowest proportion at 13%, and Cambridge the highest at 21%. Other districts all see 16% or 17% of this dwelling type.
- Houses with 4, 5 or more bedrooms house account for 17% of the mix across the housing sub-region. This varies quite widely by district, accounting for 10% in Fenland and 23% in South Cambridgeshire.

It is important to note that these proportions are based on continuing the trends seen in the past. So if a new housing development aims to focus on or attract a certain age group or size of household, this will affect the proportion of dwelling types needed (for example if a retirement village was under consideration, building this type of home might not reflect past trends).

Key points

On ages:

- The overwhelming majority of household change is accounted for by households aged over 65, between 2011 and 2031 at more than 67%.
- Around 30% of household change is accounted for by households in the 25 to 44 and 45 to 64 age bands.
- The smallest proportion of the increase comes from households in the 15 to 24 age band.

On household type:

- One person and couple households make up the majority of the household increase from 2011 to 2031 (96% of the change in household numbers).
- Families with children comprise 10% of the change in households, which is obviously a much smaller but still significant proportion of the change in households.
- “Other households” fall as a proportion to 2031, in all districts except Cambridge.

On dwelling mix, based on past occupation rates and data from the 2001 Census:

- No district is predicted as requiring more than 1% of the housing mix as bedsits.
- One bedroom flats and houses comprise between 2% and 5% of the dwelling mix across all seven districts, with the highest proportion in Cambridge (5%).
- 2 bedroom flats and houses form a larger proportion of the overall mix, representing between 10% and 16% across the seven districts, Huntingdonshire seeing 16% 2 beds.
- Flats and houses with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room account for the largest proportion of dwelling type across the sub-region at 26%, varying from 18% in Cambridge to 34% in Forest Heath.
- 3 bedroom flats and houses account for 25% of the mix across the housing sub-region, with all districts falling between 22% and 26%.

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- Houses with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms account for 16% of the mix across the housing sub-region. Forest Heath sees the lowest proportion at 13%, and Cambridge the highest at 21%.
- Houses with 4, 5 or more bedrooms house account for 17% of the mix across the housing sub-region. This varies widely by district; 10% in Fenland and 23% in South Cambridgeshire.

12.2.7 Forecast of affordable housing need

This section presents the affordable housing need identified in Chapter 13 based on data from 2009/10, which has recently been updated to reflect 2010/11 and 2011/12 data. Briefly, the need for affordable housing is an annual need calculation for each district, following the CLG Strategic Housing Market Assessment guidance 2007, based on:

- Current housing need: sometimes referred to as the 'backlog' of need - taking into account homelessness households, needs expressed through the housing needs register over the coming 5 years (removing any potential "double counting" of homeless households), and households in concealed or overcrowded situations who would not be able to meet their needs on the open market;
- The total stock available: taking into account homes 'freed up' by households transferring from one home to another, re-sales of intermediate housing, vacancy rates, the number of new affordable homes expected to be delivered in the coming year through both section 106 agreements and other sources, and homes to be taken out of management -e.g. planned demolitions;
- Newly arising need i.e. newly forming households who are unable to buy or rent in the district, whether forming from existing resident households or moving into the area. This also includes existing households falling into need, based on an average annual number of social lettings, (excluding transfers and lets to new build homes); and
- Annual supply: the annual supply of affordable housing includes the number of social rented re-lets, and the number of intermediate tenure sales at less than market prices.

The following formula is used to create a **total net need** figure:

Current need	-	Total stock available	=	Current annual net need
Newly arising need	-	Annual supply	=	Projected net need
Current annual net need	+	Projected net need	=	Total net need

Although the CLG methodology only requires Strategic Housing Market Assessments to be reviewed 'regularly', sub-regional partners took the decision to review our affordable housing need calculation annually to provide a revised figure each year. The figures below are therefore likely to change again when they are re-calculated.

The scale of change for the next update will be further affected by a review of our sub-regional housing register (Home-Link) as a result of changes to our housing allocations policy in line with new government guidance. Further details are in Chapter 13, Identifying affordable housing need which sets out both a more detailed summary and an in-depth explanation of the methodology.

Table 22 shows the annual assessed need based on the CLG methodology. It highlights there is still a need for affordable housing across the sub-region, as there is for all homes.

Figures are shown based on 2010/11 data and 2011/12 data.

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Table 22 Summary of updated assessment of current affordable housing need: annual figures[8]

	Based on 2010/11 data	Based on 2011/12 data
Cambridge		
Current need	1,902	2,393
Total stock available	174	155
Current annual net need	1,728	2,238
Newly arising need	388	375
Annual supply	232	187
Projected net need	156	188
Total net need	**1,884**	**2,426**
East Cambridgeshire		
Current need	467	486
Total stock available	129	99
Current annual net need	338	387
Newly arising need	215	213
Annual supply	174	173
Projected net need	41	40
Total net need	**379**	**427**
Fenland		
Current need	828	859
Total stock available	69	54
Current annual net need	759	805
Newly arising need	234	221
Annual supply	237	256
Projected net need	-3	-35
Total net need	**756**	**770**
Huntingdonshire		
Current need	1,025	798
Total stock available	140	191
Current annual net need	885	607
Newly arising need	355	347
Annual supply	222	253
Projected net need	133	94
Total net need	**1,018**	**701**
South Cambridgeshire		
Current need	1,327	1,315
Total stock available	255	235
Current annual net need	1,072	1,080
Newly arising need	339	321
Annual supply	147	172
Projected net need	192	149
Total net need	**1,264**	**1,229**
Forest Heath		
Current need	427	463
Total stock available	176	147
Current annual net need	251	316
Newly arising need	207	204
Annual supply	112	129
Projected net need	95	75
Total net need	**346**	**391**
St Edmundsbury		
Current need	608	668
Total stock available	114	84
Current annual net need	494	584
Newly arising need	260	247
Annual supply	218	264
Projected net need	42	-17
Total net need	**536**	**567**

Source: CCCRG: SHMA 2012, Chapter 13 for years up to 2009/10; and Supplement to Chapter 13.for 2010/11 and 2011/12

[8] This table identifies the seven key stages in CLG methodology for each district, for one year only

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Please see the 2013 Chapter 13 supplement for more detail on the CLG affordable housing calculation, and on possible ways to address particularly the backlog of housing need.

Comparing "all dwellings" to "affordable need"

Table 24 shows total dwelling change 2011 to 2031 (and 2036 for Huntingdonshire) as shown in Table 16 alongside affordable housing need over the same period of time. The affordable numbers are (for reasons set out below) very difficult to (a) project for 20 years, under current CLG methodology, and (b) have issues when being compared to the overall dwelling change figures.

For the purposes of Table 23 , affordable housing need is the sum of current need and newly arising need, which are presented in Table 22 for each district.

The figure for current need presented in Table 23 follows the same methodology as in our past SHMAs. This methodology was devised in light of the DCLG 2007 guidance. However, decisions about how to deal with current housing need (aka backlog, which includes people on the Home-Link register in one of four priority bands) may vary from district to district and is a matter for local policy. The figures set out in Table 23, and used to project need over the local plan period in Table 24, do include an element of standardising the approach to meeting the backlog of housing need across the housing sub-region. Further detail and scenarios will be included in the Chapter 13 supplement. The supplement will also set out housing needs register figures in total, as well as by Band, to enable districts to continue to review and update their approach to expressed housing need and what constitutes a reasonable period of time to meet the various bands of need.

Table 23 Dwelling change (all tenures) and affordable housing need, 2011 to 2031

	Dwelling change 2011 to 2031	Affordable housing need 2011 to 2031 (current + newly arising) Based on 2011/12 data
Cambridge	14,000	17,131
East Cambridgeshire	13,000	6,197
Fenland	12,000	7,927
Huntingdonshire to 2031	17,000	10,259
South Cambridgeshire	19,000	11,838
Cambridgeshire	75,000	53,351
Forest Heath	7,000	5,935
St Edmundsbury	11,000	7,650
Housing sub-region	93,000	66,936
Huntingdonshire to 2036	21,000	11,996

Source: CCCRG

The calculation of affordable housing need is part of, not in addition to, the objectively assessed need for the total number of homes.

In any consideration of affordable housing need against overall dwelling requirement, it is important not to take account of new build affordable housing within the affordable need calculation, as these are included in the overall dwelling requirement figure.

Having said that, the number of affordable homes required cannot and should not be directly compared with the total number of new homes required to be delivered over the Local Plan period in each district. For example, some of those requiring affordable housing may already be housed in existing homes in the private rented sector. Some homeless households may now be housed in existing private rented housing, a new way the district can discharge its homelessness duty, which was not the case in the past. In short, the current (2007) CLG guidance was designed prior to the introduction of the NPPF, and therefore is not aimed at assessing affordable housing within the context of the total number of homes required. (New guidance is due to be published later in 2013).

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There are a number of reasons why the 'all homes' and affordable housing figures are not directly comparable – either overall or for each district - including the following:

- The 'all homes' figure represents the number of new homes required. In addition to relets, (see Table 24) meeting affordable housing need may (in some cases, but certainly not all) be achievable through other means than new provision. Examples include:
  - Empty homes brought back into use, possibly through HCA funding.
  - Mortgage Rescue purchase, which may involve the home being let to the occupier via rent charged at 80% and an equity share arrangement.
  - First time buyer schemes whereby an existing home is converted to an affordable tenure.
  - Interventions in private sector housing to make existing homes more suitable for people on the Home-Link register.
- The CLG methodology requires that both housing need and housing supply are taken into account in assessing affordable housing need. Whilst need can generally be projected with some confidence, a longer term prediction of supply – particularly one based on past trends - is unlikely to be robust. For information, Table 24 sets out the scale of estimated supply of affordable homes through relets and resales, excluding new build affordable based on 2011/12 data. This gives an indication of supply other than from new build, and ranges from 2,193 to 4,400 by district over the 20-year period, averaging 3,153. For more detailed figures please refer to Chapter 13 *Identifying affordable housing need* and its update based on 2010/11 and 2011/1 2 data.

Table 24 Affordable housing supply projected over 20 years, excluding new build

	Affordable housing supply projected over 20 years, **excluding** new build Based on 2011/12 data
Cambridge	2,713
East Cambridgeshire	2,680
Fenland	4,400
Huntingdonshire to 2031	3,047
South Cambridgeshire	2,827
Cambridgeshire	15,667
Forest Heath	2,193
St Edmundsbury	4,213
Housing sub-region	22,073
Huntingdonshire to 2036	3,808

Source: CCCRG

- The needs register (Home-Link) currently allows households to apply for housing in a district if they either live in or have a local connection with that district. The affordable housing figure draws on the needs register and, for a district like Cambridge, may reflect its attractiveness to applicants living outside the district, for example those with a local connection such as being employed in Cambridge. It is likely that this has the effect of increasing the need figure beyond the level of need of those currently living in Cambridge, and gives the impression of a particularly high level of need compared to forecast overall housing need, whereas it may be reasonable for the housing needs of those applicants from outside the City to be provided in their current resident district, or another district where they have a local connection. However, there is clearly a high level of need for affordable housing in Cambridge, which will need to be taken into account when setting affordable housing policies in the Cambridge City Local Plan.

Section 12.2 Facts and figures

- The CLG guidance requires the calculated need to be converted to an annual flow using assumptions about the number of years that will be taken to address the backlog. Our calculation (in Chapter 13) projects forward how many additional affordable homes would theoretically be required, meeting the backlog of need at different rates according to the banding applicants have on our Housing Needs Register. (Districts may choose to deal with the backlog over different periods of time. Taking longer does not necessarily mean that individuals in need are waiting for long periods of time – only that the overall backlog takes more time to address). As delivery of new affordable homes is often reliant on external factors such as the development of market housing, it may not be possible to meet this rate of actual delivery in practice.
- As the number of people on the housing needs register in each district is a significant factor affecting the affordable housing need calculation, the point at which each district's register is reviewed will have an impact on the next annual affordable housing calculation. When registers are reviewed, numbers tend to drop in the short-term but rise again as time goes on until the next review. For example, Cambridge City's register was reviewed between November 2009 and March 2010. At quarter 3 in 2009/10 there were 7918 applicants on the register, falling to 6084 once the review had been carried out. By quarter 3 2011/12 it had risen again to 7995. This review did not include Band D applicants – which make up a significant proportion of the register.
- Allocation of affordable housing across the housing sub-region follows our jointly agreed Lettings Policy, which allows for 10% cross-boundary allocations on all lettings of affordable homes and 25% on the strategic growth sites. This helps to meet the demand for affordable housing across the sub-region and allows for greater mobility.
- Whilst both the 'all homes' and affordable calculations can be affected by national and local changes in policy, it could be argued that some changes directly affecting affordable housing policy could have a more immediate impact on the affordable housing calculation than wider social economic or social policy change affecting the total number of homes required. For example, a change in the eligibility to apply for housing on the needs register would have an immediate affect on the number of affordable homes calculated as being required, or the introduction of further financial initiatives to help those who otherwise would be unable to access the private market, whereas policy changes affecting the overall number of homes required may take longer to take effect.

Table 25 sets out some of the issues when comparing the methodology for assessing the overall housing requirement, and the CLG 2007 guidance on assessing net affordable housing need.

Table 25 Issues about comparing overall dwellings figures and affordable housing calculation

Overall housing calculation	Affordable housing calculation
Based on a model using the most up to date 2011 Census information, but which makes a prediction into the future, based on continuation of past trends.	Uses a variety of secondary data sources to predict affordable housing need, the data being re-collected and the calculation re-run every year to provide an annually updated picture of housing need.
Predicts the overall number of homes needed, based on population change in relation to natural change and in-migration, particularly linked to economic growth.	Predicts housing need on the basis of population change, expressed housing need, (un)affordability of housing and need, which is balanced against predicted affordable housing supply (re-lets and re-sales as well as new build).
Takes a deliberately broad and robust approach to ensure all reasonable factors are taken into account, including a range of national, sub national and local inputs / data.	Follows 2007 CLG methodology, although new guidance is to be issued later in 2013.

Section 12.2 Facts and figures

Overall housing calculation	Affordable housing calculation
Designed to look at long term trends, considering Census 2011, demographic forecasts and economic forecasts, and uses these to predict long term outcomes (to 2031 and 2036). Does not take into account predicted or planned levels of housing supply.	Methodology provides a balance of need and supply, creating an annual "balance figure" of need and supply. Need can be projected with more confidence, however the supply of homes through new build and re-let or re-sale is much less predictable given uncertainties of funding in future, variable delivery rates over past years (i.e. not a consistent year on year delivery due to the nature of housing development). This makes it difficult to base a long term prediction if supply figures are included. A review of our sub-regional housing allocation policy led to re-registration of applicants to our housing needs register in the first half of 2013. We will monitor the effect of this review closely. Any impact will be reflected in the next SHMA update.
Further detail from 2011 Census is being published as this chapter is being written. New data and new analysis may shed new light, as they become available.	Future iterations of the SHMA will look at the impact of the introduction of flexible tenancies, and of the Affordable Rent product, on meeting housing need and demand. At the time of publication of this chapter of the SHMA, sub-regional housing partners have produced an investigation of some of the related issues, available at www.cambridge.gov.uk/crhb. The partners need to monitor the outcomes in reality before any conclusions can be drawn about impacts
Assesses need for natural growth and in-migration.	Includes applicants on the housing register who may not live in the district but have a local connection –e.g. for family or employment purposes.
Assesses the total need for new homes of all tenures.	Assesses the need for affordable housing, some of which can potentially be met through mechanisms other than new build - for example bringing empty homes back into use, converting existing tenures etc.

Key points

- Based as far as practical on the 2007 CLG SHMA 2007 methodology, there is a need for 66,936 new affordable homes across the housing sub-region between 2011 and 2031 (current + newly arising).
- This represents a high level of affordable housing need, with the highest levels seen in and around Cambridge.
- Due to the different methodologies involved, the affordable need figure should not be compared directly with the forecast demand for all dwellings.
- Caution also needs to be applied when using the 2007 CLG methodology to project forward, particularly over a period of 20 or 25 years, for reasons fully set out in this section. The housing sub-region eagerly anticipates publication of new guidance promised in 2013 to guide further development of our work and updates to this calculation in future updates to the SHMA.

12.3 Conclusions

This chapter of the SHMA addresses the requirements of the National Planning Policy Framework. It reflects collaborative working between neighbouring authorities across the housing market area and identifies the scale of housing to meet household and population projections, taking account of migration and demographic change**.** It is acknowledged however that there are inherent forecasting uncertainties and limitations. The SHMA takes an integrated approach to future population, housing and economic needs, and also includes forecast jobs numbers. The sum of these indicative population figures provides a "bottom-up" population forecast for the area as a whole. It also addresses the future need for affordable housing as well as the mix of housing to meet projected demand and needs.

Based on this comprehensive approach, the figures included in this chapter are considered to provide the full, objectively assessed need for market and affordable housing in the housing market area that the NPPF says local planning authorities should meet (as far as is consistent with the policies set out in the NPPF).

These additional housing figures are set out below, together with the affordable housing needs that form part of this. As already noted, the 2011 Census provides the most up-to-date population figures available and these are reflected in the dwelling forecasts. As such, the overall additional dwelling figure of 93,000 across the market area provides for the full need for market and affordable housing to 2031.

Table 26 Dwelling change (all tenures) and affordable housing need, 2011 to 2031 and affordable housing need projected to 2031

	Dwelling change 2011 to 2031	Affordable housing need 2011 to 2031 (current + newly arising) Based on 2011/12 data
Cambridge	14,000	17,131
East Cambridgeshire	13,000	6,197
Fenland	12,000	7,927
Huntingdonshire to 2031	17,000	10,259
South Cambridgeshire	19,000	11,838
Cambridgeshire	75,000	53,351
Forest Heath	7,000	5,935
St Edmundsbury	11,000	7,650
Housing sub-region	93,000	66,936
Huntingdonshire to 2036	21,000	11,996

Source: CCCRG

Summary of key points

Key drivers for our market area

- The sub-region is diverse, including areas of economic prosperity in the south and east, which are generally developing faster economically than areas in the north and east. Economic strengths and related population increase means significant, continued pressure for growth in recent years.
- The development strategy included in the East of England Plan is being implemented including urban extensions to Cambridge, the new town of Northstowe, and regeneration and growth at the main market towns.
- Housing affordability is an acute issue in many parts of the housing market area. It remains an important objective for the authorities to maximise affordable housing provision to support the social and economic well-being of the area and of local communities. Delivery challenges include housing viability especially in the north of the housing market area.

Housing delivery

- Districts have continued to deliver new homes, and compare favourably with regional and national housing completion numbers, even if development has slowed on some sites.
- Although completions have lowered since a “peak” in 2007/08, homes have continued to be delivered in all our districts and good progress is now being made on the strategic sites.
- As nationally, viability and mortgage availability issues have had an impact, and have affected developer confidence, slowing rates of delivery. However the overall picture is reasonably positive across the housing sub region and progress is being made on existing development sites.

Trends in housing affordability

- Overall, affordability remains an issue for households across the housing sub-region. Based on current incomes, between 20% (Huntingdonshire) and 45% (Cambridge) of households cannot afford lower quartile private rents, based on a third of income being spent on housing costs, across our seven districts.
- Across the Cambridge sub-region, the affordability of buying a house has worsened slightly over the past few years, with the highest increases in house prices and accompanying mean house price to income ratios being shown in and around Cambridge, and the lowest house prices and accompanying mean house price to income ratios being shown in the north and west of Cambridgeshire and in Forest Heath. A similar picture is seen in the rental market.

Economic background to the area

- Between 2001 and 2011 unemployment has increased in all districts. However, the total level of employment has remained steady, explained by both the resilience of the area’s economy and an increase in part-time working.
- Changes in total jobs numbers and numbers of employed residents suggest that commuting patterns have changed between 2001 and 2011. In general, the number of jobs has risen at a lower rate than the number of employed residents, which infers an increase in net out-commuting, most notably from Cambridge, Fenland, East Cambridgeshire and Forest Heath.
- Percentage changes in the method of travel to work between 2001 and 2011 show there has been a large relative increase in train travel, the highest increases seen in Cambridge and East Cambridgeshire.

Section 12.3 Analysis

- Commuting patterns based on the 2001 Census are summarised in this chapter, and will be updated as soon as new data is available from the 2011 Census. Historic commuting patterns reflect a strong inter-relationship between Cambridge and South Cambridgeshire, while a significant element of East Cambridgeshire's working population commutes to both these districts and to Suffolk. To the north and west there is a stronger economic relationship between Cambridgeshire districts and Peterborough.

Looking ahead

- A wide range of projections and forecasts are used to draw a consistent set of conclusions about future population, jobs and dwellings across the housing market area.
- The increase in population projected across the market area is for some 176,000 additional people by 2031, a 22% increase from 2011.
- Based on a reasonable approach to occupancy levels this level of additional population results in a need for 93,000 additional homes in the market area by 2031.
- Economic forecasts result in the creation of 81,000 additional jobs across the area by 2031.
- Overall, there is a reasonable balance of additional jobs and homes across the housing market area, reflecting the historic trends of relative self-containment in the wider geographic area, although there are often significant differences in the balance of projected jobs and homes between districts.

Mix of age groups and households types

On ages:

- The overwhelming majority of household change is accounted for by households aged over 65, between 2011 and 2031 at more than 67%.
- Around 30% of household change is accounted for by households in the 25 to 44 and 45 to 64 age bands.
- The smallest proportion of the increase comes from households in the 15 to 24 age band.

On household type:

- One person and couple households make up the majority of the household increase from 2011 to 2031 (96% of the change in household numbers).
- Families with children comprise 10% of the change in households, which is obviously a much smaller but still significant proportion of the change in households.
- "Other households" fall as a proportion to 2031, in all districts except Cambridge.

On dwelling mix, based on past occupation rates and data from the 2001 Census:

- No district is predicted as requiring more than 1% of the housing mix as bedsits.
- One bedroom flats and houses comprise between 2% and 5% of the dwelling mix across all seven districts, with the highest proportion in Cambridge (5%).
- 2 bedroom flats and houses form a larger proportion of the overall mix, representing between 10% and 16% across the seven districts, Huntingdonshire seeing 16% 2 beds.
- Flats and houses with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room account for the largest proportion of dwelling type across the sub-region at 26%, varying from 18% in Cambridge to 34% in Forest Heath.
- 3 bedroom flats and houses account for 25% of the mix across the housing sub-region, with all districts' need for this size of housing falling between 22% and 26%.
- Houses with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms account for 16% of the mix across the housing sub-region. Forest Heath sees the lowest proportion at 13%, and Cambridge the highest at 21%.

Section 12.3 Analysis

- Houses with 4, 5 or more bedrooms house account for 17% of the mix across the housing sub-region. This varies widely by district; 10% in Fenland and 23% in South Cambridgeshire.

Forecast of affordable housing need

- Based as far as practical on the 2007 CLG SHMA 2007 methodology, there is a need for 66,936 new affordable homes across the housing sub-region between 2011 and 2031 (current + newly arising).
- This represents a high level of affordable housing need, with the highest levels seen in and around Cambridge.
- Due to the different methodologies involved, the affordable need figure should not be compared directly with the forecast demand for all dwellings.
- Caution also needs to be applied when using the 2007 CLG methodology to project forward, particularly over a period of 20 or 25 years, for reasons fully set out in this section. The housing sub-region eagerly anticipates publication of new guidance promised in 2013 to guide further development of our work and updates to this calculation in future updates to the SHMA.

12.4 Links and references

Correct at May 2013

Technical Report (May 2013)
http://www.cambridgeshireinsight.org.uk/webfm_send/534

Data used for Technical report:

- **CCC Research and Monitoring Team**
- Annual monitoring data
  http://www.cambridgeshire.gov.uk/environment/planning/policies/monitoring/
- **CCC Research and Performance Team**
- Annual population and dwelling stock estimates
  http://www.cambridgeshire.gov.uk/business/research/populationresearch/population/
- Annual population and dwelling stock forecasts
  http://www.cambridgeshire.gov.uk/business/research/populationresearch/population/forecasts
- **Department for Communities and Local Government**
- Annual dwelling stock estimates and housing statistics
  http://www.communities.gov.uk/housing/housingresearch/housingstatistics/
- **East of England Forecasting Model**
- Spring 2012 economic forecasts
  http://www.cambridgeshire.gov.uk/business/research/economylab/Economic+forecasts.htm
- **Local Economy Forecasting Model**
- Spring 2012 economic forecasts
  http://www.cambridgeshire.gov.uk/business/research/economylab/Cambridgeshire+scenarios.htm
- **Office for National Statistics**
- Annual population estimates and projections
  http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Population
- Annual "business register and employment survey" statistics
  http://www.ons.gov.uk/ons/rel/bus-register/business-register-employment-survey/index.html

Other sources of data

- **How many homes toolkit**

  http://howmanyhomes.org/
- **Other SHMA 2012 chapters (published April 2013)**

  www.cambridgeshireinsight.org.uk/housing/current-version
- **Viability Testing Local Plans**, Sir John Harman and Local Housing Delivery Group, June 2012 at http://www.pas.gov.uk/pas/aio/2426206 - please see also a brief summary at 12.7.2.

12.5 Definitions of terms

Term used	Abbreviation	Meaning	Link for further information
Business Register and Employment Survey	BRES	Annual survey undertaken by the Office for National Statistics to maintain a comprehensive list of UK businesses and employment statistics.	http://www.ons.gov.uk/ons/rel/bus-register/business-register-employment-survey/index.html
Department for Communities & Local Government	DCLG / CLG	Government department for communities and local government. Responsible for producing dwelling and household statistics.	https://www.gov.uk/government/organisations/department-for-communities-and-local-government
East of England Forecasting Model	EEFM	Economic forecasting model run by Oxford Economics, which produces consistent jobs, population and dwelling forecasts.	http://www.cambridgeshire.gov.uk/business/research/economylab/Economic+forecasts.htm
Economic inactivity rates	-	The economically inactive population is comprised of those aged 16-74 who are unable or do not wish to enter employment. The data used in this chapter are taken from the Census 2011.	-
Local Economy Forecasting Model	LEFM	Economic forecasting model run by Cambridge Econometrics, which produces jobs forecasts.	http://www.cambridgeshire.gov.uk/business/research/economylab/Cambridgeshire+scenarios.htm
National Planning Policy Framework	NPPF	Document published in March 2013, setting out Government national planning policies that all local planning authorities must follow.	https://www.gov.uk/government/publications/national-planning-policy-framework--2
Office for National Statistics	ONS	The UK's largest independent producer of official statistics and the recognised national statistical institute of the UK.	http://www.ons.gov.uk
Unemployment rates	-	Unemployment rates are comprised of those aged 16-74 who are actively seeking work and are available to do so within a fortnight. The data used in this chapter are taken from the Census 2011.	-

12.6 Data issues

Main sources of data

- Business Register and Employment Survey 2011
- Cambridge economic area's functional economic assessment
- Census 2001
- Census 2011
- CLG household projections (including via How Many Homes online tool)
- Hometrack March 2012
- ONS sub-national population projections 2010, 2011
- ONS mid-year population estimates

Planned changes to data

- Census 2011 – workplace jobs data will be available around the end of 2013, which will enable detailed commuting analysis to be undertaken.

12.7 Additional information

12.7.1 *How Many Homes* district level outputs

- For each district, tables are provided showing how household ages and types have changed in the past, and are predicted to change. Brief summary bullet points draw out key patterns of change.
- Then the projected increase or decrease in number of households in each age and type group, 2011 to 2031 is provided in a table, again with brief summary points.
- Brief highlights of what each graph shows are included, to assist in noticing trends and differences between districts.

Cambridge

Table 27 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	1671	1305	986	3926	5759	6808	2707	4327	6223	5780	5791	8904
Couples on their own	637	355	191	2808	3710	3926	3142	3418	3820	3668	3044	4098
Small families with one child	566	190	63	1952	2289	2299	548	1326	2054	0	61	123
Larger families with children	224	157	135	5200	4129	3788	1479	2390	3267	32	34	35
Other households	1199	1682	2148	1838	3398	4454	3027	1857	1357	1616	776	673
Total	4297	3691	3523	15723	19285	21277	10902	13318	16724	11096	9706	13834

Summary points:

- 15 to 24 years old households see a decline over the 3 year periods depicted.
- 25-44 year old households see the largest increase, followed by 45-64 year old households.
- 65+ year old households see a decline, then an increase to 2031.

Table 28 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	-319	1049	1896	3113	5739
Couples on their own	-164	216	402	1054	1508
Small families with one child	-127	10	728	62	673
Larger families with child/children	-22	-341	877	1	515
Other households	466	1056	-500	-103	919
Total	**-168**	**1992**	**3406**	**4128**	**9358**

Summary points:

- “One person household” see the largest growth as a group. Marked increase in one person households in the older age groups (65+ especially).
- “Couples on their own” increasing, again for 25+ age groups
- “Small families with one child” only growing in the 45 to 64 age band
- “Larger families” declining in 25 t o 44 age group, increasing in 45 to 64 year olds
- “Other households” see an increase in age groups up to 44 and a decrease in age groups over 45 (particularly 45 to 64 year olds).

Section 12.7 Additional information

East Cambridgeshire

Table 29 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	154	129	141	933	2386	3699	1177	2098	2587	3294	5215	9653
Couples on their own	359	231	149	1845	2797	3407	2759	5495	7327	2613	4138	6842
Small families with one child	214	136	188	1557	1547	1373	421	1020	1390	0	59	158
Larger families with children	86	77	86	4004	4647	4728	904	2252	3069	9	19	43
Other households	52	117	194	623	426	386	2458	2027	1731	921	826	841
Total	865	689	759	8961	11799	13594	7721	12892	16100	6837	10256	17536

Summary points:

- 15 to 24 years old households see a decline over the 3 year periods depicted.
- 25-44 year old households see a large increase
- 45-64 year old households also see a large increase.
- 65+ year old households see the largest increase of all the age groups depicted, especially to 2031.

Table 30 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	12	1313	489	4438	6252
Couples on their own	-82	610	1832	2704	5064
Small families with one child	52	-174	370	99	347
Larger families with child/children	9	81	817	24	931
Other households	77	-40	-296	15	-244
Total	**70**	**1795**	**3208**	**7280**	**12353**

Summary points:

- “One person households” see a large growth as a group. The most marked increase is in one person households in over 65s, though 25 to 44 year olds also see an increase.
- “Couples on their own” are increasing in the 25+ age groups, and particularly over 65s.
- “Small families with one child” fairly stable in number, growing most in 45 to 64 age band
- “Larger families” also hold fairly steady, increase mostly seen in 45 to 64 year olds
- “Other households” generally see little change, but a decrease in 45 to 64 year olds.

Section 12.7 Additional information

Fenland

Table 31 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	306	468	634	1329	2429	3488	1422	3895	5747	4579	6473	11216
Couples on their own	584	193	63	2003	1724	1537	3972	6513	7617	3675	5895	10526
Small families with one child	189	357	503	1833	1997	2074	429	941	1092	30	36	56
Larger families with children	206	121	111	4529	4978	5318	988	1697	1880	18	22	40
Other households	81	128	178	714	350	250	2701	2354	1597	1245	890	940
Total	1363	1266	1488	10408	11475	12666	9510	15401	17932	9547	13314	22780

Summary points:

- 15 to 24 years old households see a slight increase over the 3 year periods depicted.
- 25-44 year old households see an increase
- 45-64 year old households see a significant increase, particularly between 2001 to 2031.
- 65+ year old households see the largest increase to 2031.

Table 32 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	166	1059	1852	4743	7820
Couples on their own	-130	-187	1104	4631	5418
Small families with one child	146	77	151	20	394
Larger families with child/children	-10	340	183	18	531
Other households	50	-100	-757	50	-757
Total	**222**	**1191**	**2531**	**9466**	**13410**

Summary points:

- “One person households” see the largest growth as a group. Marked increase in one person households aged over 65 especially.
- “Couples on their own” see s slight decrease for under 44 year olds, and an increase for over 45 years, especially those aged 65+.
- “Small families with one child” see very little change
- “Larger families” see little change, a slight increase in the 25 to 44 age group
- “Other households” see little change, however with 45 to 64 year olds decreasing.

Section 12.7 Additional information

Huntingdonshire

Table 33 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	542	808	1012	2926	5602	7963	2028	5978	8070	5818	8568	14675
Couples on their own	1399	214	33	4638	4639	4885	6278	10994	11239	4220	8661	15664
Small families with one child	406	363	383	3610	3476	3562	963	2078	2387	75	181	560
Larger families with children	286	176	159	11333	9237	8423	2532	3789	3837	34	63	132
Other households	422	97	64	1604	689	374	4940	3888	2164	1440	1514	1642
Total	3054	1658	1650	24112	23643	25207	16739	26731	27697	11587	18988	32675

Summary points:

- 15 to 24 years old households see a decline between 1991 and 2011, holding steady to 2031.
- 25 to 44 year old households remain fairly steady, increasing to 2031, and showing a high number of households in the district.
- 45 to 64 year olds show a significant increase 1991 to 2011, then another (smaller) increase to 2031.
- 65+ year old households see a large increase over the 3 years depicted, becoming the largest age group by 2031.

Table 34 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	204	2361	2092	6107	10764
Couples on their own	-181	246	245	7003	7313
Small families with one child	20	86	309	379	794
Larger families with child/children	-17	-814	48	69	-714
Other households	-33	-315	-1724	128	-1944
Total	**-8**	**1564**	**966**	**13687**	**16209**

Summary points:

- “One person households” see the largest growth as a group. Marked increase in one person households in the older age groups especially over 65 year olds.
- “Couples on their own” hold steady in the “up to 64” age groups, but a marked increase in the 65+ age group.
- “Small families with one child” only growing a little, but in all age groups.
- “Larger families” declining in 25 t o 44 age group, only tiny changes in other age groups.
- “Other households” see an increase in ages over 65, and decreases for other age groups, especially 45 to 64 year olds.

Section 12.7 Additional information

South Cambridgeshire

Table 35 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	275	312	386	2246	4258	6148	1822	4812	6809	5542	7901	14291
Couples on their own	681	163	45	3796	4606	5406	5482	8521	9243	4379	7271	12276
Small families with one child	225	143	172	2555	3244	3985	765	2243	3317	22	54	105
Larger families with children	43	143	252	8579	7716	7909	2580	4087	4799	45	46	76
Other households	187	160	166	1193	701	547	4804	3094	1684	1410	1285	1343
Total	1412	921	1021	18371	20525	23995	15455	22753	25853	11399	16556	28093

Summary points:

- 15 to 24 years old households see a decline between 1991 and 2011, holding steady to 2031.
- 25 to 44 year old households increase in number to 2031.
- 45 to 64 year olds show a significant increase 1991 to 2011, then another (smaller) increase to 2031.
- 65+ year old households see a large increase over the 3 years depicted, becoming the largest age group by 2031.

Table 36 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	74	1890	1997	6390	10351
Couples on their own	-118	800	722	5005	6409
Small families with one child	29	741	1074	51	1895
Larger families with child/children	109	193	712	30	1044
Other households	6	-154	-1410	58	-1500
Total	**100**	**3470**	**3100**	**11537**	**18207**

Summary points:

- “One person households” see the largest growth as a group. Marked increase in one person households in the older age groups especially over 65 year olds.
- “Couples on their own” hold steady in the “up to 64” age groups, but a marked increase in the 65+ age group.
- “Small families with one child” growing a little in all age groups, most growth in 25 to 64 year olds.
- “Larger families” growing a little in all age groups, most growth seen in 45 to 64 year old age band.
- “Other households” see an increase in ages under 25 and over 65, and decreases for other age groups, especially 45 to 64 year olds.

Section 12.7 Additional information

Forest Heath

Table 37 How household ages and type have changed and are projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	310	353	515	1179	2656	3977	942	2231	3337	2778	3297	5286
Couples on their own	712	250	121	1712	1646	1716	2167	2761	2997	2081	2510	4000
Small families with one child	294	294	391	1673	1827	2011	422	589	655	0	59	167
Larger families with children	164	133	159	4365	3762	3570	573	1300	1920	10	33	95
Other households	139	89	84	582	319	243	1712	1082	596	549	673	1183
Total	1617	1119	1272	9511	10209	11521	5815	7964	9504	5417	6570	10733

Summary points:

- 15 to 24 years old households hold fairly steady over the 3 year periods depicted.
- 25 to 44 year old households see an increase
- 45 to 64 year old households see an increase, especially 1991 to 2011.
- 65+ year old households see the largest increase, especially from 2011 to 2031.

Table 38 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	**15-24**	**25-44**	**45-64**	**65+**	**Total**
One person household	162	1321	1106	1989	4578
Couples on their own	-129	70	236	1490	1667
Small families with one child	97	184	66	108	455
Larger families with child/children	26	-192	620	62	516
Other households	-5	-76	-486	510	-57
Total	**153**	**1312**	**1540**	**4163**	**7168**

Summary points:

- “One person households” see the largest growth as a group. Marked increase in one person households in the age group over 65.
- “Couples on their own” decreasing for under 24 year olds, increasing for all 25+ age groups and especially 65+ age groups
- “Small families with one child” growing a little in all age groups.
- “Larger families” declining in 25 to 44 age group, increasing most for 45 to 64 year old groups.
- “Other households” see a decrease in age groups up to 64 (particularly 45 to 64 year olds) and an increase in over 65s.

Section 12.7 Additional information

St Edmundsbury

Table 39 How the household mix has changed and is projected to change

Number of households	15-24			25-44			45-64			65+		
	1991	2011	2031	1991	2011	2031	1991	2011	2031	1991	2011	2031
One person household	348	590	873	1623	3234	4438	1553	3695	4823	4751	6666	11287
Couples on their own	740	164	46	2453	2663	2799	4249	6576	6922	3540	6185	10311
Small families with one child	372	205	182	2190	2376	2480	591	1069	1224	11	57	137
Larger families with children	82	189	318	5864	5661	5807	1574	2114	2221	22	23	26
Other households	257	78	60	1199	361	126	3619	2266	1111	1356	924	907
Total	1798	1225	1480	13329	14297	15650	11588	15722	16300	9679	13855	22668

Summary points:

- 15 to 24 years old households see a decline from 1991 to 2011, holding steady to 2031.
- 25 to 44 year old households see a steady increase form 1991 to 2031.
- 45 to 64 year old households see an increase, especially between 1991 and 2011.
- 65+ year old households see a huge increase, forming the largest age group by 2031.

Table 40 Projected increase/decrease in each age and type group, 2011 to 2031

Number of households	15-24	25-44	45-64	65+	Total
One person household	283	1204	1128	4621	7236
Couples on their own	-118	136	346	4126	4490
Small families with one child	-23	104	155	80	316
Larger families with child/children	129	146	107	3	385
Other households	-18	-235	-1155	-17	-1425
Total	**255**	**1353**	**578**	**8813**	**10999**

Summary points:

- “One person households” see the largest growth as a group. Marked increase in one person households in the 65+ age group.
- “Couples on their own” decreasing in under 24 year old group, increasing for all 25+ age groups but especially marked for 65+ age group
- “Small families with one child” fairly steady, showing a slight growth in over 25 year old groups
- “Larger families” increasing slightly in 15 to 64 age groups
- “Other households” see all decreasing, particularly 45 to 64 year olds.

Section 12.7 Additional information

12.7.2 Summary of *Viability Testing Local Plans: Advice for planning practitioners*

The approach in *Viability Testing Local Plans* is recommended for use by local authorities and their consultants in relation to plan-wide viability and the community infrastructure levy.

The Local Housing Delivery Group was set up as a cross-industry group involving a broad range of stakeholders with an interest in home building in England. It was set up in 2011 to:

- respond to the Government's challenge to boost the delivery of new homes
- simplify housing standards where possible
- support growth and high standards in home building by helping local authorities and developers find agreed ways to fulfil their obligations under the new National Planning Policy Framework (NPPF).

As part of the Local Housing Delivery group a working party was set up to develop viability advice for practitioners. The NPPF has placed a much stronger emphasis on viability, and in particular viability in terms of plan making. With a focus is on total plan viability, the NPPF calls for balance between sustainable development which benefits the local community, and realistic returns for land owners and developers, so that development is commercially viable.

The document *Viability Testing for Local Plans: Advice for planning practitioners* was launched by Sir John Harman the Chair of the Housing Delivery Group on 22 June 2012. This document will be a useful resource to aid an understanding of the issues and language of viability testing for all those involved in plan making and the Community Infrastructure Levy.

Link to: Viability testing local plans: Advice for planning practitioners (PDF, 52 pages, 7 MB)

In addition, as part of the work of the Local Housing Delivery Group, a working group has looked at local standards applied to house building and a report of their initial review has been published.

Link to: A review of local standards for the delivery of new homes (PDF, 24 pages, 411 KB)