

1.0 Joint Position Statement on Housing Need, Matter 2c, Demographic Need

1.1 In his questions to the Council (Inspector's document ED8), the Inspector identified several parties who submitted '*particularly strongly argued*' representations concerning Aylesbury Vale's objectively assessed housing need. Said parties included the following:

- Barton Willmore on behalf of Gallagher Estates;
- Lichfields on behalf of GRE Assets and CEG;
- Pegasus Group on behalf of Waldrige Garden Village Consortium
- Regeneris on behalf of Gladman Developments;
- Strategic Planning Research Unit on behalf of Hallam Land Management;
- Turley on behalf of IM Land;

1.2 The following statement sets out the agreed position of the above-named parties in respect of Aylesbury Vale's demographic starting point and demographic need. Directly addressing the third of eight housing related issues identified by the Inspector in his questions to the Council. Namely, '*whether it is justified to adjust the demographic base on which the housing need is predicated.*'

1.3 This statement is also endorsed by Home Builders Federation; Savills on behalf of Crest Strategic Projects; Pegasus Group; Chilmark on behalf of LaSalle Land Limited Partnership; Turley on behalf of Bellway, Persimmon and Cala.

2.0 Joint Position on Aylesbury Vale's starting point estimate of housing need

2.1 In line with the Planning Practice Guidance (ID2a 015), it is our view that the starting point for assessing housing need in Aylesbury Vale is the official household projection, namely the 2014-based household projection which is for c22,000 dwellings (1,100 per annum) in Aylesbury Vale over the plan period.

2.2 For Aylesbury Vale, we find no justification whatsoever for demographic need to fall below the level of need identified by the 2014-based household projections.

2.3 However, there is clear and robust justification to set demographic need above this level. As representations prepared by the parties to this statement show, alternative household projections based on migration estimates observed over a ten-year period, published by ONS, suggest demographic need of up to c24,000 dwellings (1,200 dwellings per annum).

3.0 Joint Position on Demographic Need in Aylesbury Vale

3.1 A range spanning the official 2014-based starting point estimate of need for 22,000 dwellings and an alternative of up to 24,000 dwellings based on official estimates of migration observed over a ten-year period presents an appropriate and robust basis for estimating demographic need in Aylesbury Vale. That is, housing need before consideration of the further uplifts necessary to address suppressed household formation and worsening market signals, as addressed below.

4.0 The Council's Assessment of Demographic Need in Aylesbury Vale

4.1 According to the Buckinghamshire Housing and Economic Development Needs Assessment Update 2016 (HEDNA Addendum Report (September 2017); page 42, figure 122), the Council calculates demographic need to be 17,600 dwellings (880 dwellings per annum), significantly below the household projection based starting point for 22,000 dwellings (a difference of 4,400 homes).

4.2 The Council's demographic need assessment is significantly below the official household projection based starting point because it is based on lower estimates of past net migration into Aylesbury Vale than the official estimates produced by ONS, official estimates that provide the basis for the official national and sub national population projections.

5.0 Why this Joint Position on demographic need should be preferred to the Council's assessment of demographic need

5.1 The Council mistrusts and rejects the ONS migration estimates as a basis for calculating demographic need. At the core of the Council's case is the discrepancy between two different ways of calculating population change between 2001 and 2011.

5.2 The first based on subtracting the 2011 Census estimate from the 2001 Census estimate. The second based on population change estimated by ONS in their mid-year estimates, which use administrative data (e.g. GP registration and de registration) in place of data collected on Census day.

5.3 The mid-year estimates arrive at a population that is 5,855 persons greater in 2011 than population change calculated by subtracting the 2001 Census estimate from the 2011 estimate. This discrepancy is known as un-attributable population change. The difference of 5,855 amounts to only 3.3% of the population in 2011.

- 5.4 Despite the difference being un-attributable to either Census or mid-year estimate, the Council seeks to attribute it to one and the other giving rise to alternative estimates of annual population change to the carefully prepared and quality assured estimates of ONS.
- 5.5 By doing so, the Council's approach immediately steps outside of the quality assurance framework that envelops the official ONS estimates and enters an arena of huge uncertainty. Its adjusted estimates should be treated accordingly. They are, at best, ifs and maybes; guestimates with no assurance whatsoever that they are better estimates than the rigorously quality assured estimates that are carefully prepared by ONS.
- 5.6 Nevertheless, the Council concludes that the 2001 Census population estimate count overestimated population change by around 3,400 persons, accounting for most of the un-attributable 5,855 and reducing the difference in 2011 between the mid-year estimate based population count and the 2011 Census based estimate to an insignificant 1.4% or around 2,400 persons.
- 5.7 The Council assumes that the remaining 2,400 discrepancies is a consequence of the mid-year estimates overestimating international migration, finding it to be inconsistent with the 2011 Census data. The Council claims that methodological improvements introduced by ONS from 2004 that were designed to improve estimates of international migration have resulted in international migrations estimates becoming less accurate and overstated since that time creating *'a systematic problem in Aylesbury Vale which has persisted beyond 2011'* [BUCKS HEDNA 2016, Page 50, paragraph 3.42].
- 5.8 Thus, the Council assumes that that the remaining un-attributable 2,400 'error' that is assumed to infect international migration estimates between 2004 and 2011, persists after 2011 in broadly equal measure, despite there being no support for this theory from any official ONS data source.
- 5.9 The Council rests its case for rejecting the mid-year estimates in the following terms:

"It is important to recognise that there has been no change in the ONS methodology for establishing the MYE [ONS mid-year estimates] since the mid-year estimates were produced - so any systematic error that existed at the time will continue to impact on more recent estimates, and therefore cannot be ignored. Whilst the ONS will not have a robust basis for correcting this data until the results of the 2021 Census are available (and therefore no corrections can yet be made), it is apparent that corrections made to the mid 2011 estimates should also be applied to the data for

more recent years unless the underlying issues can be addressed through changes to the methodology. [Bucks HEDNA 2016, page 50, paragraph 3.42]

5.10 The Inspector’s attention is drawn to methodological changes that have been made by ONS to estimates of international migration in and out of Aylesbury Vale (and all the English districts) since 2011 and published in March 2018.

5.11 These can be found in ‘Revised population estimates for England and Wales: mid-2012 to mid-2016’ published by ONS on 22nd March 2018, incorporating new methods for local authority level international emigration and foreign armed forces dependents.

5.12 The main changes made by ONS are summarised in the March 2018 Statistical bulletin as follows:

- local authority emigration estimates for mid-2012 to mid-2016 have been recalculated using an improved distribution model that includes a wider range of administrative and survey data than before;
- local authority-level immigration estimates for mid-2015 and mid-2016 have been recompiled using previously unavailable data and using improved matching methods to better distinguish students, workers and other international in-migrants.

5.13 In Aylesbury Vale the impact of the changes on the mid-year estimates is to reduce mid 2016 population from 193,111 to 192,680 or just 430 persons (an insignificantly small 0.22%), impacting upon the components of population change between 2011 and 2016 as per Table 1. For reference, the complete statistical bulletin is appended (Appendix 1) as are relevant extracts from the accompanying Population Estimates Revision Tool for Aylesbury Vale (Appendix 2).

Table 1: Difference between revised and original mid-year estimates, summary components of change

	mid-2011	mid-2012	mid-2013	mid-2014	mid-2015	mid-2016
Population	0	-193	-209	-315	-395	-433
Births	0	0	0	0	0	
Deaths	0	0	0	0	0	
<i>Internal In</i>	0	0	0	0	0	
<i>Internal Out</i>	0	0	0	0	0	
Internal Net	0	0	0	0	0	
<i>International In</i>	0	0	0	129	166	

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	mid-2011	mid-2012	mid-2013	mid-2014	mid-2015	mid-2016
<i>International Out</i>	192	29	102	189	234	
International Net	-192	-29	-102	-60	-68	
Special	-5	10	1	-19	21	
Other	4	3	-5	-1	9	

- 5.14 The bulletin confirms that the revised estimates discussed will feed into the 2016-based subnational population projections. These have now been published and project significantly higher population growth in Aylesbury Vale than envisaged by the 2014-based projections that they replace. Growth in the population of 52,270 compared to 45,482 over the plan period, an increase of 6,788 persons.
- 5.15 The latest projections and the cleansed estimates of international migration that inform them provide a clear basis to reject the Council’s assessment of need. In light of the new projections, the Council’s assessment lacks credibility because it assumes population growth of only 34,789, a huge 17,481 below the latest official projections.
- 5.16 The Council has attempted to grapple with what it considers to be problems with the ONS mid-year estimates, specifically a perception that they overstate international migration. ONS have now revised and improved the methodology for estimating international migration. In doing so they are convinced that the quality of the estimates has improved, a key threshold for introducing new official statistics. Unless new methods improve the quality of population estimates they are not introduced.
- 5.17 The better-quality estimates produced by ONS inform the latest official population projections. They present population growth that is significantly higher than the Council’s projection. This rings alarm bells given that both the ONS and the Council evidently attempted to grapple with the same issues, namely international migration estimates.
- 5.18 The ONS projection should be preferred because it has more authority and demonstrates that the Council have got it badly wrong. Specifically, their estimates of migration in and out of Aylesbury Vale, which drive their demographic projection, are evidently of poorer quality (they carry no quality assurance of equivalence to the rigorous process adhered to by ONS) and give rise to a projection that should be rejected.
- 5.19 The publication of local 2016-based household projections is due in September 2018. These will be underpinned by the recently published 2016-based sub-national population projections.

It is likely but not certain that the approach formerly used by CLG to prepare the 2014-based household projections will be adopted by ONS for the 2016-based household projection.

- 5.20 Were the communal population estimates and household formation rates to remain the same, then we calculate that the 2016-based population projections imply an updated starting point estimate of need for c24,000 dwellings (1,200 per annum). Whilst we cannot be certain about the household projection, we present our estimate as lending further in support of our conclusion that demographic need in Aylesbury Vale is at least for 22,000 to 24,000 dwellings.

6.0 Conclusion

- 6.1 The joint position of the participants listed above is that by rejecting the official estimates and projections published by ONS, and preferring its own estimates of population change as the basis for projecting demographic need, the Council is proposing an assessment of need that is of significantly poorer quality than the assessments put forward by the authors of this statement.
- 6.2 We are not suggesting that the official ONS projections and statistics are entirely accurate. That said, they are the best projections and estimates available to the Inspector and the only quality assured projections and estimates before the Inspector.
- 6.3 The Inspector has no assurance of the quality of the Council's estimates of migration and population change that underpin their assessment of demographic need for 16,900 homes over the plan period. Considering the following this assessment should be rejected:
- Assessments of demographic need prepared by the authors of this statement using official population projections and estimate;
 - The latest revisions to the mid-year estimates, 2012 to 2016, which reveal an insignificantly small revision to the mid-year estimates in Aylesbury Vale following improvements to the methodology used to estimate international migration;
 - The recently published 2016-based population projections which show significantly higher population growth than assumed by the Council's assessment of demographic need.
- 6.4 The Council's assessment of demographic need poses a serious threat to meeting housing need in full and should be set aside in favour of an assessment of demographic need for at least 22,000 to 24,000 dwellings, as the first step toward a full objectively assessment housing need in Aylesbury Vale (and the Buckinghamshire HMA as a whole).

- 6.5 We conclude that there is no information before this examination in public that merits a departure from the conclusion of Kevin Ward in 2014, namely that the case for making downward adjustments the official Aylesbury Vale population estimates and projections is insufficient. The latest evidence from ONS makes the point forcibly that the downward adjustments proposed by the Council are wholly unwarranted.
- 6.6 This joint statement relates to demographic need only and not uplifts to be applied in arriving at a full objective assessment of housing need ('OAN'). The participants will address uplifts in their individual hearings statements.