

**A review of St. Helens Local Plan Submission Draft
and update of the St. Helens Strategic Housing
Market Assessment (SHMA)**

Demographic Appraisal Update

on behalf of the

St Helens Green Belt Association

By Piers Elias

Independent Demographer

13 April, 2021

Table of Contents

[Chapter 1](#) - *Piers Elias - Personal Biography*

[Chapter 2](#) - *Introduction and Background to the Report*

[Chapter 3](#) - *Recommendations, Key Comments & Summary Points*

[Chapter 4](#) - *Base data & Projections Used*

[Chapter 5](#) - *The new Standard Method for Assessing Housing Need*

[Chapter 6](#) - *Internal Migration - Moves within the UK - St. Helens*

[Chapter 7](#) - *Internal Moves - Migration within the UK - General Analysis*

[Chapter 8](#) - *International Migration - Moves to and from Outside the UK*

[Chapter 9](#) - *Housing Completions*

[Glossary](#)

1. *Piers Elias - Personal Biography*

- 1.1. Piers Elias has a joint honours degree in Mathematics and Economics (Loughborough, 1981-84) and has over 21 years' experience in Local Government working for the Tees Valley Joint Strategy Unit and then the Tees Valley Local Enterprise Partnership (now Tees Valley Combined Authority) providing demographic insight and projections for school rolls, electors for Ward reviews, household, population and labour force projections for Local Plans and the Tees Valley Strategic Economic Strategy.
- 1.2. He currently works as an independent demographer providing advice and guidance on a range of demographic issues including projections and methodology - his website can be viewed [here](#)¹. He has an excellent working knowledge of the POPGROUP software, having been a user since 2006 and worked briefly for Edge Analytics, the current licence holder, in 2015.
- 1.3. During his time in Local Government, he sat on Office for National Statistics (ONS) working groups for small area estimates, Local Authority population estimates and Census definitions. He was also the Local Authority lead on the Central and Local Information Partnership (CLIP) Population sub-group for 10 years and is well versed in ONS methodology.
- 1.4. He is a strong supporter of the Census and was the Local Authority representative for the Independent Working Group on the future of the Census² and also represented Local Government at a Public Administration Select Committee (PASC)³ and at a Parliamentary Office Science & Technology (POST) seminar⁴; this lobbying helped in securing funding for a 2021 Census. He sat on the Census Advisory Group as a Local Authority representative for six years.
- 1.5. He was President of the British Society for Population Studies 2017 to 2019 and was re-appointed to the CLIP Population sub-group, acting as an independent advisor in 2016. He acted as a non-academic grant-assessor for the Economic and Social Research Council between 2016 and 2019.

[Contents](#)

2. *Introduction and Background to the Report*

- 2.1. This report is written on behalf of the St. Helens Green Belt Association (SHGBA). It constitutes an update to the response made in March, 2019 to the St. Helens Local Plan Submission Draft and the St. Helens Strategic Housing Market Assessments (SHMA) by GL Hearn both released in January, 2019. The report updates and reconsiders the demographic factors that have gone into calculation of housing need with a view to assessing the integrity of the inputs and the plausibility and consistency of the outputs from a demographic view-point. Recommendations and an executive summary are given in Chapter 3.
- 2.2. The Ministry for Housing, Communities and Local Government (MHCLG) change to calculating the starting point for assessing housing need came into effect in 2018 and is still a simple formula exercise. This may be more transparent than the old methodology but it removes the link between trends in migration, households and jobs that ensures a consistency across projections that make the planning process achievable and realistic.

¹ www.demographicssupport.co.uk

² [independent-working-group](#)

³ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-administration-select-committee/news/future-of-the-census-1/>

⁴ <https://www.parliament.uk/documents/post/The%20future%20of%20the%20Census%2025%20Nov13,%20POST%20flyer.pdf>

- 2.3. MHCLG consulted on changes to the Standard Formula in August 2020⁵ and decided to leave the formula in its current format but with more emphasis on brown field sites in large urban area⁶. This includes the continued use of 2014 based data.
- 2.4. The first part of the report (Chapters 4 to 8) looks at the most recent demographic trends that would normally feed into the Objectively Assessed Housing Need (OAHN) and the changes to assessing the starting point for housing need from the MHCLG. It considers how the latest estimates and projections, from both the Office for National Statistics (ONS) and the MHCLG, have impacted on the projections in the SHMA update (published January, 2019) in terms of OAHN. These were based on 2016 population projections, with 2017 Mid Year Estimates (MYEs) taken into account.
- 2.5. The second part of the report (Chapters 9 & 10) looks at how the housing completions and the jobs led projections tie in with the housing targets and population change. The jobs led projections were provided by Oxford Economics (OE).
- 2.6. The report will also look at the migration changes up to and including data to Mid 2019 for moves between St. Helens and the rest of the UK (internal migration) as well as moves with the rest of the world (international migration).
- 2.7. There are now signs of changes to international migration patterns as a consequence of the Brexit vote and covid-19; data released by ONS on Long Term International Migration (LTIM) on 20th August, 2020 shows a slow-down in net migration of EU nationals offset by an increase in non-EU nationals⁷. Due to covid-19, the International Passenger Survey element that tracked long term international migrants has been suspended and ONS are working on alternative sources to fill the gap. As a result, the latest information relates to flows to March 2020, before the full impact of covid-19 was felt. However, this has little impact on St. Helens' population as the annual net change for international migrants is very small (It has remained at + / - 200 since 2002 (source ONS Population Estimates⁸)).
- 2.8. St. Helens has no university of its own and so the impact of students on migration, both domestic and international, and housing can be discounted.

[Contents](#)

5

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/927157/200805_Changes_to_the_current_planning_system.pdf

⁶ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

77

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/migrationstatisticsquarterlyreportprovisionallongterminternationalmigrationtimestimates/august2020/provisionalestimatesoflongterminernationalmigrationyemarch2020.xls>

8

<https://www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fpopulationandmigration%2fpopulationestimates%2fdatasets%2fpopulationestimatesforukenglandandwalesscotlandandnorthernireland%2fmid2001tomid2019detailedtimeseries/ukdetailedtimeseries20012019.zip>

3. Recommendations & Executive Summary (Ch.nn refers to the Chapter & Point)

Recommendations

- 3.1. *St. Helens' starting point for housing need should be 330 dwellings per annum (dpa).*
Ch4.9 and 4.17: The starting point for housing need should be 330 dpa, a figure that comes out of both the ten year migration variants for the 2016 and the 2018 based SNHPs and provides an fully objective and nationally consistent starting point.
- 3.2. *Housing Need Projections should use the most recent data available.*
Ch4.9 and 4.17: The most recent ONS data should be used to keep up with improvements to the data sources and methodology; these are outlined in the ONS paper on Quality and Methodology Information (QMI)⁹. The inclusion of 2019 MYEs has a negligible impact.
- 3.3. *Longer term projections should use longer term trends for migration within the UK*
Ch4.9, Ch4.14.1 and Ch7.3: A ten year migration trend is recommended to smooth out short term fluctuations and economic cycles. A ten year migration trend is better suited to the two year projection update cycle and would improve consistency across all Local Authorities.
- 3.4. *St Helens Council should continue to aim to reduce long term vacancy rates to counteract a recent increase.*
Ch4:21: St. Helens Council should continue with its schemes to reduce long term vacant dwellings as part of local housing policy. It is a sustainable policy, as it uses existing housing and infrastructure, and reduces the need for developing on Greenfield sites.
- 3.5. *To note that annual moves within the UK must sum to ZERO.*
Ch6.8: The pattern of aspirational growth is repeated across England supported by Government policy - the reality is that if one Local Authority gains a resident, it has to be offset by a loss to another. The pool of INTERNAL (UK Residents) migrants is finite and across the UK, the net annual change across all Local Authorities is zero.
- 3.6. *New housing phasing is too ambitious and should be slowed down.*
Ch9.3 to Ch9.5: The phasing of new build is out of kilter with current trends and should be revisited. This is due to capacity issues within the house building industry and a recent increase in completions.

Key Comments

- 3.7. Ch5.4: MHCLG should be recommending the use of latest information: The UK Statistics Authority advises the use of the latest information; under the General Principles on guidance for information and official statistics " *When making important decisions, the best available data should be used.*"¹⁰.
- 3.8. Ch5.5: In order to retain the integrity of the National Population Projections (NPPs), changes to UK migration, each year, at a local level must balance and sum to zero across the UK; a gain by one Local Authority must be offset by a loss in another.

9

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/householdprojectionsinenglandqmi>

¹⁰ <https://www.statisticsauthority.gov.uk/wp-content/uploads/2016/06/National-Statisticians-Guidance-Management-Information-and-Official-Statistics.pdf> Section 4.3

Summary Points

- 3.9. Ch4.15: MHCLG have just announced their decision to retain the 2014 SNHPs¹¹ as the starting point for housing need calculations, as it did in February 2019¹², this goes against 55% of organisations stating they were not happy with that original decision, and it goes against UK Statistics Authority (UKSA) advice to use of the "latest" information¹³.
- 3.10. Ch6.5: Table 5 shows that internal migration flows in both directions have increased since 2011/12, suggesting improved job opportunities and affordability of housing. Indeed, the affordability ratio of house prices to workplace earnings has fallen for 2020.
- 3.11. Ch6.6: Local and strategic plans need to be compared - at the very least, at a Regional level - to test for consistency and realistic assumptions on use of UK migrants to satisfy dwelling and economic growth aspirations.
- 3.12. Ch6.7: All Local Authorities are competing for extra residents to fulfil economic growth ambitions and to increase the housing supply - within the UK, migration must balance - migrants cannot be in two (or more) places at once.
- 3.13. Ch8.14 and 8.15: Numbers of international migrants are small with gross flows in the mid to low hundreds and net flows in the very low hundreds. The administrative data shows some signs of the uncertainty around Brexit but this has little impact on housing need as far as St. Helens is concerned.
- 3.14. Ch8.6 and Table 6B: Whilst international migration has little impact in St. Helens, the impact of Brexit and covid-19 should be monitored as and when new data is published.
- 3.15. Ch8.16: Projection scenarios that assume above-trend growth must take extra migrants **either** from elsewhere in the UK, in which case those migrants should be subtracted from the population from whence they came **or** taking someone else's share of the international migrant pool. One area's gain is another area's loss.
- 3.16. Ch9.2: It is clear that MHCLG will have to reconsider how the ONS household projections are interpreted and used when assessing housing need and how to make best use of the new projections; as it stands there is no connection between the new method and current ONS projections as recent trends are ignored.
- 3.17. Ch9.4: There is an issue over a) house building industry capacity and skills shortages^{14 15} & ¹⁶ and b) whatever capacity there may be for growth in the building sector, having simultaneous above-trend growth across the whole of the UK will require a further increase in capacity - are there the skills and manpower available for such nationwide increases?

Contents

¹¹ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

¹²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779792/LHN_Gov_response.pdf

¹³ <https://www.statisticsauthority.gov.uk/wp-content/uploads/2016/06/National-Statisticians-Guidance-Management-Information-and-Official-Statistics.pdf> Section 4.3

¹⁴ <https://www.constructionnews.co.uk/brexit/labour-shortages-could-raise-rates-at-least-10-29-01-2021/>

¹⁵ <https://www.constructionglobal.com/mission-critical/skills-shortage-uk-construction-industry>

¹⁶ <https://www.fmb.org.uk/about-the-fmb/newsroom/skills-shortage-will-hamper-housing-delivery/>

4. Base data & Projections used

- 4.1. **Population:** The St. Helens Local Plan Submission Draft and GL Hearne SHMA update uses the 2016 based sub-national population projections from ONS (SNPPs)¹⁷ which, under normal circumstances would be used to feed into ONS 2016 based Sub-National Household Projections (SNHPs)¹⁸. However, as the numbers of households from the 2016 based ONS SNHPs produced figures below Government targets, an interim approach was recommended by MHCLG to use the MHCLG 2014 Sub-National Household Projections (SNHPs)¹⁹.
- 4.2. GL Hearn have used the more recent ONS Mid Year Estimates for 2017 (Published in June 2018²⁰) to roll forwards the starting point of the projections. The impact is a small uplift on the projections which result from a) slightly higher net inward internal migration (from within the UK) b) very slightly higher net inward international migration off set by c) slightly lower natural change (births minus deaths). Overall, this change added around 300 to the population by 2033.
- 4.3. This update now has access to the ONS 2018 SNPPs²¹ and SNHPs²², as well as the 2019 Mid Year Estimates²³ and these figures are now included and considered in order to reassess the OAHN.
- 4.4. ONS have also introduced projection variants (from the 2016 base) which include a ten year migration trend variant. This is more suited to long term projections, such as Housing Need, as it helps smooth out short term fluctuations and economic cycles to give a more robust starting point for all Local Planning Authorities. Table 1 now includes the latest figures, as well as the ten year variants for 2016 and 2018.

Table 1 : 2014, 2016, 2018 & 2019 Based Population Estimates & Projections for St. Helens.

Local Authority	Base	Source	Mid 2014	Mid 2015	Mid 2016	Mid 2017	Mid 2018	Mid 2019	...	Mid 2033	Change 2016-33	Annual Change Mid 2016-33
St. Helens	2014 Based	ONS SNPPs	177,190	177,650	178,230	178,820	179,430	180,070	...	186,680	8,450	500
St. Helens	2016 Based	ONS SNPPs	177,190	177,590	178,480	178,960	179,500	180,050	...	185,240	6,760	400
St. Helens	2016 Based	ONS SNPPs (Ten Year Migration)	177,190	177,590	178,480	178,900	179,400	179,900	...	184,200	5,720	340
St. Helens	2018 Based	ONS SNPPs (Two Year Migration)	177,190	177,590	178,480	179,330	180,050	180,870	...	188,870	10,390	610
St. Helens	2018 Based	ONS SNPPs (Ten Year Migration)	177,190	177,590	178,480	179,330	180,050	180,590	...	184,040	5,560	330
St. Helens	2018 Based/2019 MYEs	ONS SNPPs (Ten Year Migration) + 2019	177,190	177,590	178,480	179,330	180,050	180,590	...	183,960	5,480	320

Source: ONS 2014, 2016 & 2018 based SNPPs; 2019 MYEs © Crown Copyright. Note: Figures are rounded to nearest 10. The figure for 2033 on the final row has been estimated to tie in with change in trends since Mid 2018

- 4.5. The 2016 based SNPPs are some 100 people lower per annum than the 2014 SNPPs, which reflects the slower rate of growth in the 2016 National Population Projections

¹⁷

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/subnationalpopulationprojectionsforengland/2016based>

¹⁸ <https://www.ons.gov.uk/releases/2016basedhouseholdprojectionsinengland>

¹⁹ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections#based-live-tables>

²⁰

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2017>

²¹

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/localauthoritiesinenglandz1>

²²

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/householdprojectionsforengland/2018based>

²³

<https://www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fpopulationandmigration%2fpopulationestimates%2fdatasets%2fpopulationestimatesforukenglandandwalescotlandandnorthernireland%2fmid2001tomid2019detailedtimeseries/myeb1.zip>

(NPPs)²⁴ on which the SNPPs are based. The 2018 National Population Projections²⁵ also project slower growth at the UK level, with higher international migration offset by lower fertility and a shorter life expectancy compared to the 2016 NPPs.

- 4.6. ONS introduced variant projections for the SNPPs in 2016 including a ten year migration trend. This is preferred to the “principal” projection (which uses a five year trend for migration) as the longer trend base helps smooth out short term fluctuations and economic cycles. Using the ten year migration variant leads to a lower level of population change compared to the principal set for 2016 (340 per annum vs 400).
- 4.7. For the 2018 SNPPs ONS changed their data sources and only had two year’s worth²⁶ of UK migration data (for 2017 and 2018). For this reason, the principal set was based on this new data, with variants for the five year and ten year migration trends also produced. ONS will be reverting to the five year migration as its principal version as soon as enough data is available (i.e. 2021).
- 4.8. SNPPs are not only used to feed the SNHPs to produce household projections but also for other Government Departments, each with their own time horizon e.g. Education - 7 years for school place planning, MHCLG for Local Authority Spending Settlements - 3 years. Having a range of variants allows the user to choose the trend length that best fits the projection length; for Housing need, it is the ten year migration variant and results in a population change of 330 per annum against the two year migration base projection of 610 per annum - almost double, demonstrating the sensitivity around trend length.
- 4.9. *The inclusion of 2019 MYEs has negligible impact on population.* Lower births (20 per annum), higher deaths (10 per annum) and slightly higher net migration (+20 per annum) makes no impression the annual the population change when rounded to the nearest 10 and therefore its inclusion is not necessary, and would make negligible difference to the outcome by 2033.
This combination of using the latest data and a longer term migration trend is what should be used to produce a genuinely objective and nationally consistent starting point for the housing need calculation.
- 4.10. **Households:** The projections for households from MHCLG 2014, ONS 2016 and 2018 based sub-national household projections (SNHPs) are shown in Table 2 below/overleaf. Also included are the variant projections using a ten year migration trend and the impact of using ONS 2019 based MYEs.

²⁴

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/tablea11principalprojectionuksummary>

²⁵

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2018based>

²⁶

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/articles/impactofdifferentmigrationtrendlengths/march2020/pdf>

Table 2 : 2014 , 2016 , 2018 & 2019 Based Household Estimates & Projections for St. Helens.

Local Authority	Base	Source	Mid 2014	Mid 2015	Mid 2016	Mid 2017	Mid 2018	Mid 2019	...	Mid 2033	Hhlds Change 2016-2033	Hhlds Per Annum Mid 2016-33	Dwellings Per Annum 2016-33
St. Helens	2014 Based	MHCLG SNHPs	77,170	77,600	78,160	78,700	79,230	79,720	...	85,280	7,120	420	430
St. Helens	2016 Based	ONS SNHPs	76,880	77,330	77,930	78,440	78,940	79,380	...	83,740	5,810	340	350
St. Helens	2016 Based	ONS SNHPs (10 Year)	76,880	77,330	77,930	78,420	78,900	79,320	...	83,380	5,440	320	330
St. Helens	2018 Based	ONS SNHPs (2 Year)	76,880	77,330	77,930	78,500	79,040	79,650	...	85,300	7,370	430	450
St. Helens	2018 Based	ONS SNHPs (10 Year)	76,880	77,330	77,930	78,500	79,040	79,530	...	83,400	5,470	320	330
St. Helens	2018 Based/2019 MYEs	ONS SNHPs (10 Year) + 2019	76,880	77,330	77,930	78,500	79,040	79,510	...	83,320	5,380	320	330

Source: MHCLG 2014 based SNHPs & ONS 2016 & 2018 Based SNHPs © Crown Copyright. Figures are rounded to nearest 10. The figure for 2033 on the final row has been estimated to reflect the impact of using 2019 MYEs on the ten year migration base.

- 4.11. The ONS 2016 based SNHPs result in significantly lower numbers of projected households, by around 80 households per annum, or 20% lower, compared to the MHCLG 2014 based SNHPs.
- 4.12. The two main reasons for this are both to do with changes in methodology for the sub-national household projections with ONS using:
- a shorter time series for Household Representative Rates (HRRs) 2001 & 2011 Censuses only rather than going back to 1971 and
 - Fixing HRRs at the 2021 rates from 2022 onwards²⁷. i.e. no further changes to household formation are made.
- 4.13. ONS produced the first set of SNHPs with Variants in May 2019. For 2016 the ten year migration trend produces 330 dwellings per annum (dpa) against 350 dpa using the principal projections which were based on a five year migration trend. This is 100 dpa fewer than using the 2014 based SNHPs.
- 4.14. For the 2018 SNHPs, the same method as in 2016, as described in Section 4.12, was used²⁸. Now, the impact of the longer trend compared to the principal set is more marked and is a result of ONS using a two year migration trend (see Section 4.7). It is clearly unsafe to use two years' worth of migration data to project forwards 15 years and by using the ten year variant, a more consistent figure of 330 dpa emerges which is in line with the 2016 SNHPs ten year migration base variant. This demonstrates two things: -
- 4.14.1. By using a ten year migration trend, consistency is more easily achieved; at each update, 8 out of ten years remain the same BUT most recent changes are, at least, taken account of.
 - 4.14.2. MHCLG argue that by keeping to the 2014 based projections, Planning Authorities get more consistency²⁹. This is an absurd argument as it takes no account of the extra, or diminished need that result from changing population and household formation trends. Trends change, particularly at a Local Authority level, that is why ONS update their projection every two years; MHCLG should follow their lead.

²⁷

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/methodologyusedtoproducehouseholdprojectionsforengland2016based>

²⁸

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/methodologyusedtoproducehouseholdprojectionsforengland2018based>

²⁹ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

- 4.15. MHCLG have just announced their decision to retain the 2014 SNHPs³⁰ as the starting point for housing need calculations, as it did in February 2019³¹, this goes against 55% of organisations stating they were not happy with that original decision, and it goes against UK Statistics Authority (UKSA) advice, that advises the use of the "latest" information³².
- 4.16. Ideally, the 2019 MYEs should also be taken into account. On inspection, the results end up extremely close for a ten year average, with lower births (down 20), higher deaths (up 10 pre-covid-19) and marginally higher net migration (up 20). When rounded, there is no visible impact suggesting the same trends up to 2018 have continued to 2019.
- 4.17. *In conclusion, the most recent data should be used to keep up with improvements to the data sources and methodology; these are outlined in the Quality and Methodology Information (QMI) as advocated by ONS³³ and a ten year migration trend which is recommended to smooth out short term fluctuations and economic cycles. The starting point for housing need should be 330 dpa, a figure that comes out of both the ten year migration variant of both the 2016 and the 2018 based SNHPs SNHPs and provides an fully objective and nationally consistent starting point.*
- 4.18. **Vacancy:** Numbers of households are converted to dwellings using the vacancy rates (Dwellings= Households/(1-Vacancy Rate) which are derived from the MHCLG Tables 125 (Dwellings) and Tables 615 (Vacant)³⁴, which in turn are based on Council Tax returns. Figures show St. Helens had a vacancy rate of 3.2% in 2011 and by 2020, the most recent data, it is slightly lower at 3.1%. For the projection period, an assumption of 3.0% has been used. This is slightly above the figure for England as a whole of 2.7% for 2020.
- 4.19. St. Helens currently (2020 data) has a higher proportion of long term vacant dwellings than for England as a whole (1.5% against a figure of 1.1%). The figures for the number of long term vacant dwellings has increased by 371³⁵ to 1,223 in 2020.
- 4.20. St. Helens managed to reduce the number of vacant dwellings by almost 1,000 through a scheme of compulsory purchases³⁶ and those sorts of schemes should be more widely encouraged, supported and continued rather than accepting that there is nothing the Council can do to reduce this (See 4.18.17 in the Local Plan Submission Draft³⁷).
- 4.21. *St. Helens Council should continue with its schemes to reduce long term vacant dwellings as part of local housing policy. It is a sustainable policy, as it uses existing housing and infrastructure, and reduces the need for developing on Greenfield sites.*

Contents

³⁰ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

³¹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779792/LHN_Gov_response.pdf

³² <https://www.statisticsauthority.gov.uk/wp-content/uploads/2016/06/National-Statisticians-Guidance-Management-Information-and-Official-Statistics.pdf> Section 4.3

³³

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/householdprojectionsinenglandqmi>

³⁴ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

³⁵ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

³⁶ <https://www.sthelens.gov.uk/news/2019/september/24/vacant-property-brought-back-into-use-by-st-helens-council/>

³⁷ <https://www.sthelens.gov.uk/media/9525/local-plan-written-plan-web.pdf>

5. *The new Standard Method for Assessing Housing Need*

5.1. A new methodology was introduced by MHCLG in July 2018 which aimed to provide a minimum starting point for assessing housing need. For each 1% increase in the ratio of (median) house prices to (workplace) earnings, where the ratio is above 4 (the standard multiple used by most mortgage lenders), the average household growth should be increased by a quarter of a percent. No adjustment is applied where the ratio is 4 or below. Where an adjustment is to be made, the precise formula is as follows:

Adjustment Factor = $1/4 * [(Local\ Affordability - 4) / 4]$ to be applied to the average household change over a ten year period. See 5.8, Table 3A for the original figures that are produced, and see 5.11, Table 3B for the updated figures.

- 5.2. The new method originally advised using “the most recent projections, calculate the projected average annual household growth over a ten year period (this should be 10 consecutive years, with the current year being the first year).” Paragraph: 004 Reference ID: 2a-004-20180913
- 5.3. However, in November 2018, this changed following the release of a technical consultation (held between Friday 26 October 2018 Friday 7 December 2018³⁸), the results of which were published in February 2019³⁹. This advised using the 2014 based Household projections, rather than the 2016 based household projections which contradicts MHCLG's own Planning Guidance recommendations from July 2018. This contradiction remains. The reason for this decision is that the 2014 SNHPs give a number closer to the Government's overall housing ambition of 300,000 new homes per annum (see ‘Rationale for cities and urban centres uplift’⁴⁰.)
- 5.4. This decision undermines advice from the UK Statistics Authority (UKSA), the body responsible for assessing the validity of National Statistics. The UKSA advises the use of the latest information; under the General Principles on guidance for information and official statistics from the UKSA, the body governing ONS, the section labelled “Maximum value”, 4.3 states...*“When making important decisions, the best available data should be used.”*⁴¹. The MHCLG decision to continue to use 2014 based data is fundamentally flawed, with the National Audit Office concerned that the Government department is failing to deliver⁴².
- 5.5. It should also be noted that the MHCLG and the ONS SNHPs form a statistically consistent starting point for all Local Authorities to demonstrate what would happen if current trends continued, The SNPPs are controlled to the NPPs, which are completed as a separate exercise, to ensure consistency⁴³.
In order to retain the integrity of the NPPs, changes to UK migration at a local level must balance and sum to zero across the UK; a gain by one Local Authority must be offset by a loss in another.

38

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/751810/LHN_Consultation.pdf

39

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779792/LHN_Gov_response.pdf

⁴⁰ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

⁴¹ <https://www.statisticsauthority.gov.uk/wp-content/uploads/2016/06/National-Statisticians-Guidance-Management-Information-and-Official-Statistics.pdf> Section 4.3

⁴² <https://www.nao.org.uk/press-release/planning-for-new-homes/>

43

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2016basedstatisticalbulletin>

5.6. ONS have also published a blog, which was included in the Consultation document, explaining what the new Household projections actually mean....*"Household projections are based on trends in actual numbers of households. They do not take account of how many people may want to form new households, but for whatever reason aren't able to, such as young adults wanting to move out of their parents' house, or people wanting to live on their own instead of in a house share. Therefore, household projections are not a measure of how many houses would need to be built to meet housing demand; they show what would happen if past trends in actual household formation continue."* Richard Pereira, Deputy Director, ONS Centre for Ageing and Demography (October 2018) ⁴⁴.

5.7. MHCLG consulted a second time on the Standard Method in October 2020 with the response published on 1st April, 2021⁴⁵. Once again, MHCLG have decided to retain the 2014 SNHPs as the basis for assessing Housing Need. There is a real danger that using out of date trends will lead to unnecessary land release in some Local Authorities where more recent data suggests lower growth.

5.8. Table 3A below shows the results of using the median house price to work-based earnings ratio from 2017 as used in Section 2.14 of the updated SHMA⁴⁶.

Table 3A: Comparison of MHCLG Standard Methods:

MYE	SNPP Base	SNHP Base	Average 2018-28 Households Per Annum	Ratio House Prices to Earnings	Adjustment Required	Adjusted Households Per Annum	Dwellings Per Annum
2014	2014 Five Year Migration	2014	425	5.59	9.94%	467	482
2016	2016 Five Year Migration	2016	349	5.59	9.94%	383	395

Source: ONS, MHCLG projections. ONS Existing house prices to Earning. Note: Assumes 3% Vacancy to convert to dwellings

5.9. The dwellings per annum figure from the 2014 base gives 482 dpa and matches the figure quoted in Section 2.14 of the updated SHMA⁴⁷. (Note that Table 2 in the same section shows household figures for 2018 and 2028, though they are labelled 2016 and 2016).

5.10. The figure generated from the 2016 based projections, 395 dpa (383 Households per annum - Section 2.10 of the updated SHMA), is substantially lower and demonstrates the need to use the best information; trends change and those more recent trends should be acknowledged, not ignored.

5.11. Since January 2019, ONS have released two further updates to the median house price to median workplace earnings ratio with the latest released on 25th March, 2021⁴⁸. Table 3B below/overleaf shows the figures using the latest ratios as well as the ten year migration variant for both 2016 and 2018 under the Standard Method.

⁴⁴ <https://blog.ons.gov.uk/2018/10/19/what-our-household-projections-really-show/>

⁴⁵ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system#introduction>

⁴⁶ https://www.sthelens.gov.uk/media/9436/st-helens-shma-update-report-v33_final.pdf

⁴⁷ https://www.sthelens.gov.uk/media/9436/st-helens-shma-update-report-v33_final.pdf

⁴⁸

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/housing/datasets/housepriceexistingdwellingstoworkplacebasedearningsratio/current/ratioofhousepriceexistingtoworkplacebasedearnings.xlsx>

Table 3B: Comparison of MHCLG Standard Methods using most recent data:

MYE	SNPP Base	SNHP Base	Average 2018-28 Households Per Annum	Ratio House Prices to Earnings	Adjustment Required	Adjusted Households Per Annum	Dwellings Per Annum
2014	2014	2014	439	5.59	9.9%	482	497
2014	2014	2014	439	5.16	7.3%	471	485
2016	2016 Five Year Migration	2016	349	5.16	7.3%	374	386
2016	2016 Ten Year Migration	2016	329	5.16	7.3%	353	364
2018	2018 Two Year Migration	2018	449	5.16	7.3%	482	496
2018	2018 Ten Year Migration	2018	324	5.16	7.3%	347	358

Source: ONS, MHCLG projections. ONS Median Existing house prices to Median Workplace Earnings, 2020⁴⁹

5.12. Using the most recent ratio of existing house prices to earnings shows an improvement in affordability and therefore lower housing need. Using the 2014 based data, dpa falls by 2.5% to 485. When more recent projections are applied to this updated ratio, dpa for each of the ten year migration variants is substantially lower at around 360 dpa.

5.13. The ONS 2018 two year migration principle projection should be discounted as a two year migration trend is too short to provide a robust long-term projection as it covers two year of strong economic growth and will not be representative over a longer term projection. Hence the recommendation to use a ten year migration trend.

Contents

6. Internal Moves - Migration within the UK - St. Helens

6.1. The next two sections look at migration within the UK (internal migration) while Section 8 looks at international migration. This is intended to identify any changes in trends and also highlights areas of potential conflict when several areas are looking at increasing population above the trend based projections at the same time. ONS publish detailed estimates for internal moves (annually from 2011) and data are available by Single Year of Age and Sex for all Local Authorities in the UK up to Mid 2019.

6.2. Moves to and from St. Helens, within the UK are shown in Table 4 (2011-12) and Table 5 (2018-19) and these compare how the top 10 moves INTO and OUT of St. Helens have changed and look at where the main flows lie.

Table 4 : Top Ten flows INTO (and OUT of) St. Helens 2011-12.

LA_Code	LA_Name	HMA_Area	Moves INTO	% of Total	MOVES OUT	% of Total	Net Flows
Grand Total	St. Helens (Total)	Central HMA	4920		4700		220
E08000011	Knowsley	Central HMA	636	13%	450	10%	186
E08000012	Liverpool	Central HMA	603	12%	423	9%	180
E08000010	Wigan	Outside_HMA	588	12%	581	12%	7
E06000007	Warrington	Mid Mersey HMA	397	8%	496	11%	-99
E06000006	Halton	Mid Mersey HMA	231	5%	177	4%	53
E08000003	Manchester	Outside_HMA	161	3%	140	3%	20
E08000014	Sefton	Central HMA	159	3%	151	3%	8
E07000127	West Lancashire	Mid Mersey HMA	158	3%	130	3%	28
E08000015	Wirral	Central HMA	93	2%	70	1%	24
E06000049	Cheshire East	Outside_HMA	76	2%	48	1%	28

Source: ONS Detailed Migration, Local Authority Moves, 2011-12, (c) Crown Copyright. HMA = Housing Market Area as identified in the Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA)

⁴⁹

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/housing/datasets/housepriceexistingdwellingstoworkplacebasedearningsratio/current/ratioofhousepriceexistingtoworkplacebasedearnings.xlsx>

Ranked by Highest INFLOW

6.3. Table 4 shows that Knowsley, Liverpool Wigan and Warrington are the main Local Authorities that exchange migration, accounting for almost half of all IN flows and OUT flows. In net terms, most areas cancel each other out with very little net change but with Knowsley and Liverpool being the two main areas of net IN flow, and Warrington the largest net OUT flow.

6.4. Table 5 below looks at the same flows but for moves between Mid 2018 and Mid 2019, i.e. as used in the 2019 MYEs.

Table 5: Top Ten flows INTO (and OUT of) St. Helens 2018-19

LA_Code	LA_Name	HMA_Area	Moves INTO	% of Total	MOVES OUT	% of Total	Net Flows
E08000013	St. Helens (Total)	Central HMA	6673		6270		403
E08000011	Knowsley	Central HMA	820	12%	703	11%	117
E06000007	Warrington	Mid Mersey HMA	774	12%	600	10%	173
E08000010	Wigan	Outside_HMA	758	11%	839	13%	-82
E08000012	Liverpool	Central HMA	701	11%	589	9%	112
E06000006	Halton	Mid Mersey HMA	279	4%	304	5%	-25
E07000127	West Lancashire	Mid Mersey HMA	245	4%	275	4%	-30
E08000003	Manchester	Outside_HMA	176	3%	218	3%	-41
E08000006	Salford	Outside_HMA	171	3%	129	2%	42
E08000014	Sefton	Central HMA	163	2%	161	3%	2
E06000050	Cheshire West and Chester	Outside_HMA	120	2%	132	2%	-12

Source: ONS Detailed Migration, Local Authority Moves, 2016-17, (c) Crown Copyright. Ranked by Highest INFLOW

6.5. Table 5 shows Knowsley remains at the top (highest Inflow) and Warrington has moved above Wigan and Liverpool in terms of gross inflows. The same top 4 account for around 50% of all IN and OUT moves between Mid 2018 and Mid 2019. St Helens continues to attract largest net inflows from Knowsley and Liverpool while Warrington is now a net exporter of migrants to St Helens. Overall, net UK migration for St. Helens is still positive, but modest at +400.

Table 5 also shows that internal migration flows in both directions have increased since 2011/12 by over a third, suggesting improved job opportunities and affordability of housing. This is reflected in the affordability ratios published by ONS that show a fall from 5.6 to 5.2 (2017 to 2020) for median existing house prices vs. median workplace income⁵⁰.

6.6. For St. Helens to grow its population using internal migration, it is going to have to attract more population from the Liverpool City Region area and then from Greater Manchester - however, the Greater Manchester Strategic Framework (second draft pending) is also looking to grow and will need to top-up its population with migrants from these same areas i.e. Liverpool, Cheshire & Lancashire - there is a danger that these migrants are being used twice.

Local and strategic plans need to be compared, at the very least, at a Regional level, to test for consistency and realistic assumptions on use of UK migrants to satisfy dwelling and economic growth aspirations.

6.7. In terms of adjoining Local Authorities and what their latest plans are for Housing: [All comparisons are based on using the Standard Formula 2014 SNHPs 2018-28 & most recent Affordability Ratios (2020).]

⁵⁰ <http://www.demographicssupport.co.uk/wp-content/uploads/2021/04/ratioofhousepriceexistingtoworkplacebasedearnings.xls>

- 6.7.1. Halton⁵¹ 2016 Mid Mersey SHMA is aiming to build 466 dpa - 70% above the MHCLG Standard Formula rate of 274 dpa.
- 6.7.2. Knowsley has an OAHN of 450 (2016-2031⁵²) - also 70% above the MHCLG Standard Formula rate of 269 dpa.
- 6.7.3. West Lancashire are aiming for an OAHN of 240 dpa against a figure of 207 dpa from the MHCLG formula; 16% higher (West Lancashire Local Plan Review of the Housing and Economic Development Needs Assessment (HEDNA)⁵³).
- 6.7.4. Wigan are aiming for 1,000 dpa (2013 Inspector's Report, Section 11 & 31 based the Core Strategy⁵⁴) this is close to the MHCLG Standard Formula rate of 989.
- 6.7.5. Warrington⁵⁵ has 995 dpa from the 2016 Mid Mersey SHMA, 10% above the MHCLG Standard Formula rate of 910).

All Local Authorities are competing for extra residents to fulfil economic growth ambitions and to increase the housing supply - within the UK, migration must balance - migrants cannot be in two (or more) places at once.

- 6.8. The two neighbouring large conurbations of Liverpool and Greater Manchester are also looking to grow through increases in employment, planning to build large numbers of new houses. They also rely on new workers living in these same areas which are themselves competing for new workers and new residents.

This pattern is repeated across England, supported by Government policy for aspirational growth - the reality is that if one Local Authority gains a resident, it has to be offset by a loss to another. The pool of INTERNAL (UK Residents) migrants is finite and across the UK, the net annual change across all Local Authorities is zero.

Contents

7. Internal Moves - Migration within the UK - General Analysis

- 7.1. At the UK level, population changes occur through ageing, natural change (births minus deaths) and international migration (net flows). Internal moves within the UK are a zero-sum result - one Local Authority's gain is another Local Authority's loss.
- 7.2. The National (UK) Population Projections (NPPs) are produced by ONS in collaboration with the devolved Statistical Agencies of National Records Scotland (NRS), StatsWales and the Northern Ireland Statistical Research Agency (NISRA). Projections for each constituent country (2014 based⁵⁶, 2016 based⁵⁷ and 2018 based⁵⁸), along with a set of variant projections (high and low fertility, high and low life expectancy, high and low migration, zero net migration) are also produced and are used by several government departments such as Education (School Roll Planning), Home Office (immigration Policy), HMRC (Tax revenues), DWP (Pensions forecasts), MHCLG for Household Projections - each has its own requirements and each looks at differing time scales.
- 7.3. Currently, in England, ONS take the Principal Population Projection and use it to publish sub-national population projections with the sum of all the components of change at the

⁵¹ <https://www3.halton.gov.uk/Pages/planning/policyguidance/pdf/OANSHMA.pdf>

⁵² <https://www.knowsley.gov.uk/knowsleycouncil/media/Documents/Knowsley-SHLAA-Report-2016-Update-Final-Report-Draft-work-app.pdf>

⁵³ https://www.westlancs.gov.uk/media/503879/HEDNA_WestLancashire_Mar2017.pdf

⁵⁴ <https://www.wigan.gov.uk/Docs/PDF/Council/Strategies-Plans-and-Policies/Planning/Current-local-plans/Inspectors-Report-15-08-2013.pdf>

⁵⁵ https://www.warrington.gov.uk/download/downloads/id/13446/shma_update_final_report_may_2017.pdf

⁵⁶

<http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2015-10-29/relateddata>

⁵⁷

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2016basedstatisticalbulletin>

⁵⁸

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2018based>

Local Authority level controlled to the national figure. Variant population projections for migration are now produced by ONS, following pressure from Local Authorities through the Central and Local Information Partnership (CLIP) Population Subgroup. There is now be a ten year UK migration trend variant as well as high and low international migration variants. Having a ten year migration trend helps iron out economic cycles and makes the projections more suitable for longer term planning.

Local Authorities should look to be using SNPPs with a ten year migration trend. This will help smooth economic cycles and iron out sudden changes in trends; if all planning authorities use the same set of projections then better consistency will be ensured. A ten year migration trend is better suited to the two year projection update cycle and would improve consistency across all Local Authorities.

- 7.4. Having a nationally produced interactive set of projections to balance out internal migration would resolve the consistency issue; Local Authorities could still grow their population above the "official" trend base, but only through policies that grow international migration or by agreeing trade-offs of UK migrants, perhaps within a regional context.
- 7.5. As it stands, the POPGROUP software models each Local Authority independently and each Local Authority, can, in turn, take migrants without limit and without a balancing reduction from the pool that the migrants have come from. There is no attempt to remove extra migrants gained in one area from the areas they have come from with the effect that:-
 - 1). UK internal migration will not sum to zero, as it should and
 - 2). International migration numbers will need to be higher than in the UK projections, if all areas are attempting to grow at a rate above the ONS SNPPs.
- 7.6. Consider the UK as a whole; the POPGROUP software would allow you to increase flows of internal in-migration for all Local Authorities at the same time - there is no constraint on the overall total, which in reality, should sum to zero in net terms. This is why it is important that ONS and the other devolved statistical agencies publish variant projections that are controlled correctly and provide a balanced set of internal (and international) migration and that the same set is used as the starting point.
- 7.7. As the process currently stands, the duty to cooperate with neighbouring Local Authorities would have to be extended so that there is agreement that not all Local Authorities can gain at the same time. Simultaneous above-trend growth can only really occur if net international migration is increased. On Planning, the Government Policy is aimed at driving growth through Strategic Plans while Local Plans are being challenged for not being ambitious enough - but the sum of the parts is greater than what is mathematically possible. This issue needs to be seriously considered.

Contents

8. International Migration - Moves to and from Outside the UK

- 8.1. ONS measure the movements of international migrants using the International Passenger Survey (IPS) which is principally used for Balance of Payments calculations. It has long been recognised as the weakest part of the population estimation process, particularly at Local Authority level as the sample size of long-term migrants (those coming to stay, or leaving the UK, for a period of more than one year, and therefore classed as a 'resident') is very small - in 2017, the sample was approximately 2,000 for in-migrants and 1,100 for out-migrants⁵⁹ for the whole of the UK.

⁵⁹

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/internationalpassengersurveymarginsoferrortable102/current/1.02ipsmarginsoferror1975to2017.xls>

8.2. Due to covid-19 the IPS has been suspended and no data beyond March 2020 is being collected. ONS are reviewing how to calculate International Migration using other administrative data. Data up to Mid 2019 is unaffected, and is shown in Table 6A below.

8.3. These numbers are scaled up to the totals that make up the flows that appear in the Long Term International Migration (LTIM) Statistics that are released on a rolling quarterly basis.

Table 6A - UK International Migration -Year Ending June 2016 to Year Ending March 2020

Year Ending	IN	British	EU	Non-EU	% British	% EU	% Non-EU
YE Jun 16	652	77	284	291	12%	44%	45%
YE Jun 17	599	79	226	294	13%	38%	49%
YE Jun 18	628	80	220	328	13%	35%	52%
YE Jun 19 ^p	610	66	200	345	11%	33%	57%
YE Mar 20 ^p	715	83	195	437	12%	27%	61%
	OUT	British	EU	Non-EU	% British	% EU	% Non-EU
YE Jun 16	346	127	95	125	37%	27%	36%
YE Jun 17	371	127	123	121	34%	33%	33%
YE Jun 18	391	128	146	117	33%	37%	30%
YE Jun 19 ^p	404	131	151	121	32%	37%	30%
YE Mar 20 ^p	403	144	137	121	36%	34%	30%
	NET	British	EU	Non-EU			
YE Jun 16	+ 306	- 49	+ 189	+ 166			
YE Jun 17	+ 228	- 48	+ 103	+ 173			
YE Jun 18	+ 237	- 48	+ 74	+ 212			
YE Jun 19 ^p	+ 206	- 66	+ 48	+ 224			
YE Mar 20 ^p	+ 313	- 61	+ 58	+ 316			

Source: ONS Long Term International Migration Mid 2016 to March 2020 ©

8.4. Figures for the year to Mid 2019⁶⁰ for the UK were estimated to be 610,000 in-migrants and 404,000 out-migrants (net Inflow +206,000) while for the last set of data up to March 2020, there was higher number of International IN migrants pushing the net figure to +313,000. This was mainly driven by strong growth of Non-EU arrivals.

8.5. International flows are very small for St. Helens and are shown in Tables 6B below/overleaf.

⁶⁰

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/migrationstatisticsquarterlyreportprovisionallongterminternationalmigrationltimestimates/august2020/provisionalestimatesoflongterminternationalmigrationyemarch2020.xls>

Table 6B - Inward migration from outside the UK into St. Helens - 2001/02 to 2018/19

International Migration Flows	IN flows	OUT flows	Net Flows	Rolling 6 Year Average
Year to Mid 2002	117	186	-69	
Year to Mid 2003	166	161	5	
Year to Mid 2004	177	251	-74	
Year to Mid 2005	329	517	-188	
Year to Mid 2006	566	537	29	
Year to Mid 2007	476	487	-11	-51
Year to Mid 2008	572	412	160	-13
Year to Mid 2009	448	365	83	0
Year to Mid 2010	416	288	128	34
Year to Mid 2011	383	270	113	84
Year to Mid 2012	250	210	40	86
Year to Mid 2013	256	243	13	90
Year to Mid 2014	317	263	54	72
Year to Mid 2015	341	240	101	75
Year to Mid 2016	434	237	197	86
Year to Mid 2017	416	339	77	80
Year to Mid 2018	435	372	63	84
Year to Mid 2019	413	218	195	115

Source: ONS 2019 MYE Components of Change © Crown Copyright.

8.6. From Table 6B above - international migration flows, both in and out, have been small with net flows adding + / - 200 residents to St. Helens total population each year. The impact of Brexit is still uncertain and covid-19 will add the difficulties of estimating international migration, the impact of which are yet to be seen in the Mid Year Estimate figures.

Whilst International migration has little impact in St. Helens, the effect of Brexit and covid-19 should be monitored as and when new data is published.

8.7. ONS has revised its methodology to improve the allocation of international migrants across Local Authorities and now uses statistics from a range of administrative sources including National Insurance Allocations, GP registrations, student data from the Higher Education Statistical Agency (HESA)⁶¹ and Home Office statistics⁶².

8.8. Some of these data are available on the ONS Local Authority Migration Indicator (LAMI) Tool⁶³ and recent trends are shown in Table 7 below/overleaf.

⁶¹ <http://www.ons.gov.uk/ons/guide-method/method-quality/improvements-to-local-authority-immigration-estimates/overview-of-improved-methodology.pdf>

⁶²

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/reportonthecomplexityandqualityofinternationalmigrationstatistics/july2018>

⁶³

<https://www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fpopulationandmigration%2fmigrationwithintheuk%2fdatasets%2flocalareamigrationindicatorsunitedkingdom%2fcurrent/lamis2020final.xlsx>

Table 7 - International Migration Indicators for St. Helens, 2008 to 2019

Period	Annual	Mid Year	Annual	Mid Year
Year	NINO	GP Registrations	% Births to Non-UK Born Mothers	Short Term International Migrants
2008	374	339	5.1	154
2009	283	306	5.3	123
2010	253	266	4.3	101
2011	317	262	5.4	55
2012	292	313	5.0	36
2013	320	326	5.3	46
2014	385	370	5.8	53
2015	468	345	6.4	58
2016	488	393	6.2	77
2017	408	577	7.4	61
2018	436	492	9.2	NYA
2019	476	575	9.0	NYA
Sources	A	B	C	D

All available on ONS Local Area Migration Indicators Spreadsheet, ONS⁶⁴ NYA - Not Yet Available

Source A: ONS, NISRA, National Insurance Number allocations - Department for Work and Pensions (DWP)s.

Source B: ONS, NISRA, Patient Register Data Service (PRDS)

Source C: ONS, NISRA, National Insurance Number allocations - Department for Work and Pensions (DWP)s.

Source D: International Passenger Survey (IPS), ONS and administrative data sources

8.9. NINO: Column A: Numbers of National Insurance Number (NINO) Allocations fell following the banking crisis of 2007/08. Figures from 2012 onwards saw steady increases until the Brexit vote (May 2016). Numbers fell in 2017 but then went back up again in 2018 and 2019, maybe reflecting the uncertainty over the final exit date. Unfortunately, information on net change in NINO numbers is not available as there is no requirement to de-register when leaving the country.

8.10. GP Registrations: Column B. Numbers of non-UK nationals who register with a GP have been averaging at around 300 per annum up until 2013. More recent figures have seen an increase, particularly for 2017 and 2019, with close to 600 registrations. This may be to do with Brexit with non-UK nationals registering in case of changes to reciprocal agreements on health care. Prior to 2017, GP registrations were around the same level as the Inflows from the MYEs (300-400), though the MYEs apply only to UK residents i.e. those staying in the UK for over a year whereas eligibility for GP Registration is based on an intention to stay at least 6 months. As with NINO allocations, net change is not available as there is no requirement to de-register when leaving the country. GP Registrations cover all ages and will include some non-residents (MYE definition).

8.11. Births to Overseas Mothers: Column C - Mothers born overseas have a higher number of children than their UK born counterparts. The estimated total fertility rate (TFR) for UK born women fell to 1.57 children per woman in 2019; for non-UK born women the estimated TFR increased slightly to 1.97⁶⁵. This compares to 1.86 and 2.21 in 2011. However, births have little impact on the numbers of dwellings needed over the next 20 years but may affect the type of houses needed in terms of size.

⁶⁴

<https://www.ons.gov.uk/file?uri=/peoplepopulationandcommunity/populationandmigration/migrationwithintheuk/datasets/localareamigrationindicatorsunitedkingdom/current/publicviewmastercopylocalareamigrationindicatorauqust2018.xlsx>

⁶⁵

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/bulletins/parentscountryofbirthenglandandwales/2019>

Trends currently show that TFRs for non-UK born mothers are diverging after a long period of convergence (2004 to 2017).

- 8.12. **Short Term Migrants:** Column D - Numbers come from the International Passenger Survey (IPS) and cover those staying in the UK for between 3 and 12 months. Numbers are extremely small, at around 0.04% of the resident population, one tenth of the national average for England (0.36%).
These migrants are not accounted for either in the MYEs or the SNPPs as they are not classified as *residents*. However, they do need accommodation and will add to the demand for housing, though these numbers can include students and so may be absorbed into communal student accommodation. In St. Helen's case, the numbers are insignificant.
- 8.13. Students - there are no Universities within the St. Helens Local Authority area.
- 8.14. Overall, numbers of international migrants are small with gross flows in the mid to low hundreds and net flows in the very low hundreds. The administrative data shows some signs of the uncertainty around Brexit but this has little impact on housing need as far as St. Helens is concerned.
- 8.15. At a national level, ONS fixes the flows of international migrants from 2024 for the remainder of its projections period for the UK (in the case of the 2018 based National Population Projections, this is up to 2118). This broad assumption highlights the uncertainty of international migration even at a national level; estimates and projecting international migration at a local level is even more uncertain and will need regular monitoring.
UK Migration with the rest of the world is projected to decrease significantly by 2024, from 265,000 in 2018 to 190,000 for 2024 onwards⁶⁶. The 2016 NPPs assumed 165,000 net international migration from 2022. However, this contrasts with the latest estimates of net INflows of 313,000 international migrants.
- 8.16. In the same way that UK internal migration must sum to zero, the pool of international migrants is finite, unless the Government is prepared to accept higher net flows to satisfy growth.
Projection scenarios that assume above-trend growth must take extra migrants **either** from elsewhere in the UK, in which case those migrants should subtracted from the population from whence they came **or** taking someone else's share of the international migrant pool. One area's gain is another area's loss **unless** allowance is made for the net flow of international migrants to increase.

Contents

⁶⁶

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/nationalpopulationprojections/2018based>

9. Housing Completions

9.1. Housing completions give a good indication of what the capacity for house building is within an area. Figures for St. Helens are shown in Table 8 and are based on MHCLG Live Tables on net completions (Table 122⁶⁷).

Table 8 - Dwellings & Net Completions

Year to March	Dwelling Stock	Annual Net Change	Rolling 10 year Average	MHCLG Standard Formula DPA	Employment Scenario 2 Option 3 DPA	Notes
2001	75,420					Census Based
2002	75,860	440				
2003	76,060	200				
2004	76,790	730				
2005	77,400	610				
2006	77,840	440				
2007	78,350	510				
2008	78,700	350				
2009	78,850	150				
2010	79,160	310				
2011	79,230	70	381			Census Based
2012	79,650	420	379			
2013	79,920	270	386			
2014	80,470	550	368	497		A
2015	81,100	630	370			
2016	81,670	570	383	358		B
2017	82,160	490	381		486	
2018	82,570	410	387	353		C
2019	83,340	770	449			
2020	84,100	760	494			

A - Standard Formula with 2014 SNHPs and 2020 Affordability Ratios;

B - Standard Formula with 2016 SNHPs (10 Year Migration) and 2020 Affordability Ratios;

C - Standard Formula with 2018 SNHPs (10 Year Migration) and 2020 Affordability Ratios

Source: Dwelling Stock: Census 2001, Census 2011, Housing Flows Reconciliation, the Greater London Authority and Regional Assembly joint returns. MHCLG Live Tables 125 and 122 & GL Hearne SHMA Update⁶⁸.

9.2. Average net completions for the 10 years to 2020 (rolling 10 year average column) were 494 dwellings. Between 2011 and 2018 the 10 year average was between 370 to 390. Higher net completions in 2019 and 2020 have pushed the average to 450 in 2019 and nearly 500 in 2020. This is higher than the housing need from the updated SHMA of 482 (MHCLG formula using 2014 HRRs) and the 486 dpa for Economic Scenario 2 Option 3. The 2016 and 2018 based ONS projections using the ten year migration give an annual growth (2020-2035) of 330 dpa, well below recent completion levels and nowhere near MHCLG calculations based on 2014 SNHPs.

It is clear that MHCLG will have to reconsider how the ONS household projections are interpreted and used when assessing housing need and how to make best use of the new projections; as it stands there is no connection between the new method and current ONS projections as recent trends are ignored.

⁶⁷

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938199/Live_Table_122.ods

⁶⁸ https://www.sthelens.gov.uk/media/9436/st-helens-shma-update-report-v33_final.pdf

- 9.3. The Local Plan Update, Table 4.7 in section 4.18.19⁶⁹ shows a housing trajectory with plans for 784 in 2025/26. This level of net building is well above (over 50% higher) the annual 10 year average of most recent completions i.e. 494 dpa, and in light of the next two points, may be difficult to achieve.
The phasing of new build for the mid 2020s should be revisited to take account of recent higher completions and industry capacity issues.
- 9.4. There is an issue over a) house building industry capacity and skills shortages^{70 71 & 72} and b) whatever capacity there may be for growth in the building sector, having simultaneous above-trend growth across the whole of the UK will require a further increase in capacity - are there the skills and manpower available for such nationwide increases?
- 9.5. The Government Inquiry in 2017 into the " Capacity in the homebuilding industry"⁷³ concludes as follows:
- 9.5.1. Large developers had no incentive to increase supply that will impact on profits, and control too large a share of the market.
 - 9.5.2. More help for smaller developers and release of smaller sites would help improve competition.
 - 9.5.3. There are concerns over social renting
 - 9.5.4. It proposed a standard approach to assessing housing need (Technical consultation currently under way)⁷⁴
 - 9.5.5. Proposed that a new method for assessing affordability should be introduced (now included in the proposed formula for assessing housing need).
 - 9.5.6. Green Belt should only be used in exceptional circumstances (Para 105) though better guidance for Local Authorities is needed.

Contents

⁶⁹ <https://www.sthelens.gov.uk/media/9525/local-plan-written-plan-web.pdf>

⁷⁰ <https://www.constructionnews.co.uk/brexit/labour-shortages-could-raise-rates-at-least-10-29-01-2021/>

⁷¹ <https://www.constructionglobal.com/mission-critical/skills-shortage-uk-construction-industry>

⁷² <https://www.fmb.org.uk/about-the-fmb/newsroom/skills-shortage-will-hamper-housing-delivery/>

⁷³ <https://publications.parliament.uk/pa/cm201617/cmselect/cmcomloc/46/46.pdf>

⁷⁴ <https://www.gov.uk/government/consultations/changes-to-planning-policy-and-guidance-including-the-standard-method-for-assessing-local-housing-need>

Glossary

A8 - EU Accession Countries. Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia

BME - Black and Minority Ethnic

BSPS - British Society for Population Studies

CLIP - Central and Local Information Partnership

CPRE - Campaign to Protect Rural England

DPA - Dwellings per annum.

DWP - Department for Work and Pensions

GVA - Gross Value Added which is the increase in the value of the economy due to the production of goods and services.

HESA - Higher Education Statistics Agency

HMA - Housing Market Area

HMRC - Her Majesty's Revenue and Customs

HRR - Household Representative Rates = Headship Rates

LAMI - Local Authority Migration Indicator (ONS Tool for Migration analysis)

LPEG - Local Plans Expert Group

LTIM - Long Term International Migration

MHCLG - Ministry for Housing, Communities and Local Government

MYEs - Mid Year Estimates (ONS)

NAO - National Audit Office

NINO - National Insurance Number

NOMIS - National Online Manpower Information System (ONS)

NRS - National Records Scotland

NPP - National Population Projections (ONS)

NPPF - National Policy Planning Framework

OAHN - Objectively Assessed Housing Need = OAN

OBR - Office for Budgetary Responsibility

OE- Oxford Economics

ONS - Office for National Statistics

(QMI) - Quality and Methodology Information

PASC - Public Administration Select Committee

POST - Parliamentary Office Science & Technology

RFMYEs - Rolled Forwards Mid Year Estimates (ONS)

SHGBA - St. Helens Green Belt Association

SHELMA - Strategic Housing and Employment Land Market Assessment

SHMA - Strategic Market Housing Assessment

SHLAA - Strategic Housing Land Availability Assessment

SNPPs - Sub-National Population Projections (ONS)

SNHPs - Sub-National Household Projections (2014 based - MHCLG, 2016 & 2018 based - ONS)

T&CP - Town & Country Planning

UKSA - United Kingdom Statistics Authority

Contents