

North Somerset

Demographic Analysis & Forecasts

Commuting Ratio Sensitivity

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For the attention of:

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Context & Requirements

North Somerset's Core Strategy was adopted in April 2012, identifying a district housing requirement of a minimum of 14,000 dwellings (700 dwellings per year) over the 20-year planning horizon 2006–2026 (Policy CS13).

Following a High Court judgment in March 2013, Policy CS13 was remitted back to the Planning Inspectorate for re-examination. The re-examination of the remitted policy took place between the 18th and 20th March 2014. The Inspector's conclusions were published in April 2014¹.

In preparation for the re-examination, North Somerset Council sought to update its demographic evidence. Edge Analytics produced a suite of population growth forecast for North Somerset Council, delivered in September 2013². These scenarios used up-to-date demographic statistics, evaluating both trend- and policy-led growth scenarios using POPGROUP technology. As part of this suite of scenarios, a 'jobs-led' scenario was presented, in which population growth was linked to North Somerset Council's anticipated jobs growth trajectory (+10,100 jobs 2006–2026).

In modelling the potential impact of jobs growth on the population, three key parameters are used: economic activity rates, an unemployment rate and a commuting ratio. The Edge Analytics scenarios used a commuting ratio of 1.22, derived from 2001 Census 'Travel to Work' data. More recent data from the 2011 Census suggests that the net out-commute has reduced since 2001: 'Workday Population' statistics suggest that the commuting ratio was 1.18 in 2011 (Table 1).

Table 1: North Somerset commuting ratio statistics

		2001 Census	2011 Census
Workers	<i>a</i>	90,559	94,139
WorkDay Population <i>minus those not in Work</i> <i>minus 0-15 yr olds</i> <i>minus 75+</i>			188,537 51,213 36,652 20,562
Jobs	<i>b</i>	74,177	80,110
Commuting Ratio	<i>a/b</i>	1.22	1.18

Data Source: 2001 Census Theme Table T10 and 2011 Census tables KS601EW, WD1117EW and QS103EW

¹ [http://www.n-somerset.gov.uk/News/Documents/inspector's%20post%20hearing%20letter%20\(pdf\).pdf](http://www.n-somerset.gov.uk/News/Documents/inspector's%20post%20hearing%20letter%20(pdf).pdf)

² [http://www.n-somerset.gov.uk/Environment/Planning_policy_and-research/localplanning/Documents/Core%20Strategy/Edge%20Demographic%20analysis%20forecasts%20\(pdf\).pdf](http://www.n-somerset.gov.uk/Environment/Planning_policy_and-research/localplanning/Documents/Core%20Strategy/Edge%20Demographic%20analysis%20forecasts%20(pdf).pdf)

Following the Inspector's conclusions on the re-examination of Policy CS13¹, North Somerset Council has requested that the 'jobs-led' scenario produced by Edge Analytics be re-run using the commuting ratio derived from 2011 Census data.

This note presents the results of this analysis.

Approach

In the original Edge Analytics scenarios, the 'jobs-led' scenario was run using a commuting ratio of 1.22, fixed throughout the forecast period. For the purpose of this analysis, the scenario has been re-run with a fixed commuting ratio of 1.18. All other assumptions remain as they were in the original Edge Analytics analysis (see the September 2013 Edge Analytics report for further detail on the methodology, data inputs and assumptions²).

When assessing household growth, Edge Analytics routinely applies headship rate assumptions from both the 2008-based and 2011-based household projections from the Department for Communities and Local Government (CLG). This results in an 'Option A' growth alternative, in which the 2011-based rates are applied, and an 'Option B' alternative, in which the 2008-based rates are applied. In light of uncertainties over future rates of household formation, the dwelling requirement produced under each alternative is then averaged.

Results

The 'jobs-led' scenario results are presented under an 'Option A' alternative (Table 2) and 'Option B' alternative (Table 3). For comparison, the 'jobs-led' scenario that uses the 1.22 commuting ratio (i.e. as presented in the September 2013 Edge Analytics report) is presented alongside the revised scenario that uses the 1.18 commuting ratio (referred to as the '1.22 alternative' and '1.18 alternative' respectively).

Population growth is lower in the '1.18 alternative' than in the '1.22 alternative'. Under the '1.18 alternative', the population grows by +40,368 over the forecast period, an increase of 19.9%. Under the '1.22 alternative', the population grows by 41,113, a 20.2% increase.

¹ [http://www.n-somerset.gov.uk/News/Documents/inspector's%20post%20hearing%20letter%20\(pdf\).pdf](http://www.n-somerset.gov.uk/News/Documents/inspector's%20post%20hearing%20letter%20(pdf).pdf)

Table 2: North Somerset, jobs-led scenario forecast 2011–2026: **Option A** (2011-based headship rates)

Scenario	Change 2011–2026				Average per year (2011–2026)		
	Population Change	Population Change %	Households Change	Households Change %	Net Migration	Dwellings	Jobs
Jobs-led (CR 1.22)	41,113	20.2%	19,335	21.9%	2,504	1,340	650
Jobs-led (CR 1.18)	40,368	19.9%	19,038	21.5%	2,457	1,319	650

Table 3: North Somerset, jobs-led scenario forecast 2011–2026: **Option B** (2008-based headship rates)

Scenario	Change 2011–2026				Average per year (2011–2026)		
	Population Change	Population Change %	Households Change	Households Change %	Net Migration	Dwellings	Jobs
Jobs-led (CR 1.22)	41,113	20.2%	20,794	23.5%	2,504	1,441	650
Jobs-led (CR 1.18)	40,368	19.9%	20,489	23.2%	2,457	1,420	650

Note: CR stands for commuting ratio

The lower rate of population growth in the ‘1.18 alternative’ results in lower household growth and therefore a lower annual average dwelling requirement (Table 4). The average dwelling requirement under the ‘1.18 alternative’ is **+1,369 dwellings per annum (dpa)**, lower than the +1,390 dpa required under the ‘1.22 alternative’.

Table 4: Jobs-led scenario dwelling requirement

Scenario	Average annual dwelling requirement (2011–2026)		
	Option A	Option B	Average
Jobs-led (CR 1.22)	1,340	1,441	1,390
Jobs-led (CR 1.18)	1,319	1,420	1,369

Note: The ‘Average’ dwelling requirement is an average of the ‘Option A’ (2011-based headship rates) requirement and the ‘Option B’ (2008-based headship rates) requirement