

A comparison of the DCLG 1996-based, interim 2002-based and 2003-based Household Projections

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Introduction

The DCLG estimates and projections of households are based on the ONS estimates and projections of population for the region. The purpose of this report is to shed light on the differences between the three most recent sets of official projections of households: the DCLG 1996-based, interim 2002-based and 2003-based sets. In so doing, it will also address aspects of the drivers of change.

The official projections of households are based on household membership rates categorised in terms of gender, marital status and household type, as well as age. This report is aimed at painting the broad picture only. The analysis presented in this report is a considerable simplification of the detail of both estimates and projections.

This report is also intended to complement, not duplicate, the data which is already published on the DCLG web-site.

2003-based projections

Household estimates for the period 1981-2003 and projections for the period 2003-2021 are shown in Table 1. Over the period 1981-2003 the adult population increased by 928,000 and the number of households increased by 689,000. Over the period 2003-2021 the adult population is projected to increase by 846,000 and the number of households is projected to increase by 665,000. The projected increase in the adult population is a major driver of the increase in the number of households. An important component of that increase is the projected 32-34,000 net immigrants per annum derived from migration patterns in the period 1998-2003.

Table 1 shows that during the period 1981-2003 the adult population increased primarily in the 35-59 age range, whereas over the period 2003-2021 the adult population is projected to increase primarily in age groups over 50. This ageing of the population is another reason for the growth in the number of households, since aggregate household representative rates increase steadily with age, which means that the older an individual is, the more likely they are to head a household.

Between the ages of 30 and 64 aggregate household representative rates are expected to continue to increase at similar (trend-based) rates to the previous 20 years. This is also part of the explanation of the increase in the number of households. In those age bands the dominant driver towards higher aggregate household representative rates is the impact of single and divorced non-cohabiting men and women heading proportionately more households, principally one person (and in the case of women, also lone parent). Part of the explanation of the continued upward trend is the general process of "individualisation": a willingness, ability and aspiration to live our lives separately, particularly in pursuance of a career, after experiencing a failed relationship or through lone parenting and its aftermath, when the children of that (former) lone parent have left home.

Table 1 Estimated and projected changes in the population and household numbers of the South East: official 2003-based projections (thousands)

	Population					Households representatives				
	1981	2003	2021	1981-2003	2003-2021	1981	2003	2021	1981-2003	2003-2021
20-24	526	476	504	-49	28	104	92	102	-11	10
25-29	475	469	550	-6	80	199	193	224	-6	31
30-34	550	575	592	25	17	268	297	337	29	40
35-39	485	643	571	158	-72	245	355	349	110	-7
40-44	413	607	550	194	-57	213	340	330	127	-10
45-49	397	536	566	139	30	209	304	336	94	33
50-54	400	517	623	117	106	214	295	372	81	77
55-59	403	540	626	137	86	222	315	383	92	68
60-64	368	398	537	30	139	214	239	335	26	95
65-69	361	357	460	-4	103	225	226	293	0	67
70-74	320	321	470	1	149	215	216	314	2	98
75-79	236	267	362	30	95	168	191	252	23	61
80-84	138	214	253	76	39	98	158	183	60	26
85+	94	172	275	78	103	57	117	190	59	73
20 & over	5165	6093	6939	928	846	2659	3348	4013	689	665

Part of the explanation is also the lesser commitment to relationships evident in, among other things, the growth of shorter duration cohabiting partnerships. There is a consequential growing pool of those who have previously cohabited, but are no longer doing so. The latter, by definition, have already left the parental home and have experienced living independently from parents and, in the housing market, are likely to behave like a divorced person. In other words they are likely to continue being a separate household. As the number of cohabiting couples steadily increases, so the pool of those who have previously cohabited is likely to increase. They are “at risk” of staying separate households.

Table 2 Components of change of the 2003-based projections 1981-2003 and 2003-2021 (thousands)

	Households		Percentage	
	1981-2003	2003-2021	1981-2003	2003-2021
adult population level	375	432	54	65
population distribution	170	109	25	16
marital status distribution	-74	-20	-11	-3
household membership rates	124	111	18	17
remainder (cross products)	94	34	14	5
All	689	665	100	100

These “explanations” can be synthesised into a formal components of change analysis. Table 2 shows the components of change 1981-2003 and 2003-2021. The

increase in the number of adults and the ageing of those adults described earlier accounts for 79% of the growth in household numbers 1981-2003 and 81% of the projected growth 2003-2021. Changes in marital composition, household representative rates and statistical cross-products account for the remainder.

Comparison between 2003-based and 1996-based projections

Table 3 provides a comparison between the DCLG 2003-based and 1996-based projections of the change in population and households between 2003 and 2021. The 1996-based projections were based on a projected increase in the adult population of 746,000, leading to an increase of 592,000 in the number of households. The DCLG 2003-based projections were based on a projected increase in the adult population of 846,000, leading to an increase of 665,000 in the number of households. In terms of the population projections, the 2003-based show additional increases in the 20-34 and 80 and over age groups, a reduced contraction of the 35-49 age group and reduced expansions of the 50-79 age group, relative to the 1996-based. These changes have direct consequences for the number of household representatives in the respective age groups. The large increase, between the projections, in the numbers of people aged over 80 results from revisions to mortality rates and life expectancy at older ages and have a very direct impact on household numbers, since the likelihood of living alone at those ages is very high.

Table 3: Comparison between 2003-based and 1996-based projections of the change in population and households between 2003 and 2021: South East (thousands)

	Population change 2003-21		Household* change 2003-21	
	96-based	03-based	96-based	03-based
20-24	23	28	19	10
25-29	70	80	53	31
30-34	-30	17	-2	40
35-39	-116	-72	-55	-7
40-44	-87	-57	-37	-10
45-49	18	30	24	33
50-54	127	106	92	77
55-59	117	86	87	68
60-64	160	139	109	95
65-69	121	103	79	67
70-74	167	149	108	98
75-79	93	95	58	61
80-84	28	39	16	26
85+	55	103	39	73
20-34	63	125	70	80
35-49	-186	-99	-68	17
50-59	244	192	178	145
60-79	542	487	354	322
80+	83	142	55	99
20 and over	746	846	592	665

* household representatives

The increased growth in adults aged 20-34 is not matched by a proportionate increase in the number of household representatives in that age group, largely because the 2003-based projections specifically damp down the projected increase in household representative rates for those under the age of 30. Conversely, the disproportionate increase in growth in the number household representatives among adults aged 35-49 results largely from the 2003-based projections being based on slightly higher household representative rates in those age groups, principally among single and divorced non-cohabiting women, in terms of their propensity to represent lone parent and one person households.

Comparison between 2003-based, interim 2002-based and 96-based projections

Data for 2003 is not readily available for the interim 2002-based projections. Therefore comparison is confined to the 2006-2021 period, as shown in Table 4.

The interim 2002-based projections differ from the 2003-based in terms of population change and resultant household change in all age groups. The most significant difference is in age groups 35-49, where population reduction is significantly moderated in the 2003-based projections, relative to the interim 2002-based and this effect is compounded by the additional increase in household representative rates for that age group in the 2003-based, as described previously. The 30,000 difference in population change in that group gets magnified, as a result of increased household representative rates for all adults in that age group, to become a 50,000 difference in the change in the number of household representatives in that age group. This is arguably the most significant difference between the interim 2002-based and the 2003-based household projections.

Table 4: Comparison between 2003-based, Interim 2002-based and 1996-based projections of the change in population and households between 2006 and 2021: South East (thousands)

	Population change 2006-2021			Household* change 2006-2021		
	96-based	02-based	03-based	96-based	02-based	03-based
20-34	114	130	143	90	107	88
35-49	-261	-182	-153	-122	-76	-25
50-59	234	189	191	166	126	139
60-79	467	426	416	309	276	278
80+	74	134	126	49	94	88
20 and over	628	697	724	493	527	568

* household representatives