

## South East Plan Examination in Public

### Note to the Panel on Forecasts used in KCC & Medway Advice on Sub Region Strategies

The Panel has asked for details of forecasts used by principal authorities in their advice to the Assembly on sub region strategies. The following records the forecasts used by KCC for Kent sub regions :

#### Demographic Forecasts

The advice submitted in December 2005 with the title "*South East Plan : Employment, Housing and Infrastructure in Kent*" was accompanied by an Annex "*Methodology for Distribution of Housing*". This recorded the evidence and process used for Kent sub regions to comply with the methodology for distribution of sub region dwelling totals to Districts (the DTZ methodology).

Consideration was given to the degree to which the options tested for the distribution of dwellings met the dwelling needs of the existing District population forecast by KCC (zero net migration) and that forecast by KCC using short (5 year) and long term (10 year) migration trends.

KCC forecast the housing requirement for whole Districts grouped by sub-regions using the Chelmer model, with some updating and adjustment for additional local data compared to the forecasts prepared for the Assembly. Paragraphs 74-79 of the Annex are reproduced below introduced the forecasts, and a commentary on the results for each District followed :

"74 Two alternative assumptions have been made about future migration based upon the net migration flows in the recent, more buoyant period 1998-2003 (Short Term Migration Trend) and upon the longer 10 year period 1993-2003 (Long Term Migration Trend). These are the same high and low migration assumptions made for the South East Plan.

75 KCC believes that the long term trend migration is by far the more robust basis on which to assess demographic requirements for new housing, since it takes an average of economic and housing market conditions over a reasonable timescale rather than extrapolating short term conditions of particularly high or weak demand over 20 year planning period.

76 As an additional benchmark, KCC has forecast the housing requirement of the existing population on the assumption that future migration flows are in balance (Zero Net Migration). This represents the housing requirement of the existing population and its natural change.

#### Forecast Population and Dwelling Needs: 2006-2026

	Population	Dwellings
Zero Net Migration	- 15,000	64,000
Long Term Migration Trend	+ 120,000	118,000
Short Term Migration Trend	+ 186,000	145,000

78 The County Council's preferred trend projection of housing need (based on 10 year migration) suggests a dwelling requirement of 118,000 dwellings over the 20 year period of the South East Plan. This represents an average annual net gain of more than 5,400 persons to Kent and Medway and is:

- Almost twice the dwelling requirement arising from change within the existing population alone
- at a level comparable to the aggregate provision for Kent and constituent sub regions that the Regional Assembly has adopted as the basis for the District distribution of housing provision (122,000 dwellings)
- in the middle of the range represented by the original high and low options put forward by the Assembly for consultation (98,200 –145,700 dwellings) when aggregated to the Kent and Medway area."

The three KCC projections of future population change and the dwelling requirements to which they gave rise were presented in "Methodology for Distribution of Housing" Annex 6 and 7, which are attached.

These were the most recent KCC projections available at the time.

## **Workforce and Employment Forecasts**

The advice submitted in December 2005 with the title "*South East Plan : Employment, Housing and Infrastructure in Kent*" was also accompanied by an Annex on "Employment Targets & Locations". This consolidated initial advice required by the 6<sup>th</sup> June 2005 and final advice on "employment numbers" (monitoring targets) required by the 9<sup>th</sup> December 2005

KCC advice had regard to the balance of forecast resident workforce and workplace jobs produced for the Kent and Medway (Deposit) Structure Plan in 2004. (SEE Working Paper 2 Revised 2004).

This consists of :

- workforce forecasts based on KMSP dwelling provision 2001-21
- a labour force reserve including additional labour supply available if net out commuting were reduced
- base line trend job forecasts produced by BSL
- the additional estimated job impact of strategic employment sites and the policy interventions proposed in KMSP
- a comparison of labour supply and demand forecasts, expressed as a positive or negative balance of growth

This material was summarised in "Employment Targets & Locations" Annex 10 and Annex 11, which are attached. A detailed commentary was not provided.

KCC 2<sup>nd</sup> October 2006

**“Methodology for Distribution of Housing”.**

**Annex 6: KCC Demographic and Dwelling Need: Trend Forecasts 2006-2026**

	Dwellings					Population		
	Sub-regional options (S E Plan Part 1)++	Assembly Preferred Option (July 2005)	Short Term Migration Trend	Long Term Migration Trend	Zero Net Migration	Short Term Migration Trend	Long Term Migration Trend	Zero Net Migration
Kent & Medway **	(98,200-145,700)	122,000	145,400	118,100	64,100	184,300	120,500	-14,800
Kent Thames Gateway	(47,200-63,800)	48,000	47,900	43,000	34,600	61,900	50,300	18,400
East Kent & Ashford	(45,000-63,800)	48,000	68,500	50,000	11,800	97,200	54,900	-29,000
Rest of Kent /London Fringe *	(6,000-22,000)	26,000	29,000	25,100	17,700	25,200	15,300	-4,200

++ Apportioned to reflect 20 year period of SE Plan (2006-2026)

**“Methodology for Distribution of Housing”.**

**Annex 7 : Summary of KCC Trend Based Demographic Forecasts – September 2005**

	Dwelling change 2006-2026			Population change 2006-2026			Percentage Change in Population 2006-2026		
	Short Term Migration Trend	Long Term Migration Trend	Zero Net Migration	Short Term Migration Trend	Long Term Migration Trend	Zero Net Migration	Short Term Migration Trend	Long Term Migration Trend	Zero Net Migration
Dartford	5800	5600	5400	7800	7300	5200	8.9	8.4	6.0
Gravesham	4000	3700	3700	4400	3700	300	4.5	3.8	0.3
Medway	21900	21200	20400	23400	21800	13700	9.2	8.6	5.4
Swale	16100	12500	5100	26200	17500	-800	20.2	13.7	-0.6
<b>Kent Thames Gateway</b>	<b>47900</b>	<b>43000</b>	<b>34600</b>	<b>61900</b>	<b>50300</b>	<b>18400</b>	<b>10.9</b>	<b>8.9</b>	<b>3.3</b>
Ashford	18500	14400	6000	29100	19200	-400	26.2	17.7	-0.4
Canterbury	19500	13700	2300	36000	21700	-6600	25.3	15.6	-4.9
Dover	8800	6900	3200	5500	1500	-6800	5.2	1.4	-6.6
Shepway	11600	8200	1200	13300	6200	-7800	13.3	6.3	-8.2
Thanet	10100	6900	-1000	13400	6300	-7300	10.4	4.9	-5.9
<b>East Kent &amp; Ashford</b>	<b>68500</b>	<b>50000</b>	<b>11800</b>	<b>97200</b>	<b>54900</b>	<b>-29000</b>	<b>16.5</b>	<b>9.5</b>	<b>-5.2</b>
Maidstone	8200	6900	4300	9100	5800	-700	6.4	4.1	-0.5
Sevenoaks	2100	2200	1200	-2800	-2600	-2800	-2.6	-2.4	-2.5
Tonbridge & Malling	9300	7700	4400	13500	9000	400	12.0	8.1	0.4
Tunbridge Wells	9500	8400	6400	5300	3000	-1200	5.0	2.8	-1.1
<b>Rest of Kent</b>	<b>20900</b>	<b>18200</b>	<b>13400</b>	<b>15900</b>	<b>9400</b>	<b>-3600</b>	<b>4.8</b>	<b>2.9</b>	<b>-1.1</b>
<b>Kent and Medway</b>	<b>145,400</b>	<b>118100</b>	<b>64100</b>	<b>184300</b>	<b>120500</b>	<b>-14800</b>	<b>11.3</b>	<b>7.5</b>	<b>-0.9</b>

Source: KCC : Kent and Medway Structure Plan, Trend-based projections (STM - Sept 05 and LTM – Sept 05) and ZNM projections (ZNM – Sept 05)

**“Employment Targets & Locations”  
Annex 10 : District Forecasts Summary**

Forecast comparisons - Jobs																
Job forecasts (KMSP Annex 14)											Options from Annex 14:					
						Change 2001-2021		Growth p.a.	2001		2021					
	2001	2006	2011	2016	2021	No.	%	2001-2021	Employees	Self-emp	Employees	Self-emp	Low Impact	High Impact	Policy Intervention	
Dartford	43,800	n/a	n/a	n/a	70,718	26,918	61.5	1,346	38,600	5,200	42,600	5,300	17,114	22,818	0	
Gravesham	32,000	n/a	n/a	n/a	36,349	4,349	13.6	217	28,000	4,000	24,700	3,700	5,300	7,949	0	
Medway	81,900	n/a	n/a	n/a	96,681	14,781	18.0	739	79,300	2,600	79,700	2,600	5,920	8,881	5,500	
Swale	43,800	n/a	n/a	n/a	51,904	8,104	18.5	405	38,000	5,800	37,100	5,600	5,803	8,704	500	
<b>Kent Thames Gateway</b>	<b>201,500</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>255,653</b>	<b>54,153</b>	<b>26.9</b>	<b>2,708</b>	<b>183,900</b>	<b>17,600</b>	<b>184,100</b>	<b>17,200</b>	<b>34,137</b>	<b>48,353</b>	<b>6,000</b>	
Ashford	43,200	n/a	n/a	n/a	58,286	15,086	34.9	754	38,400	4,800	39,800	4,700	6,058	9,086	4,700	
Canterbury	58,600	n/a	n/a	n/a	66,578	7,978	13.6	399	51,300	7,300	55,000	7,100	1,039	1,558	2,920	
Dover	43,500	n/a	n/a	n/a	51,655	8,155	18.7	408	38,500	5,000	38,700	4,900	3,976	8,055	0	
Shepway	38,100	n/a	n/a	n/a	45,702	7,602	20.0	380	32,500	5,600	35,800	5,600	1,334	2,002	2,300	
Thanet	37,200	n/a	n/a	n/a	48,242	11,042	29.7	552	32,800	4,400	33,700	4,300	5,527	7,902	2,340	
<b>East Kent &amp; Ashford</b>	<b>220,600</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>270,463</b>	<b>49,863</b>	<b>22.6</b>	<b>2,493</b>	<b>193,500</b>	<b>27,100</b>	<b>203,000</b>	<b>26,600</b>	<b>17,934</b>	<b>28,603</b>	<b>12,260</b>	
Maidstone	71,500	n/a	n/a	n/a	71,800	300	0.4	15	63,800	7,700	64,500	7,300	0	0	0	
Sevenoaks	44,400	n/a	n/a	n/a	47,300	2,900	6.5	145	39,100	5,300	42,000	5,300	0	0	0	
Tonbridge & Malling	54,700	n/a	n/a	n/a	53,080	-1,620	-3.0	-81	48,400	6,300	45,900	5,600	2,920	4,380	-2,800	
Tunbridge Wells	53,200	n/a	n/a	n/a	57,700	4,500	8.5	225	47,100	6,100	51,700	6,000	0	0	0	
<b>Rest of Kent</b>	<b>223,800</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>229,880</b>	<b>6,080</b>	<b>2.7</b>	<b>304</b>	<b>198,400</b>	<b>25,400</b>	<b>204,100</b>	<b>24,200</b>	<b>2,920</b>	<b>4,380</b>	<b>-2,800</b>	
<b>KCC Area</b>	<b>564,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>659,315</b>	<b>95,315</b>	<b>16.9</b>	<b>4,766</b>	<b>496,500</b>	<b>67,500</b>	<b>511,500</b>	<b>65,400</b>	<b>49,070</b>	<b>72,455</b>	<b>9,960</b>	
<b>Kent</b>	<b>645,900</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>755,995</b>	<b>110,095</b>	<b>17.0</b>	<b>5,505</b>	<b>575,800</b>	<b>70,100</b>	<b>591,200</b>	<b>68,000</b>	<b>54,991</b>	<b>81,335</b>	<b>15,460</b>	
Thames Gateway	201,500	n/a	n/a	n/a	255,653	54,153	26.9	2,708	183,900	17,600	184,100	17,200	34,137	48,353	6,000	
East Kent & Ashford	220,600	n/a	n/a	n/a	270,463	49,863	22.6	2,493	193,500	27,100	203,000	26,600	17,934	28,603	12,260	
Rest of Kent	223,800	n/a	n/a	n/a	229,880	6,080	2.7	304	198,400	25,400	204,100	24,200	2,920	4,380	-2,800	

**“Employment Targets & Locations”**

**Annex 11 : Components of potential of labour supply**

	Net Flow 2001	Flow to Outside Kent 2001	Job Change 1981-2001	Forecast Workforce 2001-2021	Labour Reserve 2001	Forecast Labour Supply Balance 2021	
						High Jobs	Low Jobs
Dartford	+4,370	18,200	11,590	17,100	1,170	-9,700	-3,900
Gravesham	-14,450	11,540	4,150	2,600	5,690	3,400	6,160
Medway	-29,380	21,600	5,140	-200	12,140	2200	5100
Swale	-9,600	5,900	7,890	2,600	4,910	-400	2,500
<b>Thames Gateway</b>	<b>-49,060</b>	<b>57,280</b>	<b>28,770</b>	<b>22,100</b>	<b>23,910</b>	<b>-4,500</b>	<b>+9,800</b>
Ashford	-2,760	4,930	13,820	19,300	2,260	10,768	3,800
Canterbury	-850	3,920	13,280	-3,400	1,780	-7,000	-6,500
Dover	-410	1,850	-40	-1,200	1,720	-4,800	-3,800
Shepway	-4,360	2,430	6,280	2,400	2,900	-300	+300
Thanet	-7,930	2,220	5,280	3,200	5,560	-200	+2,100
<b>East Kent &amp; Ashford</b>	<b>-16,310</b>	<b>15,350</b>	<b>38,630</b>	<b>20,300</b>	<b>14,220</b>	<b>-4,600</b>	<b>+5,900</b>
Maidstone	+250	9,600	14,600	-500	1,000	0	0
Sevenoaks	-9,020	20,690	6,850	-4,200	2,730	-4,600	-4,600
Tonbridge & Malling	+400	10,860	10,770	2,700	600	1,900	3,400
Tunbridge Wells	-520	11,040	9,000	-600	650	-4,500	-4,500
<b>Rest of Kent</b>	<b>-8,890</b>	<b>52,190</b>	<b>41,220</b>	<b>-2,600</b>	<b>4,980</b>	<b>-7,200</b>	<b>-5,700</b>
Kent & Medway	-74,260	124,830	103,470	39,700	43,110	-16,300	+ 10,000