



# PINS NOTE 12/2018

To: All Inspectors (England)

Relevancy: Local Plan Examinations; Planning appeals and Secretary of State Casework (all England only)

Date of Issue: 26 September 2018

Review date: 26 March 2019

## Latest Household Projections

1. The Office of National Statistics (ONS) published the latest [Household Projections](#) on 20 September 2018. These supersede the 2014-based household projections.
2. The 2016-based household projections provide statistics on the potential future number of households in England and its local authorities up to 2041. They show the household numbers that would result if the assumptions based in previous demographic trends in population and household formation were to be realised in practice. On this point the ONS state:

*'Household projections are not forecasts. They do not attempt to predict the impact of future government or local policies, changing economic circumstances or other factors that may influence household growth, such as the number of houses built. Household projections are not a prediction or forecast of how many houses should be built in the future. Instead, they show how many additional households would form if the population of England keeps growing as it did between 2011 and 2016 and keeps forming households as it did between 2001 and 2011.'*

3. Main points highlighted by ONS include:
  - The number of households in England is projected to increase by 4.0 million (17%) over the next 25 years, from 22.9 million in 2016 to 26.9 million in 2041.
  - This equates to **159,000** additional households each year compared with the **210,000** previously projected.

4. The ONS has made available the datasets for the household projections [here](#). Household Projections by region, county and local authority, from mid-2001 to mid-2041, may be found within tab/table 406.

## Action

### Local Plans (examined under the transitional arrangements)

5. The current NPPF states that the policies in the previous Framework will apply for the purpose of examining plans submitted on or before **24 January 2019**.
6. GOV.UK indicates that where plans are being prepared under these transitional arrangements, relevant planning practice guidance in place prior to publication of the revised NPPF will continue to apply<sup>1</sup>.
7. When considering the use of household projections to help establish housing need, the previous relevant version of the PPG states:

*Wherever possible, local needs assessments should be informed by the latest available information. The National Planning Policy Framework is clear that Local Plans should be kept up-to-date. A meaningful change in the housing situation should be considered in this context, but this does not automatically mean that housing assessments are rendered outdated every time new projections are issued.*<sup>2</sup>

8. In considering the relevance of the new projections Inspectors should bear in mind the following as relevant:
  - The PPG on 'Housing and economic development needs assessments' states that the household projections provide a starting point estimate of overall housing need and that they may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. One such factor might include where formation rates have been suppressed historically by under-supply and the worsening affordability of housing. (Ref 2a-015-20140306) The PG provides further guidance on this and other potential adjustments.
  - Government has stated that it intends to consider adjusting the new standard method for assessing housing need to be consistent with ensuring **300,000** homes are built each year.

More on housing need assessment this can be found [here](#).

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<sup>1</sup> This may be accessed from within each PPG chapter through the link 'See previous guidance' which directs to the archived version of the guidance.

<sup>2</sup> [Housing and economic development needs assessments](#): Paragraph: 016 Reference ID: 2a-016-20150227 (chapter has since been renamed as [Housing need assessment](#)).

- Procedural Practice in the Examination of Local Plans states that Inspectors will be supportive of the objective of getting an up-to-date sound plan in place and that consideration will be given to the option of the LPA making a commitment to review the plan or particular policies within an agreed period, where this would enable the Inspector to conclude the plan is sound.
9. If considered relevant to the plan examination before them, Inspectors may wish to seek the views of the LPA and where relevant other parties as to whether the new household projections represent a meaningful change in the housing situation and if that should have any bearing on the soundness of the plan, having regard to the stage reached.
  10. Depending on the stage reached the question could be raised as an initial question, in the *matters, issues and questions*, at the relevant hearing session or post-hearings (initially to the LPA).

## **Background**

11. Household population projections are published every two years. The latest projections supersede the 2014-based household projections. Breakdowns of overall projected numbers of households by household type are provisionally due to be published on 3 December 2018.
12. For more information about the methodological changes, please refer to the [methodology document](#).

## **Further information**

13. For any general queries on this note, please contact XXXX. If you wish to discuss the application of this advice please contact your sub-group leader, local plans mentor or Group Manager as appropriate.
14. It should be noted that in respect of planning appeal casework we will issue advice to follow shortly in a revised PINS Note. In the meantime if there are any queries arising on casework please raise them via your sub-group leader or Group Manager in the usual way.