

Ipswich Borough Council Local Plan

Housing and Employment Integration Statement

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BOROUGH COUNCIL

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Housing and Employment Integration

The topic papers 'Reviewing the Ipswich Housing Figures'¹ and 'Employment'² explain how the need for housing and employment has been objectively assessed. A number of approaches to modelling the number of households were compared³ as a basis for the Core Strategy Review. These included the trend-based demographic approach and an approach using the forecasts arising from the East of England Forecasting Model (EEFM). The Housing and Population Projections Methodology and Rationale paper⁴ provides more technical information behind the Objectively Assessed Need (OAN) figure for housing.

Work on the EEFM was started in 2007 in response to a recognised need to co-ordinate economic and population projections across the region. The model is designed to use predictions of future macro-economic conditions and link these to demographic and housing trends in order to estimate changes to employment and population to a local level. The EEFM was not designed to be a detailed mechanism to predict the number of households in each district. Whilst it does provide outputs for households, based on resident population, there is not a direct relationship with the age profiles of local populations.

The approach used to inform the Core Strategy Review was to compare the outputs from a demographic approach with an approach which modelled the population output from the EEFM. Using more than one approach provides a process to compare the outputs and consider the reliability of each approach. The 2012 EEFM run was considered through the POPGROUP modelling. Comparing with an EEFM scenario also provided a mechanism for ensuring that the approach selected to determine the OAN would not be underproviding housing to meet the economic needs for the Borough reflected by the economic forecast available at the time.

The Core Strategy Review was produced using the 2012 and 2013 runs of the EEFM⁵. Not all the results from the 2011 Census results were incorporated into both runs. The 2012 run did not incorporate the population and was based on the 2010 mid-year population estimates. The 2013 run did not include estimates of self-employment, workplace based employment or the origin-destination of the workforce.

The difference arising between the EEFM runs is illustrated in Table 1 below by the forecast resident employment. This is the total number of employed people living in the area and includes residents who commute elsewhere.

¹ Ipswich Borough Council, October 2015, *Reviewing the Ipswich Housing Figures Topic paper*, Core Document Library (CDL) reference LPCD38

² Ipswich Borough Council, October 2015, *Employment Topic Paper*, CDL reference LPCD40

³ Luton Traded Services, September 2013, *Ipswich Housing Market Area Population and Household Projections*, CDL reference ICD08

⁴ Ipswich Borough Council, February 2016, *Household and Population Projections Methodology and Rationale*, CDL reference PSCD02

⁵ EEFM runs, 2012 - CDL reference ICD12, 2013 - CDL reference ICD13, 2014 - CDL reference ICD13a

Table 1: Resident Employment 2011 and 2031, EEFM

Run	Resident Employment in 2011	Resident Employment rate in 2011 %	Resident Employment in 2031	Resident Employment Rate in 2031 %	Change in Resident Employment
2012	57,920	61.2	66,040	61.1	8,120
2013	63,190	65.0	71,740	63.2	8,550

Ipswich had the fourth largest difference within the East of England between the 'estimated' population in 2011 and the revised 2002-10 mid-year population estimates, which changed to reflect the 2011 Census results. Resident employment was also updated in the 2013 run to reflect the fact that the Annual Population Survey⁶ had consistently underestimated resident employment levels. Despite these changes, the forecast change in resident employment did not change significantly (by 5.3%) as the total change in resident employment shows. The trend for the decline in the rate of resident employment reflects the general ageing of the population.

Commuting patterns are a fundamental element in how the EEFM calculates the resident employment but both runs used the commuting matrix taken from the 2001 Census as the results from the 2011 Census were not then available. In the absence of updated commuting patterns, and to acknowledge that resident employment levels were previously underestimated, the decision was taken to apply an element of flexibility to the jobs figure by stating 'in the region of 12,500' in policy CS13 of the Draft Core Strategy Review, and to retain the trend-based population forecasts rather than updating the forecasts to the results from the 2013 run.

The outputs of the EEFM 2012 baseline run which informed the POPGROUP modelling, along with the outputs of the Trend Migration Scenario, are shown in Tables 2 and 4 below. The EEFM 2013 baseline run results are also provided in Table 3.

Table 2: East of England Forecasting Model Baseline Run 2012

	2011	2021	2031	Change 2011-2031	Change %
Population	129,700	141,700	155,100	25,400	19.58
Households	56,800	63,500	71,100	14,300	25.18
Jobs	74,500	82,000	87,200	12,700	17.05

Table 3: East of England Forecasting Model Baseline Run 2013

	2011	2021	2031	Change 2011-2031	Change %
Population	133,700	149,400	163,400	29,700	22.21
Households	57,200	63,800	71,100	13,900	24.30
Jobs	72,900	79,000	84,300	11,400	15.64

⁶ Published by ONS

Table 4: Housing Topic Paper Trend Migration Scenario (from POPGROUP Modelling 2013)

	2011	2021	2031	Change 2011-2031	Change %
Population	133,750	145,250	154,700	20,950	15.66
Households	58,700	65,650	72,250	13,550	23.08

The difference in population forecasts generated by the two models (i.e. the EEFM and the POPGROUP trend migration scenario) are explained through the fact that the population forecasts generated by the EEFM show the amount of population increase required to support the jobs increase, regardless of where this population lives. This assumes a continuation of existing (i.e. 2001) commuting patterns.

The household forecast generated through the POPGROUP modelling using the EEFM approach was 12,500 households⁷. The household outputs from the EEFM model are not as robust as the trend migration method, from which the OAN of 13,550 derives, as the EEFM applies a household ratio to the total population, as explained in the Household and Population Projections Methodology and Rationale paper.

The Council considers that the jobs and housing figures have been arrived at using a sound methodology. The EEFM and the POPGROUP forecasting would not be expected to arrive at the same figures for housing and population as they have been established for different purposes.

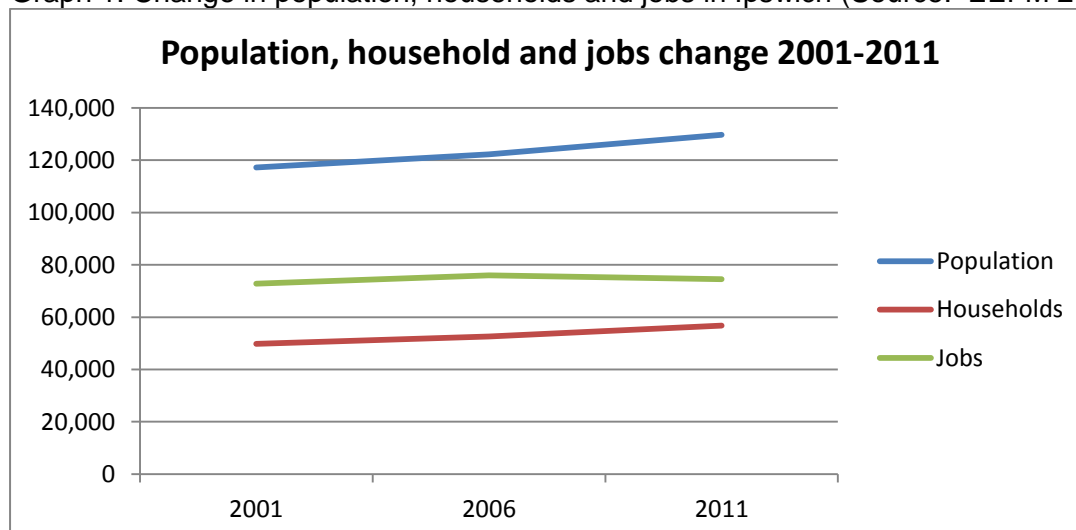
The EEFM is updated periodically and, with each update, the population, households and jobs figures for Ipswich change to reflect, amongst other factors, the updated trend information upon which they are based. However, as outlined in the Employment Topic paper paragraph 55, the jobs figures for Ipswich 2011-2031 reflects the EEFM outputs of the 2012 to 2014 runs which were in the range 11,400 to 12,700. Therefore, the Core Strategy Review policy CS13 (as modified September 2015) sets out a target of 'approximately 12,500 jobs.'

The plan strategy proposes that some of the Ipswich objectively assessed housing need will need to be met through working with neighbouring authorities. Therefore it is necessary to consider travel to work patterns to demonstrate that the strategies for housing and employment are consistent with each other.

Trends in the growth of jobs, population and housing within the Borough since 2001 show some variance. The EEFM 2012 run indicates that, since 2001, the number of jobs within the Borough has fluctuated, whereas the population and number of households have grown steadily. See graph 1 overleaf.

⁷ Luton Traded Services, September 2013, *Ipswich Housing Market Area Population and Household Projections*, CDL reference ICD08

Graph 1: Change in population, households and jobs in Ipswich (Source: EEFM 2012 Run)



Over the same period, the travel to work self-containment of Ipswich Borough decreased from 69.2% to 62%. However, the proportion of jobs within Ipswich filled by Ipswich residents also declined from 57.5% to 55.7%, which suggests that the reduced self-containment is not necessarily related to the balance between jobs and residents in employment within the Borough. There may be many reasons for these changes, including the relative affordability of housing in Ipswich, the 20% increase in the Ipswich population aged 16-64 between 2001 and 2011⁸, or the types of jobs available.

The findings of the Employment Land Needs Assessment (ELNA) for the Ipswich and Waveney Economic Areas would suggest that Ipswich is well placed to secure jobs growth as the UK economic performance improves following the recession of 2008/9.

The main destination of Ipswich residents remains the central area of the town, followed by other areas within the Borough including Hadleigh Road Industrial Estate, Ransomes Europark and Ipswich Hospital. Key destinations also include Whitehouse, Ipswich southern fringe, Adastral Park in Martlesham, the Port of Felixstowe and Needham Market⁹. The Census data suggests that the proportion of Ipswich employed residents travelling out of the Borough for work increased between 2001 and 2011. The 2011 Census also shows that 88% of journeys to work from Ipswich are either to Ipswich or to neighbouring local authority areas¹⁰. The destinations identified are nearby, with the most distant being Felixstowe at approximately 12 miles, and have opportunities to access them by public transport.

The Local Plan strategy promotes the delivery of approximately 12,500 jobs within the Borough to 2031 in a range of sectors, including 'B' Class employment uses, retail, leisure and education. It is part of a comprehensive approach which includes allocating a range of sites for development in locations which reflect the two key market drivers of the town centre and the A14, and addressing skills and delivery through initiatives such as City Deal and Enterprise Zone status.

Housing growth beyond the Borough boundary could provide housing opportunities for Ipswich residents currently commuting out from Ipswich, however as stated above a number of other factors may contribute to this trend. Equally increased jobs provision within Ipswich

⁸ Ipswich Borough Council, December 2015, *Background to the Transport Evidence informing the Ipswich Local Plan*, CDL reference ICD48b

⁹ Ipswich Borough Council, December 2015, *Background to the Transport Evidence informing the Ipswich Local Plan*, CDL reference ICD48b

¹⁰ WSP, 2016, *Ipswich Census Data Trend Analysis, 2014/15*, CDL reference PSCD09

could help to reverse the trend of residents commuting outside of the Borough for employment.

The Ipswich Travel to Work Area (ITTWA) includes parts of Suffolk Coastal, Mid Suffolk and Babergh districts¹¹. The travel to work self-containment (i.e. the number of employed residents living and working within an area) within the ITTWA¹² was 85.9% in 2011¹³. The relative self-containment within the ITTWA at 2011 and the high proportion of journeys by Ipswich residents to work destinations within or just outside the Borough boundary suggests that the joint, cross-boundary approach to accommodating growth promoted through Core Strategy Review policies CS2, CS6 and CS7 is an effective and appropriate way in which to integrate and align strategies for housing and jobs growth.

¹¹ Travel to work areas were re-mapped by the ONS in August 2015 <http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/other/travel-to-work-areas/index.html>

¹² WSP, 2016, *Ipswich Census Data Trend Analysis, 2014/15*, CDL reference PSCD09

¹³ 2011 Travel to Work Area Summary Statistics Version 4, ONS, TTWA E30000222
<http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/other/travel-to-work-areas/index.html>