



chma
Centre for housing market analysis



Using & Improving Population & Household Statistics,
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An Introduction to the CHMA & our links with GROS

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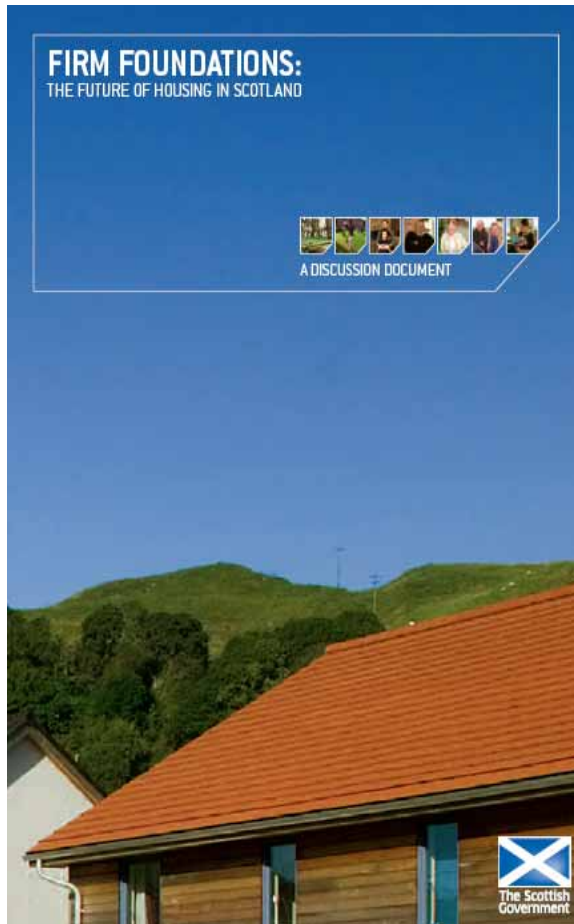


THE CHMA TEAM

- Andy Park:– Senior Economic Advisor
 - Murdo MacPherson:– Housing Systems Analyst
 - Charles Brown:– Assistant Statistician
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- Strong links with GROS who advise us on population/household estimates & projections



WHY DO CHMA EXIST?



- CHMA was born out of Firm Foundations (2008)
- This aims to increase housing supply across Scotland
- By reform of housing/planning delivery framework for local government. There are three main components:
 1. **Housing Need & Demand Assessments (new)**
 2. **Local Housing Strategy (re-vamped)**
 3. **Development Plans (re-vamped)**
- CHMA helps local authorities (and others) deliver this framework, particularly the housing need & demand assessments – **which is heavily statistical**

WHAT'S AN HNDA?

A Housing Need & Demand Assessment (HNDA) is the evidence-base which LAs will use to help them decide:

- how many houses to build,
- what type of houses to build,
- where to build their houses.

Housing Need and
Demand Assessment
Guidance



March 2008

- **LAs are encouraged to follow the SG HNDA Guidance**
- **Some LAs are doing HNDAs in-house, others contract out**
- **HNDAs rely heavily on the use of household & population estimates and projections. CHMA & GROS advise on this.**

HNDA: Population Estimates

- Local population shapes the past and current structure of housing markets.
- Mid-year population trends are used to indicate:
 - **population growth/decline** (volume of housing need)
 - **age structure of population** (types of housing need)
 - **migration in/out of areas** (volume of housing need)
- Used to show the local housing market context before LAs go on to calculate current & future levels of housing need.

HNDA: Population Projections

- Future population profile shapes the future structure of local housing markets.
- Population projections are used to indicate:
 - **future growth/decline** (long-term volume of housing needed)
 - **future age structure** (long-term types of housing needed)
 - **future migration** (long-term volume of housing need)
- Principle and high migration projections used to show a possible **range** in the volume and types of the housing need.

HNDA: Household Estimates

- Populations may decline but household numbers may grow, because households in general are getting smaller.
- Household estimates are used to indicate past and current trends in:
 - **household growth/decline** (volume of housing need)
 - **age structure of households** (types of housing need)
- Projected change in household numbers (future level of housing need)
- Projected change in household composition (future type of housing needed)
- Used to show the local housing market context before LAs go on to calculate current & future levels of housing need.

HNDA: Calculating Housing Need

- HNDAs require LAs to calculate what their level of current and future housing need might be.
- The calculation has 4 components including:
 - level of current housing need
 - level of future housing need
 - level of current affordable housing supply
 - level of future affordable housing supply

Calculating housing need

- To calculate the level of future housing supply:
 - HNDAs require authorities to estimate the number of newly-forming households who will require housing
 - GROS projections only show the net change in household numbers but do not show the number of newly-forming households.
 - This figure can be derived by applying household formation rates to household projections (e.g. Bramley).

Calculating housing need

- Having arrived at a figure for current and future housing need, LA are asked to express this as a **range**.
- The calculation can be re-run using a variety of scenarios - one of which is principle and high migration projections.

Main Data Gaps Identified

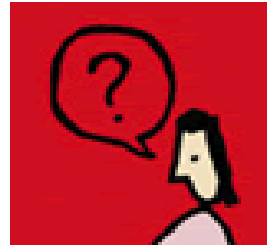
1. Small area population/ household projections especially for rural LAs

(Popgroup & Housegroup software OK but not below certain threshold <10,000 population)

2. Gross household formation, number of newly formed households

(GROS currently producing experimental estimates with advice from Prof. Glen Bramley)

Questions & Discussion



1. Are you using population/household estimates & projections? For what?
2. Have you identified any gaps in the data?
3. How can GROS/CHMA best address these?
4. Any questions for CHMA? Any questions for GROS?

ANY THOUGHTS ON ABOVE - PLEASE KEEP IN TOUCH!!!!!!