Bassetlaw Housing & Economic Needs Assessment: Addendum

Iceni Projects Limited with Justin Gardener Associates on behalf of Bassetlaw District Council

April 2022

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1. INTRODUCTION

1.1 Bassetlaw District Council has asked Iceni Projects to undertake a focussed update to the 2020 Housing and Economic Needs Assessment (HEDNA). This specifically considers changes to the employment supply position and any resulting impacts on labour requirements and housing need, alongside other related matters arising.

2. EMPLOYMENT AND HOUSING BALANCE

Supply position and jobs requirement

2.1 This section considers the updated employment supply position and resulting jobs arising.

2.2 The 2020 HEDNA indicates that the employment need is recommended at 186.9 ha for the 2018-37 period. Pro rated to 2038 this equates to 196.7 ha. Deliveries in the 2018-2020 period can be deducted to determine the residual need 2020-38 for the Plan period.

2.3 In order to consider the employment required to support deliveries in the 2020-38 period, the supply has been assessed. Appendix A of the 2020 HEDNA identified the Bassetlaw employment land supply position for 2020-37 and resulting anticipated full time equivalent jobs arising. This has been updated overleaf based on:

- Removal of the Garden Village and associated employment provision
- Removal of Marnham employment site
- Inclusion of Bevercotes Colliery permission in supply

2.4 This updates the supply position to 189.4 ha - which is slightly below the HEDNA requirement of 196.7 ha, before considering the Apleyhead Junction strategic site of an additional 118.7 ha.

2.5 The total FTEs has risen from 13,620-15,313 in the table below, principally due to the Bevercotes Colliery site (FTEs being 12,230-13,923 in the 2020 HEDNA).

2.6 The Garden Village employment provision was to a large extent part of a sustainable strategy for the new settlement (see Bassetlaw EDNA 2019 Part 3: Economic growth from a Garden Village development) so the loss of employment at this site does not de facto require reprovision elsewhere.

Table 2.1 Site Supply and FTE assumptions

					Land - Ha				SQM				FTE Employees			
Ref	**Site Name**	**Total (Ha)**	**B Class Land (Ha)**	**Use Class**	**B1**	**B2**	**B8**	**Total**	**B1**	**B2**	**B8**	**Total**	**B1 (14 sqm/ FTE)**	**B2 (38 sqm/ FTE)**	**B8 (80 sqm/ FTE)**	**Total FTEs estimated**
Sites completed 2019-21, assume job generation in plan period																
EM008b	Manton Wood Extension	24.6	10.7	B1, B2, B8	1	2	7	10	2000	0	91,000	93,000	Applicant provided			400
Sites with planning permission																
EM001	Shireoaks Common	26.0	7.5	B1, B2, B8	1	2	4.5	7.5	5,806	10,535	31,606	47,947	332	277	395	1,004
EM002	Symmetry Park	21.95	14.4	B2, B8		4.4	10	14.4		16,514	49,541	66,055	0	435	619	1,054
EM003	Centre of Excellence for Modern Construction	46.5	16.0	B1, B2, B8				16		19,200	44,800	64,000	From reps (50% in BDC)			500
EM004	Welbeck Colliery	29.6	3.0	B1, B2, B8									Estimated from emerging masterplan			172
EM005	Carlton Forest	10.6	10.6	B1, B2, B8									Information from developer			1,000
EM006	Trinity Farm, Retford	11.1	2.7	B1, B2, B8		1	2	3		4,831	9,662	14,493		127	48	175
EM007	Snape Lane, Harworth*	80.9	80.9	B1, B2, B8			80.9	80.9			207,416	207,416	Iceni estimate at 95 sqm per job for large warehousing			2,183

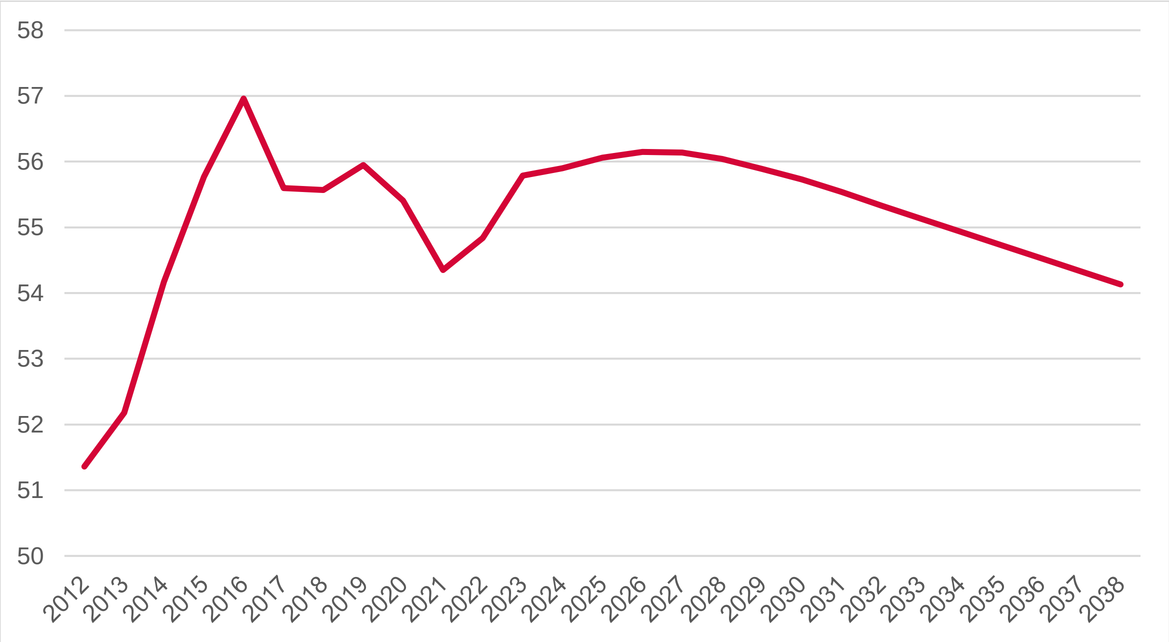
EM008a	Former Bevercotes Colliery	80.0	43.0	B1, B2, B8			43.0	43.0			253,960	253,960	Iceni estimate at 95 sqm per job for large warehousing (EIA states 2,500-3,000)	2,673
Sub Total								**185.0**						**9,273**
Strategic Employment Sites														
SEM1	Apleyhead Junction	189	118.7	B1, B2, B8				118.7			413,000	413,000	A) Iceni estimate at 95 sqm per job for large warehousing B) Information from developer	4,347 - 6,040
Grand Total														**13,620-15,313**

* Snape Lane partially completed 2020/21 but still in Plan Period

2.7 The supply position as reported as above is considered alongside the baseline jobs outlook. This is considered as outside of the anticipated deliveries above, other changes across a range of sectors will still occur including some losses on other sites and sectors. The outlook is provided below for the Plan period 2020-38. From strong growth 2012-2017, there is a levelling off to 2019 and then a pandemic impact ‘V’ 2020-23. The outlook is contraction from 2027 onwards, however the delivery of the sites noted above is likely to mean such a contraction does not occur.

2.8 The overall position is -1,280 jobs 2020-38. However 2020 may be a misleading starting point due to the impact of the pandemic. The ability of unemployed persons to support growth is considered later in this report.

Table 2.2 Jobs baseline outlook 2012-38 (forecast 2021-38)



Source: Oxford Economics

2.9 To get an overall picture of jobs to 2038 a number of steps are taken.

2.10 Firstly the total job figures from all sites has been converted from the full time equivalent as reported above in table 2.1 at a rate of 0.93, which is derived from BRES ratios of employment to employees in the predominant sectors of transport & storage and manufacturing (as per HEDNA 2020).

2.11 Next, considerations in relation to displacement and multipliers have been applied as per the approach in the 2020 HEDNA (p34) as derived from the HCA Additionality Guide 2014. Of note this includes:

- Displacement of 50% and multiplier 25% (medium) on general permissions

- Displacement of 25% and multiplier 10% (low) on larger sites with expected larger units at Snape Lane, Apleyhead and Bevercotes Colliery

2.12 Because of the scale of Apleyhead Junction and uncertainties in occupier type, a low and a higher range are included, as per HEDNA 2020.

2.13 The results of the jobs considerations are brought together below, reconciling the supply position and jobs baseline outlook.

Table 2.3 Employment Jobs 2020-38

Scenario	FTEs	Sites Capacity (jobs)	Displacement	Multiplier	OE baseline jobs change	Total Job Growth
General permissions	4,417	4,749	(2,374)	594	(1,280)	1,688
Larger unit permissions @ Snape Lane and Bevercotes Colliery	4,856	5,222	(1,306)	392	-	4,308
Sub total	9,273	9,971	(3,680)	985		**5,996**
Apleyhead Junction (A)	4,347	4,674	(1,169)	351	-	3,856
Apleyhead Junction (B)	6,040	6,495	(1,624)	487	-	5,358
All	**9,852 – 11,354**					

2.14 The additional employment, resulting from the scenarios is 5,996 jobs excluding Apleyhead or 9,852 to 11,354 jobs including Apleyhead Junction. The 2020 HEDNA range was comparable at 9,735 – 11,236. The supply position has increased but the baseline position has fallen bringing to a similar overall balance.

Qualitative provision

2.15 It is of note that permissions at Symmetry Park, Snape Lane and Bevercotes are for larger units likely to be over 9,000 sqm, more likely to support more ‘footloose’ occupiers rather than local businesses. This is also likely to be the case for Apleyhead Junction. There are however a number of sites that make general employment provision in the allocations alongside the considerable number of existing industrial estates in the district that support general provision and where future renewal and intensification is encouraged and anticipated. It is also of note that Bassetlaw’s high completions trend based need is driven by a number of larger historic developments (see HEDNA 2020 pg 124) and that general needs are likely to be a lower figure better reflected in the ‘general permissions’ as termed here.

Housing required to support jobs

2.16 The analysis below considers what level of housing delivery might be required to provide alignment with future jobs (as forecast). This methodology is identical to that set out in developing a labour supply developed from population increase (as set out in Appendix A), but completed in reverse to get to a population growth required for jobs led growth . This level of population growth is then applied to household formation rates to get to a household growth. A final adjustment to reflect a level of vacancy in the housing stock is applied to the household growth to get to a dwelling's growth.

2.17 It is of particular note that analysis of Claimant Count data shows a clear increase in the number of claimants through 2020 presumably as a result of the pandemic – rising from around 1,000 to in excess of 3,000 over the most recent months for which data is available (dropping slightly in the latest period for which data is provided in 2022 to about 2,500).

2.18 Given that demographic projections and economic forecasts tend to use a mid-year position, the change in unemployment based on claimant count data has been calculated by looking at averages for June/July 2019 compared with June/July 2020 – the latter period chosen to align with the start data of the projections and economic forecasts. In 2019, there were 1,860 claimants and a year later the figure had risen to 3,730 – therefore there were potentially 1,870 people not working in 2020 who might be expected to return to employment in the future (taken to be over the period to 2038 for consistency with other analysis in this report). This is slightly higher than the dip reported 2019-2020 in the Oxford Economics forecasts (table 2.2) however is considered to be the most accurate source of latent labour force. These additional claimants are therefore factored back into the workforce when calculating additional labour needs to 2038.

2.19 The table below shows the estimated change in the number of economically active workers for each of the job growth scenarios reported in the previous section along with commuter sensitivity. This shows that the forecast jobs growth in Bassetlaw requires a lesser growth in economically active residents due to the number of people with more than one job and also the assumption of people moving back into work following the Pandemic – different commuting assumptions has little impact on the figures.

Table 2.4 Change in economically active population needed to meet job forecasts (2020-38)

		Total additional jobs	Allowance for double jobbing	Allowance for net commuting	Minus 1,870 returning to employment (=change in economically active)
Lower	Census commuting	9,852	9,443	9,614	7,744
	1:1 commuting	9,852	9,443	9,443	7,573
Higher	Census commuting	11,354	10,883	11,080	9,210
	1:1 commuting	11,354	10,883	10,883	9,013

Source: Derived from a range of sources as described

2.20 The following table takes the growth in economically active population and translates this into household growth and dwellings needed. The table includes an allowance for people returning to work following the pandemic as reported above and detailed in Appendix A. When including an allowance for people returning to work the analysis shows a housing need of 523 to 590 dwellings per annum.

Table 2.5 Projected housing need – range of job growth forecasts – Bassetlaw (2020-38)

		Households 2020	Households 2038	Change in households	Per annum	Dwellings (per annum)
Lower	Census commuting	51,030	60,288	9,258	514	530
	1:1 commuting	51,030	60,167	9,136	508	523
Higher	Census commuting	51,030	61,334	10,304	572	590
	1:1 commuting	51,030	61,194	10,163	565	582

Source: Derived from a range of sources as described

2.21 The comparable position to the 2020 HEDNA that reported 591 dwellings per annum (as per the Local Plan) is 523 dwellings per annum, which is the lower jobs range for Apleyhead Junction but at a 1:1 commuting ratio. The upper end of the jobs range leads the housing requirement to 582 dwellings which his comparable to the emerging Local Plan figure.

2.22 The main factors that have brought the economic led housing need requirement down are:

- A worsening baseline outlook that suggests employment in the district as a whole will weaken, particularly in the manufacturing sector. This is counteracted by the supply of sites coming forward. There is some uncertainty in relation to the baseline outlook that will be strongly influenced by regional and national trends.
- The ability of a latent workforce to support growth – there is some uncertainty in this regard given the expected (and ongoing) economic recovery post pandemic.

2.23 The 2020 HEDNA recommended that the lower range of Apleyhead Junction jobs be used in considering future economic need and that a 1:1 ration be used to avoid reliance on in-commuting.

As above this would be equivalent to the 523 position. **However** Iceni Projects recommends that the authority plan for the 582 dwellings per annum figure for planning policy purposes to:

- Mitigate uncertainty in the conservative baseline outlook for the local economy and manufacturing sector in particular (with the Apleyhead scenario difference comparable to the economic contraction as per table 2.3)
- Provide a buffer for flexibility in employment terms of around 10%, reflecting that windfall sites are likely to come forward in the plan period and general uncertainties in forecasting

APPENDIX A: The Link Between Housing and Economic Growth

3.1 The analysis below considers the link between housing and economic growth; seeking to understand what level of jobs might be supported by changes to the local labour supply (which will be influenced by population change which in turn will to some extent link to levels of housing delivery. To look at estimates of the job growth to be supported, a series of stages are undertaken. These can be summarised as:

- Estimate changes to the economically active population (this provides an estimate of the change in labour-supply);
- Overlay information about commuting patterns, double jobbing (i.e. the fact that some people have more than one job) and potential changes to unemployment; and
- Bringing together this information will provide an estimate of the potential job growth supported by the population projections

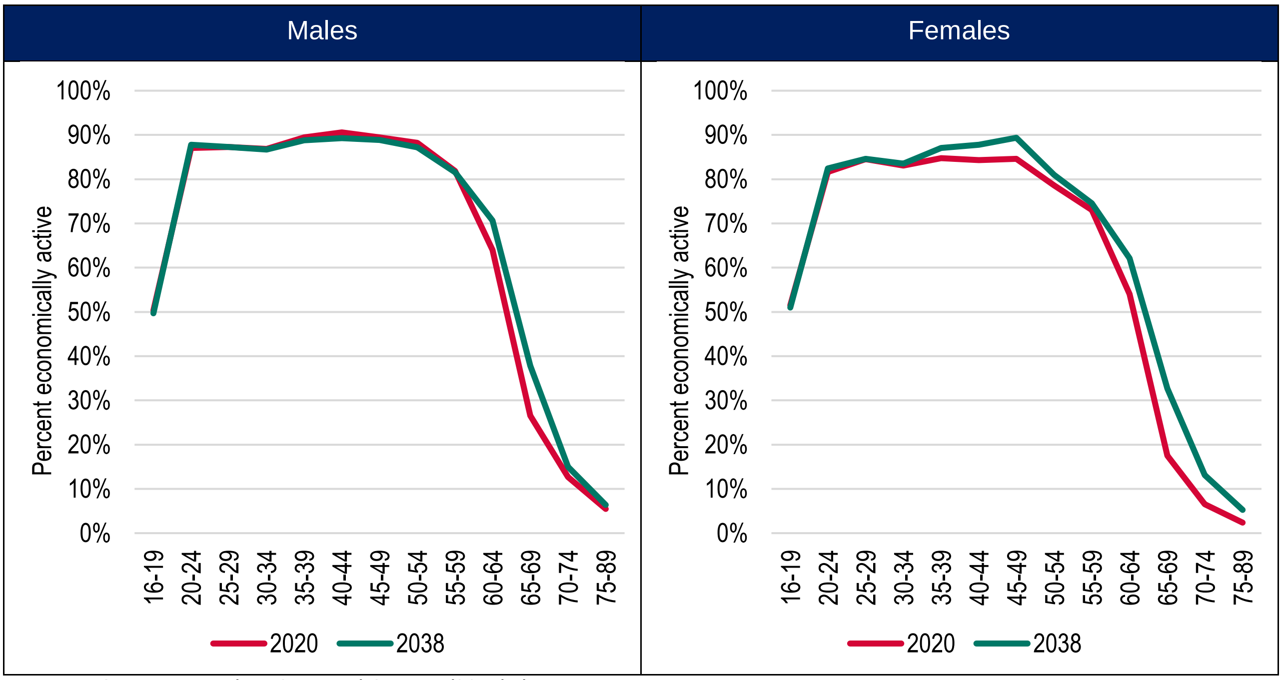
3.2 A second analysis is then carried out to consider what level of housing delivery might be required to meet job growth forecasts; this essentially looks at the bullet points above in reverse order – considering what level of change in the economically active population is required to fill additional jobs and then to estimate the number of homes required for the changing workforce.

Growth in Resident Labour Supply

3.3 The approach taken in this report is to derive a series of age and sex specific economic activity rates and use these to estimate how many people in the population will be economically active as projections develop. This is a fairly typical approach with data being drawn in this instance from the Office for Budget Responsibility (OBR) – July 2018 (Fiscal Sustainability Report).

3.4 The figure and table below show the assumptions made (for Bassetlaw). The analysis shows that the main changes to economic activity rates are projected to be in the 60-69 age groups – this will to a considerable degree link to changes to pensionable age, as well as general trends in the number of older people working for longer (which in itself is linked to general reductions in pension provision).

Figure 1.1 Projected changes to economic activity rates (2020 and 2038) – Bassetlaw



Source: Based on OBR and Census (2011) data

Table 3.1 Projected changes to economic activity rates (2020 and 2038) – Bassetlaw

	Males			Females		
	2020	2038	Change	2020	2038	Change
16-19	50.3%	49.7%	-0.6%	51.5%	51.0%	-0.5%
20-24	87.1%	87.8%	0.7%	81.7%	82.5%	0.8%
25-29	87.3%	87.3%	0.0%	84.6%	84.6%	0.0%
30-34	86.9%	86.7%	-0.2%	83.1%	83.5%	0.4%
35-39	89.4%	88.8%	-0.6%	84.8%	87.1%	2.3%
40-44	90.6%	89.3%	-1.3%	84.3%	87.8%	3.4%
45-49	89.4%	88.8%	-0.6%	84.6%	89.4%	4.7%
50-54	88.2%	87.2%	-1.0%	78.6%	81.0%	2.4%
55-59	81.8%	81.6%	-0.2%	73.0%	74.6%	1.6%
60-64	64.0%	70.6%	6.6%	54.0%	62.1%	8.0%
65-69	26.6%	37.8%	11.2%	17.5%	32.7%	15.2%
70-74	12.7%	15.0%	2.3%	6.5%	13.1%	6.6%
75-89	5.5%	6.4%	0.9%	2.4%	5.3%	2.9%

Source: Based on OBR and Census (2011) data

3.5 Working through an analysis of age and sex specific economic activity rates it is possible to estimate the overall change in the number of economically active people in the District – this is set out in the table below. The analysis shows that with the SNPP there would be an estimated increase in the economically active population of around 1,500 people (a 3% increase over 18-years). If linking to the Standard Method housing need a very slightly higher figure is derived (1,600 additional economically active people – again around 3%).

Table 3.2 Estimated change to the economically active population (2020-38) – Bassetlaw

	Economically active (2020)	Economically active (2038)	Total change in economically active	% change
2018-SNPP (AIM)	58,492	60,008	1,516	2.6%
Standard Method	58,705	60,306	1,601	2.7%

Source: Derived from demographic projections

Linking Changes to Resident Labour Supply and Job Growth

3.6 The analysis above has set out potential scenarios for the change in the number of people who are economically active. However, it is arguably more useful to convert this information into an estimate of the number of jobs this would support. The number of jobs and resident workers required to support these jobs will differ depending on three main factors:

- Commuting patterns – where an area sees more people out-commute for work than in-commute it may be the case that a higher level of increase in the economically active population would be required to provide a sufficient workforce for a given number of jobs (and vice versa where there is net in-commuting);
- Double jobbing – some people hold down more than one job and therefore the number of workers required will be slightly lower than the number of jobs; and
- Unemployment – if unemployment were to fall then the growth in the economically active population would not need to be as large as the growth in jobs (and vice versa).

Commuting Patterns

3.7 The table below shows summary data about commuting to and from Bassetlaw from the 2011 Census. Overall, the data shows that the District sees a small level of net out-commuting for work with the number of people resident in the area who are working being about 2% higher than the total number who work in the area. This number is shown as the commuting ratio in the final row of the table and is calculated as the number of people living in an area (and working) divided by the number of people working in the area (regardless of where they live).

Table 3.3 Commuting patterns in Bassetlaw

	Number of people
Live and work in Local Authority (LA)	26,770
Home workers	5,624
No fixed workplace	3,534
In-commute	16,220
Out-commute	17,164
Total working in LA	52,148
Total living in LA (and working)	53,092
Commuting ratio	1.018

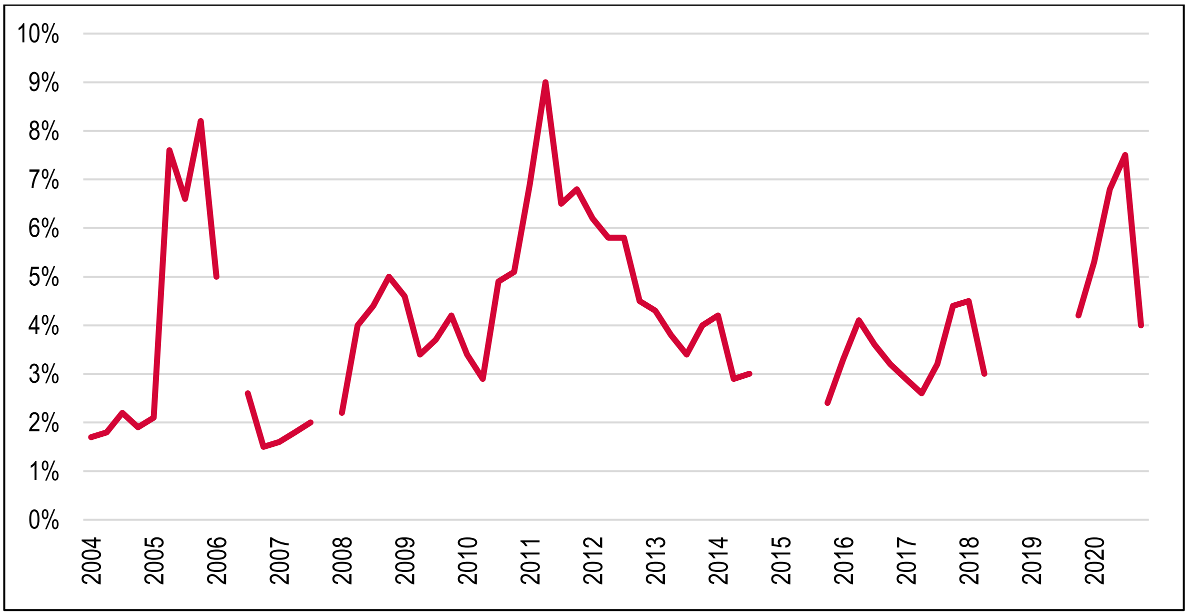
Source: 2011 Census

3.8 In translating the commuting pattern data into growth in the labour-force, a core assumption is that the commuting ratio remains at the same level as shown by the 2011 Census. A sensitivity has also been developed where commuting for new jobs is assumed to be on a 1:1 ratio (i.e. the increase in the number of people working in the District is equal to the number of people living in the District who are working). This sensitivity is useful to understand the implications for housing as to continue to assume net out-commuting would arguably mean that other authorities (outside of Bassetlaw) would be providing jobs for people taking up additional housing in Bassetlaw. The 1:1 ratio is also useful in the context of Covid-19 with the likelihood being that a greater proportion of people will work from home (or mainly from home) in the future.

Double Jobbing

3.9 The analysis also considers that a number of people may have more than one job (double jobbing). This can be calculated as the number of people working in the local authority divided by the number of jobs. Data from the Annual Population Survey (available on the NOMIS website) suggests across the District that typically between about 4.1% of workers have a second job – levels of double jobbing have been variable over time (mainly due to the accuracy of data at a local level) and there are a few periods for which data has not been published.

Figure 1.2 Percentage of all people in employment who have a second job (2004-2021) – Bassetlaw



Source: Annual Population Survey (from NOMIS)

3.10 For the purposes of this assessment it has been assumed that around 4.1% of people will have more than one job moving forward. A double jobbing figure of 4.1% gives rise to a ratio of 0.959 (i.e. the number of jobs supported by the workforce will be around 4.1% higher than workforce growth). It has been assumed in the analysis that the level of double jobbing will remain constant over time, although the apparent upward trend should be noted.

Unemployment

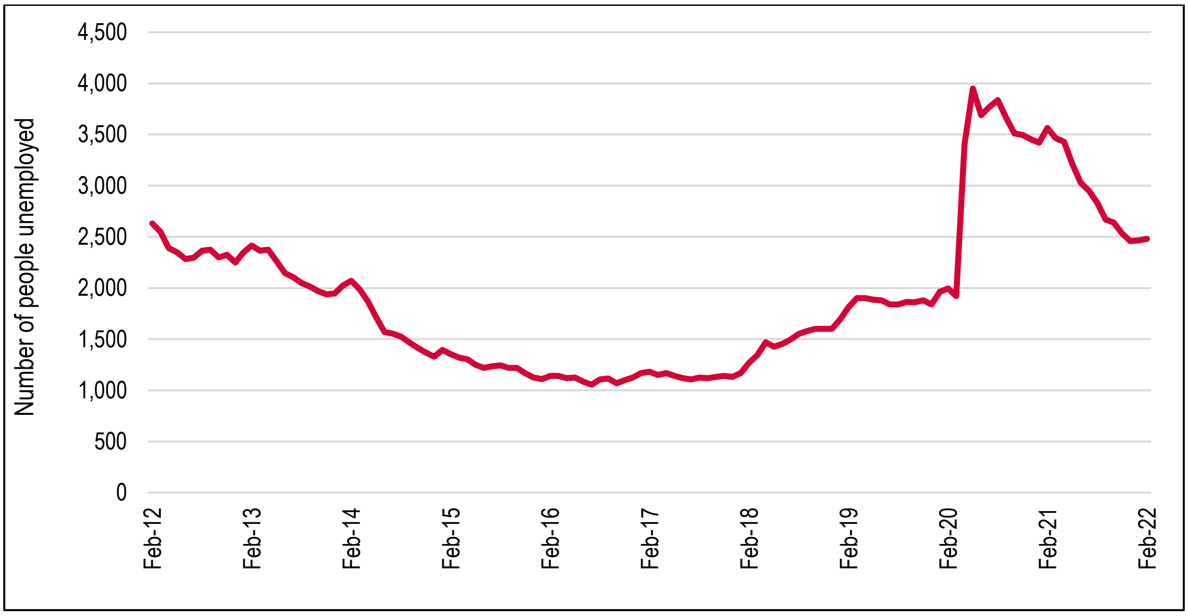
3.11 The last analysis when looking at the link between jobs and resident labour supply is a consideration of unemployment. Essentially, this is considering if there is any latent labour force that could move back into employment to take up new jobs. This is particularly important given there is likely to have been notable increases in unemployment due to Covid-19, although it will be difficult to be precise about numbers, particularly as the impact of the ending of the furlough scheme are unknown.

3.12 The figure below looks at Claimant Count data (described as the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit who are out of work). This will not give a full picture of unemployment as not all those unemployed will be a claimant, but it will certainly help to provide an indication; claimant count data is available up to February 2022 with the data below showing a trend for the previous decade.

3.13 The analysis shows a clear increase in the number of claimants (presumably as a result of the pandemic) – rising from around 1,000 to in excess of 3,000 over the most recent months for which data is available (dropping slightly in the latest period for which data is provided to about 2,500).

3.14 Given that demographic projections and economic forecasts tend to use a mid-year position, the change in unemployment based on claimant count data has been calculated by looking at averages for June/July 2019 compared with June/July 2020 – the latter period chosen to align with the start data of the projections and economic forecasts. In 2019, there were 1,860 claimants and a year later the figure had risen to 3,730 – therefore there were potentially 1,870 people not working in 2020 who might be expected to return to employment in the future (taken to be over the period to 2038 for consistency with other analysis in this report).

Figure 1.3 Number of out-of-work benefit claimants (2012-2022) – Bassetlaw



Source: NOMIS

Jobs Supported by Growth in the Resident Labour Force

3.15 The table below shows how many additional jobs might be supported by population growth under the 2018-SNPP and the Standard Method. Overall, there is little difference between the scenarios, all showing a potential for between 3,500 and 3,600 jobs to be supported.

Table 3.4 Jobs supported by demographic projections (2020-38) – Bassetlaw

		Total change in economically active	Plus 1,870 returning to employment	Allowance for net commuting	Allowance for double jobbing (= jobs supported)
2018-SNPP	Census commuting	1,516	3,386	3,326	3,470
	1:1 commuting	1,516	3,386	3,386	3,532
Standard Method	Census commuting	1,601	3,471	3,409	3,557
	1:1 commuting	1,601	3,471	3,471	3,621

Source: Derived from a range of sources as described

3.16 The table below shows the same estimates but excluding any additional labour supply from people returning to work following the pandemic. This shows a lower level of jobs being supported; potentially in the range of 1,600-1,700.

Table 3.5 Jobs supported by demographic projections (2020-38) – Bassetlaw – excluding Covid-19 impact

		Total change in economically active	Plus zero returning to employment	Allowance for net commuting	Allowance for double jobbing (= jobs supported)
2018-SNPP	Census commuting	1,516	1,516	1,489	1,553
	1:1 commuting	1,516	1,516	1,516	1,582
Standard Method	Census commuting	1,601	1,601	1,573	1,641
	1:1 commuting	1,601	1,601	1,601	1,670

Source: Derived from a range of sources as described

Economic-led Housing Need

3.17 The analysis below considers what level of housing delivery might be required to provide alignment with future jobs (as forecast). As previously noted this methodology is identical to that set out above but completed in reverse to get to a population growth. This level of population growth is then applied to household formation rates to get to a household growth. A final adjustment to reflect a level of vacancy in the housing stock is applied to the household growth to get to a dwelling's growth.

3.18 Two forecasts have been accessed along with the two different commuting ratios used to look at jobs supported. In both cases the analysis links to estimates of total jobs growth in the 2020-38 period. The jobs growth assumed is:

- Lower – 9,852 additional jobs
- Higher – 11,354 additional jobs

3.19 The table below shows the estimated change in the number of economically active workers for each of the scenarios. This shows that the forecast jobs growth in Bassetlaw requires a lesser growth economically active residents due to the number of people with more than one job and also the assumption of people moving back into work following the Pandemic – different commuting assumptions has little impact on the figures.

Table 3.6 Change in economically active population needed to meet job forecasts (2020-38)

		Total additional jobs	Allowance for double jobbing	Allowance for net commuting	Minus 1,870 returning to employment (=change in economically active)
Lower	Census commuting	9,852	9,443	9,614	7,744
	1:1 commuting	9,852	9,443	9,443	7,573
Higher	Census commuting	11,354	10,883	11,080	9,210
	1:1 commuting	11,354	10,883	10,883	9,013

Source: Derived from a range of sources as described

3.20 The following table takes the growth in economically active population and translates this into household growth and dwellings needed. When including an allowance for people returning to work the analysis shows a housing need of up to 590 dwellings per annum.

Table 3.7 Projected housing need – range of job growth forecasts – Bassetlaw (2020-38)

		Households 2020	Households 2038	Change in households	Per annum	Dwellings (per annum)
Lower	Census commuting	51,030	60,288	9,258	514	530
	1:1 commuting	51,030	60,167	9,136	508	523
Higher	Census commuting	51,030	61,334	10,304	572	590
	1:1 commuting	51,030	61,194	10,163	565	582

Source: Derived from a range of sources as described