

Torfaen Replacement Local Development Plan (RLDP) - 2018-2033

Demographic Evidence - Executive Summary

Policy Background - Welsh Government (WG) 'Planning Policy Wales', December 2018 (PPW10), in paragraph 4.27, with regard to the population and household projections they produce for Torfaen every 4 years states:-

"Household projections provide estimates of the future numbers of households and are based on population projections and assumptions about household composition and characteristics. Certain elements of the projections, such as births and deaths, will remain relatively constant throughout the plan period. However other elements, such as migration and household formation rates, have the ability to influence outcomes significantly. Planning authorities need to assess whether the various elements of the projections are appropriate for their area, and if not, undertake modelling, based on robust evidence, to identify alternative options."

Furthermore, the WG 'Development Plans Manual' Edition 3, March 2020 (DPMv3) with regard to these WG projections states (para 5.33) that *"They are not a definitive statement about what will precisely happen, but illustrate what may happen, dependent on the assumption used. Key to any projections will be the assumptions themselves."* The DPMv3 goes on to state *"The evidence base should consider a variety of options, based on a series of assumptions, both for jobs and homes."* (para 5.51); and that the consideration of a variety of 'Alternative Growth Scenarios' *"will assist LPAs arrive at a more robust evidence base that aligns with, informs and delivers on the strategy and key issues."* (para 5.52). DPMv3 Table 15 contains a list of the types of *"demographic, jobs, dwelling or policy led"* growth scenarios that could be considered. Finally, DPMv3 states *"The evidence base should set out clearly why a growth level is preferred and demonstrate how it aligns with the evidence base and how it will deliver the key issues the plan is seeking to address, whilst minimising the need to commute."* (para 5.54).

The Demographic Evidence - Therefore, in 2019 Torfaen along with Blaenau Gwent and Monmouthshire Council, who are also reviewing their LDPs, appointed specialist demographic analysis consultant Edge Analytics (using 'POPGROUP' software) to produce these 'alternative growth scenarios' required by WG Guidance. An initial 'Demographic Evidence' report was published in June 2019 for all three Councils, with a Torfaen Addendum in November 2019; both using inputs from the WG 2014-based projections. A further 'Torfaen LDP Demographics' report was produced in September 2020, which updated many of the Torfaen growth scenarios using inputs from the more up-to-date 2018-based WG projections. Each report is summarised below.

Monmouthshire, Blaenau Gwent and Torfaen LDP Demographic Evidence (June 2019)

- This initial report considered the impact of demographic, housing and employment change in the three Unitary Authorities. Alternative growth scenarios using different migration assumptions and past housing completion rates were developed and compared to the WG 2014-based 'benchmark' scenario, allowing for sensitivity analysis where relevant. The potential employment growth that could be supported by the demographic and dwelling-led scenarios was also set out. The report provided the three Councils with a suite of population, housing and economic growth outcomes to consider in the formulation of their RLDPs.

Torfaen Demographic Evidence Addendum Report (November 2019) - This Addendum provided information on two further 'Dwelling-led' growth scenarios (300 / 320 dwellings per annum pa or 4,500 / 4,800 dwellings over the 15-year Plan period).

Torfaen LDP Demographics (September 2020) - This Report has used the latest 2018-based WG Projections to inform the various growth scenarios defined in Table 1, and detailed in Table 2 below.

Table 1: Torfaen Alternative Growth Scenario Definitions

Scenario	Definition
Dwelling-led 4,800 (320dpa)	Models the population impact of an average annual dwelling growth of +320 dpa; a total of 4,800 dwellings over the plan period.
Dwelling-led 4,500 (300dpa)	Models the population impact of an average annual dwelling growth of +300 dpa; a total of 4,500 dwellings over the plan period.
PG-3yr	Uses an ONS 2019 MYE base year and calibrates its migration assumptions from a 3-year historical period (2016/17-2018/19).
PG-Long Term (Adjusted)	Internal in-migration rates are adjusted to reflect higher in-migration (based on the last 5-years) from Bristol and South Gloucestershire, following the removal of the Severn Bridge toll. All other migration flows are consistent with the 'PG-Long Term' scenario.
PG-Short Term	Uses an ONS 2019 MYE base year and calibrates its migration assumptions from a 6-year historical period (2013/14-2018/19).
WG-2018 (Principal)	Replicates the WG 2018-based ' <i>Principal</i> ' population projection, using historical population evidence for 2001-2018.
Employment-led OE	Models the population impact of an average annual employment change over the <i>forecast</i> period (2019-2033), detailed in the 2019 Oxford Economics (OE) employment forecast for Torfaen.
PG-Long Term	Uses an ONS 2019 MYE base year and calibrates its migration assumptions from an 18-year historical period (2001/02-2018/19).
WG-2014 (Principal)	Replicates the WG 2014-based ' <i>Principal</i> ' population projection, using historical population evidence for 2001-2014.

Note: WG-2018 (Low) & (High) Variant scenarios were also produced, but are not shown in this summary.

Table 2: Torfaen Scenario Outcomes, 2018-2033

Scenario	Change 2018-2033			Average per year		
	Population Change	Household Change	Emp. Change	Net Migration	Dwellings	Jobs
Dwelling-led 4,800 (320dpa)	9,893	4,700	5,205	751	320	347
Dwelling-led 4,500 (300dpa)	9,166	4,413	4,800	707	300	320
PG-3yr	8,156	4,135	3,990	660	288	266
PG-Long Term (Adjusted)	6,260	3,220	3,195	517	224	213
PG-Short Term	4,879	2,851	2,100	461	198	140
WG-2018 (Principal)	3,169	2,200	1,365	364	153	91
Employment-led EO	2,539	1,795	-570	297	125	-38
PG-Long Term	2,106	1,615	825	277	112	55
WG-2014 (Principal)	118	1,169	-1,635	-47	81	-109

Note: The relationship between households and dwellings is modelled using a 'vacancy rate', derived from the 2011 Census using statistics on households and dwellings. A vacancy rate of 4.2% for Torfaen has been applied and fixed throughout the forecast period.

Detailed Information - The Council has used the green highlighted ‘**Dwelling-led 4,800 (320dpa)**’ growth scenario (in Table 2 above) in the Torfaen RLDP Preferred Strategy, September 2020; and the following Tables provide information on the population age / household composition that Edge Analytics forecast to result over the plan period (2018-2033) under this scenario.

Table 3: Summary of Forecast Population Change - ‘Dwelling-led 4,800 (320dpa)’ growth scenario

Summary of Forecast Population Change				
Age	2018	2033	Change 2018-2033	% Change 2018-2033
0-4	5,207	5,523	316	6%
5-10	6,819	6,804	-15	0%
11-15	5,224	5,824	600	11%
16-17	1,981	2,428	447	23%
18-59 Female / 64 Male	52,001	55,519	3,518	7%
60/65 -74	13,313	15,423	2,110	16%
75-84	6,078	7,913	1,835	30%
85+	2,426	3,508	1,082	45%

Table 4: Summary of Forecast Household Composition Change - ‘Dwelling-led 4,800 (320dpa)’ growth scenario

Summary of Forecast Household Change			
Household Composition	2018	2033	Change 2018-2033
1 person	12,012	14,049	2,037
2 person (No children)	12,249	12,800	551
2 person (1 adult, 1 child)	1,634	2,150	515
3 person (No children)	2,942	3,234	292
3 person (2 adults, 1 child)	2,972	3,460	487
3 person (1 adult, 2 children)	863	1,066	203
4 person (No children)	953	1,167	214
4 person (2+ adults, 1+ children)	3,898	4,179	282
4 person (1 adult, 3 children)	285	328	44
5+ person (No children)	177	250	73
5+ person (2+ adults, 1+ children)	1,877	1,884	7
5+ person (1 adult, 4+ children)	96	91	-5

Covid-19 - Finally, as regards the impact of the current pandemic on this work, the consultant in the latest 2020 report states, “*Currently, there is insufficient evidence to inform an assessment of the Covid-19 impact upon long term demographic trends. The latest scenario evidence provides a timely and robust suite of outcomes from which Torfaen Council can consider its LDP options, reviewed and scrutinised in the light of social, economic and demographic changes that will result from the post Covid-19 recovery.*”