

## ODPM *Interim* Household Projections in England to 2021

### Key point

- The note describes the results and status of the regional household projections released by ODPM on 8 September.

The ODPM News Release 2004/0206 issued on 8 September shows regional household projections every fifth year from 2001 to 2021. For London the increase projected is from 3.170 million to 4.097 million (ie 927 thousand at an average of 46.4 thousand per year) equivalent to nearly 25% of the total increase in England.

ODPM consider that these interim projections show 'unconstrained' growth and that they provide a common reference point for comparison of the various regional projections that have been produced, including those prepared earlier in 2004 by the GLA and embedded within the *London Plan*. They show, for example, *what would happen if average household size had continued to fall in London*. The ODPM view is that the reasons that household size does not appear to be falling in London must include both choice to live in larger households plus supply constraint.

Critically, these new ODPM figures do NOT include any data on households using the results of the 2001 Census. They are based on the ONS mid-2001 population estimates (revised in October 2003) and the ONS Consultation draft of the 2002-based sub-national population projections that were circulated for local authority consideration earlier this year. In converting these populations to households ODPM have used their household projection model based upon a projection of household representative rates (by age, gender and marital status of household residents and type of household) using data from the 1971, 1981 and 1991 Censuses. The projection of these rates shows average household size in London falling from 2.28 in 2001 to 2.05 in 2021. To put this projection in perspective the 2001 Census showed that average household size in London had been virtually constant since 1991 and was estimated by the GLA to be 2.39 at mid-2001.

In their News release, ODPM stress that when interpreting the relatively large increase in London it is important to note that the interim projections assume *unconstrained housing supply and the average household size continuing to fall*. They go on to say that the 2003-based projections will include household formation rates from the 2001 Census and should reflect more static average household size in the capital.

The household projections contained in the GLA 2003 Round Demographic Projections, and used in the *London Plan*, assumed that average household size in each borough would remain unaltered at mid-2001 levels, and start with an estimate of households at mid-2001 (3.023 million) that is commensurate with the 2001 Census results. This compares to the ODPM starting point of 3.170 million. This difference of nearly 5% in the base equates to nearly 15 thousand additional households per year since 1991.

GLA does not agree the critical assumptions behind the new ODPM figures. The GLA approach was endorsed by the *London Plan* EiP panel and it would be inappropriate to revise housing

requirements assessment and housing targets on the basis of the new ODPM figures. The GLA will wait for the ODPM 2003-based projections before considering the impact on housing targets at the first review of the *London Plan* in 2006.

ODPM are due to release their final 2003-based household projections in 2005. These will be based on:

- ONS 2003-based Sub-national Population Projections – due in November 2004
- GAD 2003-based national marital status projections
- ONS revised population series from 1992 to 2000 – due in October 2004
- patterns of household formation from the 2001 Census

The new population projections and the patterns of household formation from the 2001 Census will both ensure that the results for London will be significantly lower than these interim projections. GLA will be analysing the results of the ODPM 2003-based projections for each London borough and will incorporate the household formation rates within its own work leading to the first review of the *London Plan*.

The ODPM interim projections are presented here for reference.

**Table 1: ODPM Interim 2002-based Household Projections**

	2001	2006	2011	2016	2021	Increase 2001- 2021	Thousands Average increase per year
<b>England</b>	<b>20,750</b>	<b>21,658</b>	<b>22,639</b>	<b>23,641</b>	<b>24,522</b>	<b>3,772</b>	<b>188.6</b>
<b>North East</b>	1,073	1,087	1,104	1,122	1,132	59	3.0
<b>North West</b>	2,822	2,899	2,981	3,065	3,131	309	15.5
<b>Yorkshire and Humberside</b>	2,085	2,145	2,216	2,286	2,341	256	12.8
<b>East Midlands</b>	1,735	1,815	1,896	1,978	2,052	317	15.9
<b>West Midlands</b>	2,158	2,231	2,305	2,382	2,445	287	14.4
<b>East of England</b>	2,259	2,367	2,492	2,625	2,750	491	24.6
<b>London</b>	<b>3,170</b>	<b>3,414</b>	<b>3,653</b>	<b>3,891</b>	<b>4,097</b>	<b>927</b>	<b>46.4</b>
<b>South East</b>	3,348	3,498	3,672	3,855	4,025	677	33.9
<b>South West</b>	2,098	2,202	2,320	2,439	2,549	451	22.6

**Comments or further information:**

If you have comments or would like further information, please contact Georgia Hay (020 7983 4347) or John Hollis (020 7983 4604) of the GLA Data Management and Analysis Group.  
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