

Wirral Housing Need : The New Standard Method ; July 2024

The new **mandated** housing need is based on local authority dwelling stock *only*. Actual local population change and jobs potential no longer count. It now uses a base of *national* annual average % change in dwelling stock x current local dwelling stock level.

The national average % change is variously given as 0.84 to 0.89% per annum but the SM formula uses 0.8%.

The current Wirral dwelling stock estimate (2024) is ~151,900 d. So our mandated target is $151,900 \times 0.008 = 1,215.2$ d per annum.

The base need is uplifted by an affordability factor as before but with a higher scaling factor of 0.6. The current affordability ratio here is ~ 6.96

Uplift factor is therefore $\{ 0.6 \times (6.96 - 4) / 4 + 1 \} = 1.444$

Wirral need is therefore $1,215.2 \times 1.444 = \mathbf{1,755 \text{ dpa}}$. This compares with a base old SM need of ~750 dpa (and a final LP 835 dpa).

The implications are stark. 1,755 dpa over a 16 yr LP period gives a target of **28,080 d** compared with the LP ~14,000 d. Since the LP brown field capacity is ~16,000 d we would need $28,080 - 16,000 = \mathbf{12,080 \text{ d on the Green Belt}}$.

On average HH size, the total population increase would be **62, 338** people, nearly a 20% increase. The impacts on local services, etc will be significant.

The use of a national average change in stock is *not* rational since we now have administrative based data for stocks at LA level and of course the 2021 census data. The government has ignored this data. The stock growth rate at LA level is very variable ...with big implications. For Wirral, using the census data, the annual change in stock has averaged 0.311% per annum, not 0.8% pa. If we apply this in the new SM formula housing need becomes $(0.311 / 0.8) \times 1755 = \mathbf{682 \text{ dpa}}$ and 10,900 d in a 16 yr. local plan period, much lower than currently.

I have asked the Office of Statistics Regulation, with whom we worked on ONS methods, and Prof. Ludi Simpson, for comments on this new, *technically incoherent* standard method formula.

I conclude that this government started with a major national crisis : net immigration averaging ~720,000 ppa in the last two years, implying a need for ~ 360,000+ dpa (at 2 ppa) and *worked backwards* to false mandated 'fair share' housing need quotas for LAs. N.B. Internal UK natural population growth (births – deaths) is now small (according to the ONS) and will become negative over the next decade. I leave you to calculate the population composition / cultural implications.

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