On the move
The housing consequences of migration

Edited by Richard Bate, Richard Best and Alan Holmans

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Foreword

In 1999 we published three important reports that looked at the movement of people out of the older urban areas: *The Slow Death of Great Cities?* by Anne Power and Katharine Mumford; *The Jobs Gap in Britain's Cities* by Ivan Turok and Nicola Edge; and *Low Demand: Separating Fact from Fiction* by Alan Holmans and Merron Simpson. To discuss these reports and take the debate forward, the Foundation organised an expert seminar in September 1999 on the theme 'The people – where are they coming from?' – a title that echoes Ebenezer Howard's famous phrase, 'The people – where will they go?'

Howard's concern, a hundred years ago, was for people who needed to escape from the slums of congested and polluted cities. Today the anxiety is often the very reverse: the loss of population from major conurbations has generated fears of neighbourhoods being abandoned and of excessive house building pressures in suburban and rural areas.

This report incorporates papers presented to our seminar and updates the information by drawing upon new population projections for the UK published by the Office for National Statistics at the end of March 2000. The report considers the significance of population movement for housing policies. It warns against relying on policies intended to discourage movement from North to South. It shows that only 9 per cent of the increase in population in London and the South of England during the 1990s is attributable to the net migration from the North and Midlands.

But the report highlights the significance of people leaving the major conurbations – not so much to head South but to move into greenfield areas in the same northern and midlands regions. And the report points to the much greater significance of both international migration into the UK and the continuing growth of population attributable to the larger number of births than deaths.

There is no comfort in these messages for those anxious about pressures on the southern counties of England: with London both losing roughly the same number of people, overall, to the rest of southern England as it gains from international migration, and also sharing a disproportionate excess of births over deaths, it will continue to 'export' very large numbers to the South East, South West and Eastern regions.

We may have discovered that north-south migration is of relatively modest importance in its housing consequences but we have uncovered other factors that are having, and which will continue to have, a huge impact on housing needs and demands in the South.

We hope this analysis will be valuable to those with responsibilities for planning ahead – Regional Development Agencies, Government Offices and Regional Planning Bodies – and to the Government in preparing its Urban White Paper and directing the programme of the Housing Corporation, as well as to local authorities, house builders and housing associations who need to know where the homes of tomorrow must be built.

Richard Best
Director, Joseph Rowntree Foundation
August 2000

Introduction: The people – where are they coming from?

Richard Bate, Richard Best and Alan Holmans

ONS Statistics on population trends

Before considering the movement of population around the country, it is worth looking at the bigger picture, of which regional migration is only one part.

At the end of March 2000, the Office of National Statistics published a new 1998-based population projection for the UK and for its four constituent countries. Because of lower male death rates (increasing the excess of births over deaths) and higher rates of net migration from outside the UK (95,000 a year in place of 65,000 a year), the projected population of England in 2016 is 999,000 higher than the earlier 1996-based projection. (The Appendix contains Alan Holmans' analysis of the new figures.)

In the great housing debate about numbers of extra *households*, rather than population numbers – the new figures indicate a growth of 4.3 million households from 1996 to 2021 compared with the last official figure (from the 1996 projections) of 3.8 million extra households. Because the extra numbers are attributable principally to net inward migration from outside the UK, and because this affects London more than other areas, the extra pressures are likely to be felt most in London and, with the huge flow of population outwards, in the southern regions.

The backdrop to considering the impact of interregional migration *within* the UK is that in net terms it is generally small in comparison with the major changes of population resulting from more births than deaths and from international migration into this country.

The importance of migration

The JRF expert seminar in September 1999 concerned itself with the rather narrower questions about the housing consequences of regional population migration. This issue is of growing interest at a time when many agencies are evaluating implications of population migration for their own policies. For example:

- regional planning bodies and the government offices for each region are issuing a new round of Regional Planning Guidance; many of these have been or soon will be evaluated at new public examinations
- the new Regional Development Agencies have prepared regional strategies for the first time
- the Government is producing an Urban White Paper, taking forward the report of the Urban Task Force *Towards an Urban Renaissance*
- the Housing Corporation is moving away from a needs-based approach to the allocation of funds for social housing in favour of an arrangement that is more targeted on the social renewal of local areas
- planning authorities, service providers, funding agencies and others are evaluating population and household projections for their own forward planning purposes.

These issues interact. Population migration is an important element of demographic change that affects not just the numbers of people in each area and region, but their age distribution, availability for employment and type of household in which they are likely to appear. The numbers, sizes and types of households affect housing requirements. The geography of housing supply in relation to jobs affects both the pattern of travel to work and the pressure of demand for housing. Significant mismatches between homes and workplaces contribute strongly to the local pattern of house prices. These disparities are often associated with other difficulties, such as the huge effort needed to achieve urban regeneration in areas of low demand for housing, and the challenge to countryside protection policies in areas of high demand. Migration (and indeed non-migration) can be both a cause and an effect of these interactions.

The need for a discussion forum

There is an increasing body of research examining migration issues and policy issues with a migration component. This has helped to chart and explain population movements, but understanding the causes and effects is by no means complete. The forthcoming research project to be commissioned by the Department of the Environment, Transport and the Regions, described in Chapter 1, can be expected to add to the body of knowledge. However, as well as knowledge, there is a need for discussion. No effective forum exists for debating what the consequences of population migration trends might be or for deciding on any action required in response. Nor is there any means of implementing any action deemed desirable. With increasing power of decision being concentrated in regional planning bodies on land use issues and in the new Regional Development Agencies on economic issues, there is a risk that migration as an important issue *between* regions will not receive the attention it deserves from policy makers.

The lack of a forum for discussion sits uneasily with the considerable local interest in the effects of migration, as agencies try to match jobs to labour supply, homes to households and housing finance to housing need. Net inward migration is central to the housing need and demand in most of the South East and Eastern regions as well as in the South West, where the environmental consequences are keenly felt. Elsewhere, the incipient abandonment of entire neighbourhoods, even including recently constructed social housing of good quality, can be a challenge to social cohesion and urban renewal in some deprived areas. The Foundation held the seminar on which this report is based partly in recognition of this gap between local interest and strategic neglect. This provided a rare opportunity to air the issues of concern to practitioners and we hope this report will stimulate more such events.

Population change at the regional level

To provide a statistical framework for Chapters 1–6, the tables that follow are presented to show:

- the composition of the changes in population region by region between 1991 and 1997 (Table 1)
- the composition of projected changes in future years (Table 2)
- the age structure of migration between regions (Table 3)

Table 1 Components of population change in England 1991–97 (thousand)

	Natural change	Migration within UK (net)	International migration (net)	Other changes	Total change
North East	+7	–28	+8	+5	–8
North West	+47	–65	+2	+15	–1
Yorkshire and Humberside	+49	–22	+20	+6	+54
West Midlands	+74	–57	+30	+8	+55
Subtotal	**+178**	**–172**	**+61**	**+33**	**+101**
East Midlands	+43	+53	+21	+5	+121
London	+229	–279	+259	+22	+232
Eastern	+77	+82	+32	–7	+184
South East	+84	+132	+79	–15	+280
South West	–3	+143	+10	+8	+158
Subtotal South excluding London	**+158**	**+357**	**+120**	**–13**	**+623**
England	**+608**	**–40(a)**	**+462**	**+47**	**+1,076**

Note: (a) Net migration from England to Wales, Scotland and Northern Ireland. Detail does not always add to totals owing to rounding

Source: ONS, previously published in table 2.1 of Holmans and Simpson (1999).

NB 'Other changes' comprise movements of UK and foreign armed services personnel and dependants of foreign service personnel and technical adjustments to the mid-year population estimates. The West Midlands region is grouped with the three regions of the North of England on account of its high rate of net outward migration to the rest of the UK (higher, relative to population, than in the North West and Yorkshire and Humberside in the period covered by the table).

- the age structure of international migration (Table 4)
- the destination of those leaving metropolitan areas of the Midlands and North (Table 5).

Table 1 shows that natural change, more births than deaths, is the biggest factor in accounting for population growth in the northern regions and West Midlands region. But in the other regions (excluding London) migration within the UK is a much bigger component (predominantly from London). While in London itself, although natural change is at a high level, loss of population to other regions (predominantly the southern ones) would mean a fall in population were it not for the major compensating factor of inward migration from other countries.

Table 2 shows the composition of projected change region by region, as given by the earlier official 1996-based projections. The projections are based on trends so there is little difference between individual years: 2011 is taken as a representative year.

These 1996-based projections assume that the rate of net outward migration from the northern regions and West Midlands region, to

Table 2 Components of projected annual population change by region: illustrative year 2011 (thousand)

	Natural change	Migration within UK (net)	International migration (net)	Total change
North East	–1.5	–3.0	1.1	–3.4
North West	3.7	–6.2	–0.5	–3.0
Yorkshire and Humberside	5.6	–2.1	3.4	6.9
West Midlands	5.0	–5.9	4.3	3.4
Subtotal	**12.8**	**–17.2**	**8.3**	**3.9**
East Midlands	2.4	7.9	4.1	14.4
London	45.5	–48.9	31.0	27.6
Eastern	4.8	13.6	5.8	24.2
South East	6.9	19.8	11.4	38.1
South West	–6.3	24.9	5.3	23.9
Subtotal South excluding London	**5.4**	**58.3**	**22.5**	**86.2**
England	**66.1**	**0.0**	**66.0 (a)**	**132.1**

(a) Includes net migration to rest of UK.

Source: ONS, 1996-based subnational population projections, tables 4 and 6.

the rest of the UK, will fall a little: this remains to be seen. These projections also assume that net inward migration from outside the UK would go down: we already know that this assumption was not correct since the 1998-based projections have revised the figures upwards, contributing to expectations of an overall growth in households significantly higher than those based on the 1996 figures. (See Chapter 7 and the Appendix.)

Table 3 looks at the age composition of people moving. This is important because of the effects on regional population growth. It is the age of people moving which explains why London's share of natural growth, the excess of births over deaths, is so much greater than in proportion to population.

The net migration into London by men and women aged 15–29 stands out, as does outward migration from London by families: people are moving in while single and moving out with children. At the other end of the age range, the net flows of movers at ages 65 and over go primarily to the South outside London.

The net inward movement of young adult men and women to London, and subsequent net outward movement of older people, makes a major contribution to London's large natural increase of population. The net inward international migration also contributes.

Table 4 shows the age of people moving in to the UK from other countries. The source is the International Passenger Survey and this does not include asylum seekers and people who come as temporary visitors in the first instance but subsequently stay ('visitor switchers').

The age group that moves in and out most comprises those between 25 and 44. Few international migrants, both inward and outward, are over 45.

Table 3 Migration between English regions and rest of UK in 1998: analysis by age (thousand)

	Age					
	0 – 14	**15 – 29**	**30 – 44**	**45 – 64**	**65 and over**	**All ages**
North East	–0.4	–3.0	–0.8	+0.3	–0.1	–4.0
Yorkshire and Humberside	+0.1	–3.3	–0.8	–0.1	–0.5	–4.6
North West	–1.3	–5.4	–2.1	–3.2	–1.3	–13.3
West Midlands	+0.1	–4.8	–0.6	–1.1	–0.2	–6.7
Subtotal	**–1.5**	**–16.5**	**–4.3**	**–4.1**	**–2.1**	**–28.6**
East Midlands	+3.5	-1.1	+4.3	+2.9	+1.5	+11.2
London	–21.5	+28.7	–27.5	–17.0	–10.5	–47.8
East Anglia	+3.0	–0.1	+3.4	+4.7	+2.1	+13.0
South East excluding London	+7.8	+1.2	+13.4	–1.0	+4.7	+26.1
South West	+7.1	–3.0	+8.6	+10.6	+3.7	+26.9
Subtotal South excluding London	**+17.9**	**–1.9**	**+25.4**	**+14.3**	**+10.5**	**+66.0**
England (from rest of UK)	**–1.5**	**+9.2**	**–2.0**	**–4.0**	**–0.6**	**+0.9**

Source: ONS from National Health Service Central Register.

Table 4 International migration 1996–98: analysis by age (thousand)

Age	Inflow	Outflow	Balance
0–14	35	26	+9
15–24	109	56	+53
25–44	128	111	+17
45 and over	24	21	+3
All ages	**296**	**213**	**+83**

Note: Small discrepancies are due to rounding.

Source: *Population Trends*, Spring 2000, table 7.1

Table 5 looks at migration out of the metropolitan areas. This is analysed in Chapter 2 and that analysis is supplemented here by including the destination of the net outflows from the metropolitan areas of the North and Midlands.

The composition of population change is very different in London, and Chapter 5 analyses London's migration while Chapter 7 looks at its overall population change.

All the metropolitan areas of the North and Midlands have net outflows to the rest of the UK. As Table 5 shows, more than half of people leaving these conurbations move locally, to other parts of the same region. Many others move within the North and the West Midlands with a similar proportion moving to London. The movement from North to South is a relatively insignificant part of the total.

Meanwhile, these figures cannot cover the

Table 5 Net outward migration from the metropolitan areas of the Midlands and North (thousand)

	1991–98	1996–98 (annual averages)
To other parts of the same region	–158	–21.5
To the rest of the North and West Midlands	–37	–4.1
To London	–38	–6.8
To the rest of the South	–57	–9.8
Total (a)	**–307**	**–44.4**

(a) Includes Wales: 17,000 in 1991–98; 2,400 a year in 1996–98.

Source: ONS: *Key Population and Vital Statistics for local authority areas.*

diversity of activity within each region and each metropolitan area. These figures mask large net outflows in some places and smaller inflows into others: in short, within the big picture, there are hot spots and cold spots. The housing implications of those cold spots, areas of low demand, are considered in Chapter 3. And movement in and around the metropolitan areas, and the implications of this for policy, are considered in Chapter 2.

In conclusion

This Introduction has stressed the importance of migration but has also set this phenomenon with the context of wider population trends, drawing on new official population projections released in March 2000. It has noted the significance of natural change (more births than deaths) in affecting growth in population in most regions (particularly in London). And it has raised issues about international inward migration which are covered more fully in Chapter 7.

This Introduction has pointed out that the age of people migrating is important: net migration into London is by people principally in the 15–29 age range and the substantial outward movement is of young families with children.

It is true that there has been a substantial loss of population from the conurbations, the metropolitan areas of the Midlands and North, but a relatively small proportion of these movers have ended up in the South: nearly two-thirds move to somewhere else in the same region or in the rest of the North/West Midlands.

1 Trends in household formation and migration: the policy dimension

Philip Cox

This paper begins with a quick overview of the main evidence on migration flows, before going on to discuss why migration is of great interest to policy makers. Finally, I will outline the work which we are doing in the Department of the Environment, Transport and the Regions (DETR) to gain a better understanding of the factors which drive migration and a research project that we will shortly be putting out to tender. Migration is a big issue, with implications for many key themes in urban, regional and housing policy. This seminar is making a timely contribution to the debate on them.

Outline of main evidence on migration flows

Migration is a very significant phenomenon, perhaps more so than is commonly recognised. Around five million people move home each year, around 20 per cent of the housing stock. Although most people move within their local area, for instance to find a bigger house or to be nearer a good school, around 15 per cent of moves are between different regions. Indeed, the recent ONS mid-year population estimates show that, in over half the English regions, migration has become more important than births and deaths in determining population change.

Before turning to my main focus, which will be migration flows within England, it is worth noting the importance of international migration. The determinants of international migration are not particularly well understood and the numbers involved vary a lot from year to year, partly in response to geopolitical events. Overall, in recent years, England has nevertheless experienced a net gain of over 50,000 people a year, most of this gain in London. Conversely, closer to home, inflows and outflows between England, Scotland and Wales are roughly in balance.

Looking now at migration within England itself the main features are north–south drift and urban–rural shift. North–south drift typically amounts to a net flow of around 30,000 people a year. Those heading to the South tend to be young adults from professional and managerial families. In this context, the South comprises London and the South East, the South West, East Anglia and the East Midlands.

Urban–rural shift amounts to a net flow of around 90,000 people a year from the six metropolitan counties and London. Those leaving for the countryside tend in particular to be relatively wealthy (white) families and their children. There is also a movement of older couples to retire, to the seaside and to other attractive areas. Further details of these trends are given in the report for the Department by the Universities of Newcastle and Leeds, *Determinants of Migration Flows in England* (Champion *et al*., 1998).

The report points out that what it calls the ‘counter-urbanisation cascade’ continues all the way down the urban hierarchy. The more densely populated an area, the more it tends to lose people through migration, whereas the more remote an area, the more it tends to gain people through migration. Unlike central France, widespread rural depopulation has not emerged as a major problem in England, although there have been concerns expressed about the collapse of traditional agricultural communities in more remote areas. Nevertheless, migration can serve to change the composition of the population even where the total population does not significantly change.

Policy issues

In summary, it would appear that the English, particularly the more affluent, are moving to the South and into the countryside. These migration trends can present a challenge for a Department which has, amongst its overarching objectives, the enhancement of economic growth and social cohesion throughout England, and the promotion of high quality and sustainable development.

For, even without migration, rising incomes and changing lifestyles are likely, according to the Department's household projections, to produce nearly four million extra households within the next 25 years. Clearly, the pressures on greenfield sites will be far greater if migration to the South continues, concentrating the growth of households in this area. Moreover, there are concerns that house prices in the South are becoming less and less affordable to the majority of people.

Conversely, in the North, migration can cause an opposite set of problems. Although some southern cities like Bristol and Portsmouth lose population through migration, the numbers tend to be small and offset by natural growth. But, in cities such as Liverpool and inner Manchester, migration numbers are large enough to lead to sizeable reductions in total population. Often, migration tends to leave behind the poorest and most vulnerable people. And we now have many, well-documented, areas of unpopular housing with all the attendant social problems they bring – parts of Salford and the West End of Newcastle being particular examples.

Whilst migration out of cities and into the South is not a new phenomenon, there is a growing awareness of the imbalances that can arise and the social consequences. As the Deputy Prime Minister said in the House in July 1998, through more effective linkages between housing and regeneration programmes, the Government will begin to combat social exclusion and strengthen local communities both in cities and in rural areas.

As many of you will know, the Government commissioned Lord Rogers' Urban Task Force to identify strategies for achieving urban regeneration. The Urban Task Force has recently made a number of recommendations to reverse urban decline and to ensure that the Government's target of 60 per cent of new homes on brownfield sites is met. Some of the more radical proposals, such as greenfield taxes, will require further consideration and assessment. But the Government approved a pilot Urban Regeneration Company in Liverpool the day after the launch of the Task Force's report and is considering a small number of other pilots.

More generally, within the next 12 months, the Government is planning to issue both Urban and Rural White Papers. It also plans to issue a Housing Green Paper. In order to inform these ongoing policies, however, there is a need for a better understanding of migration.

Migration research

Thanks to studies, such as those by the Universities of Newcastle and Leeds, and the ongoing work by Gordon Hughes and Barry McCormick, the Department already has a reasonable understanding of the factors which may serve as determinants of migration. But it lacks any quantification of the combined importance of these factors. A better understanding of these would be valuable both for developing policy and for producing more soundly based household projections.

The Department therefore plans to go out to tender within the next few weeks for research leading to the development of a migration model. There are two key objectives. First, that the model can quickly and transparently assess the impact of alternative economic and policy scenarios on migration; for instance, so that it can answer questions such as 'what would happen to north–south drift if a regeneration programme were successful in creating 50,000 new jobs in the North West?'. Second, our aim is that the model is able to translate directly into the next set of household projections. This will enable the investigation of how alternative economic and policy scenarios change the pattern of housing need through their impacts on migration behaviour.

The Department is looking for a pragmatic and flexible approach to the development of the model in which satisfactory results are achieved without 'the best being the enemy of the good'. For instance, the model will be required to produce outputs at the level of regions, not forecasts for every individual town and village. Also we want the model to be capable of running on desktop computers and to be able to analyse alternative scenarios quickly and in an intuitively plausible way. Ideally, the model would be up and running by summer 2000. If it proves to be a success, the Department would hope to develop it further in the future.

Summing up, the Department is aiming for a model which allows better informed policy advice in the light of the Rural and Urban White Papers, and allows the next set of household projections to take fuller account of the impact on migration of changing economic circumstances.

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Champion, T., Fotheringham, S., Rees, P., Boyle, P. and Stillwell, J. (1988) *The Determinants of Migration Flows in England: A Review of Existing Data and Evidence*. A report for DETR. Newcastle: Department of Geography, University of Newcastle upon Tyne

2 Flight from the cities?

Tony Champion

Introduction

This paper draws from my recent and current research the main features of the population movement out of cities and highlights variations from one region to another. It also examines the problems and opportunities this movement creates and puts forward suggestions for policy responses. The first priority, though, is to present an understanding of the ways in which migration is affecting our cities.

The one main point to emphasise is that what has commonly been called 'the flight from the cities' is really no such thing. Yes, it is true that our largest conurbations are losing some 90–100,000 people each year on average in terms of net outmigration to other parts of the UK (see Figure 1), but this is not, for the most part, a 'flight'. This term conjures up images of a stampede or, at least, a one-way movement dominated by the need to escape. We carry historical images of people (usually the better-off) fleeing our cities in response to the plague in the seventeenth century and to cholera in the eighteenth and early nineteenth centuries. We also recall the more general 'exodus' to the suburbs of people whose main aim was to get away from the squalor and smoke of the industrial city.

Today things are not at all like that, and quite probably even the population movements of yesteryear were much more subtle that this basic image of 'flight' suggests. Today, there is no overriding 'push' factor operating, but instead a combination of 'push' and 'pull' factors, a mixture of attraction and repulsion forces, and also an important dose of 'facilitating' influences. Rather than refer solely to 'flight', therefore, a more neutral term like

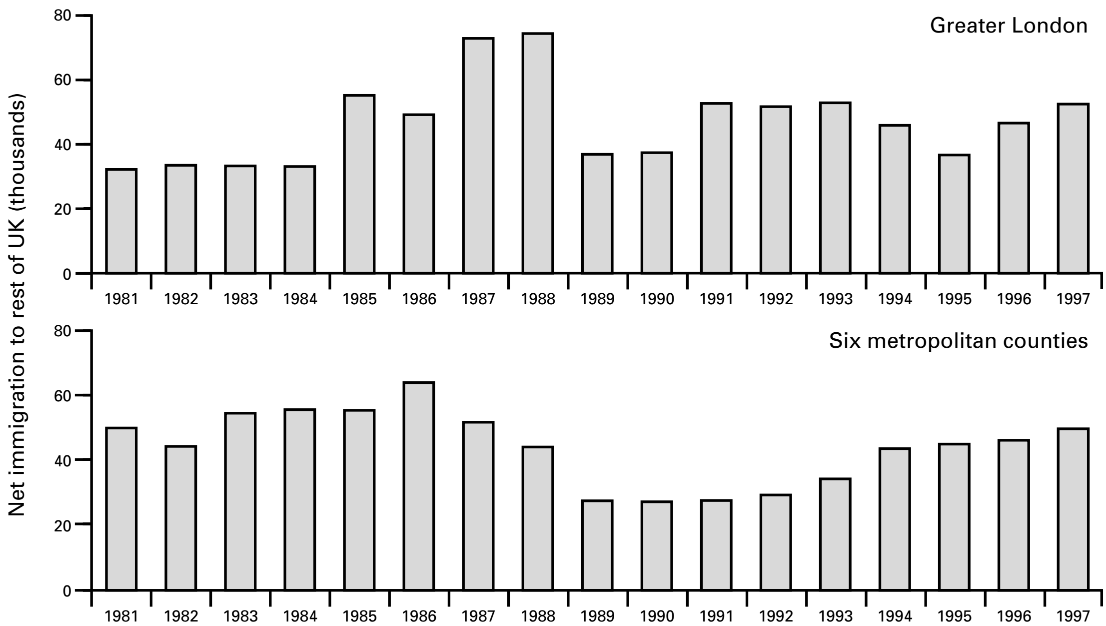

Figure 1 Net within-UK migration, 1981–97, for Greater London and six metropolitan counties ('000s)

'urban exodus' is appropriate. This has at least three facets: not just a flight, but also a 'quest' and a process of 'overflow'. This paper argues that, in this trilogy, 'flight' is the least important element.

Even this threefold description of the 'urban exodus' must be considered a serious oversimplification, but it provides a useful framework to organise what is currently known about the migration that is affecting our cities. The paper discusses each of the three in turn and, in doing so, highlights the main 'facts' behind the whole phenomenon.

Flight?

Taking 'flight' first, it is true that there is an abundant literature documenting the ills of the city and the generally negative attitudes towards living in large cities. This is reviewed in my report for the Council for the Protection of Rural England, *Urban Exodus* (1998), and in any case the general picture is well known to all, so is not described in great detail here. Suffice it to say that, among those expressing dissatisfaction with urban life, two main groups of issues can be identified. One concerns the physical environment of cities (congestion, noise, traffic, pollution, lack of space and greenery), the other the perceived problems of daily life (crime and safety, quality of schools and services, cultural and ethnic tensions, lack of jobs, the more general stresses and strains of the 'rat race'). A variety of statistics can be used to back up this picture, including those of the Housing Attitudes Survey, the annual Survey of English Housing, the Glasgow Quality of Life research and countless studies of why people leave cities.

Yet, to what extent does this add up to 'flight', meaning 'headlong flight'? This is not pure semantics. In general, the situation in Britain until now appears to be a long way from the type of flight (especially 'white flight') that has been talked about quite widely in the USA. The two basic criteria of 'flight' do not appear to be satisfied in the British context, as follows.

- Is the exodus essentially a one-way process of movement out of the cities, with few people moving to (or back to) the cities?
- Does the exodus primarily involve people whose livelihoods and security are most compromised by being in the city?

The answer to the first question is that the 'urban exodus' is by no means a one-way process. The average loss of 90,000 people a year from the largest cities to the rest of the UK, mentioned above, is a net figure meaning that 90,000 more people have been moving out of these cities than have been moving into them from the rest of the UK. (Overseas migration is considered later.)

Table 6 illustrates this with data for 1997, published by the Office for National Statistics. This was a year of somewhat above-average net loss for the seven conurbations shown, together losing 103,400 more people than they gained. This net loss was the balance between two considerably larger numbers. In gross terms, almost half a million people moved out of these seven conurbations, while nearly 400,000 moved into them from the rest of the UK (including moves between the conurbations themselves but not local moves within them). In the most simple terms, on average, for every five people moving out, there were four people moving in

Table 6 Migration between England's seven conurbations and the rest of the UK, 1997

Conurbation	Inflow '000s	Outflow '000s	Net flow '000s	Net flow ptp	In/out ratio
7 conurbations	392.5	495.8	–103.4	–5.7	0.79
Greater London	167.3	221.7	–54.5	–7.6	0.75
West Midlands	50.3	69.4	–19.1	–9.0	0.72
Greater Manchester	51.8	62.3	–10.6	–4.1	0.83
Merseyside	25.2	31.2	–6.0	–4.3	0.81
South Yorkshire	28.0	31.4	–3.4	–2.6	0.89
West Yorkshire	46.0	51.5	–5.5	–2.6	0.89
Tyne and Wear	23.9	28.3	–4.4	–3.9	0.84

Note: ptp = per 1,000 people. Data may not sum because of rounding.

Source: calculated from *Key Population and Vital Statistics: Local and Health Authority Areas, 1997*. Series VS No. 24, PP1 No. 20, Office for National Statistics. London: The Stationery Office, Table 5.2a.

the opposite direction, as reflected in the in/out ratio of 0.79.

In regional terms, the ratio of inmigrants to outmigrants was lowest for West Midlands Metropolitan County and Greater London, followed by Merseyside. But, even in the most extreme case, there were at least seven people moving in for every ten moving out. In the cases of Greater Manchester and Tyne and Wear, the figure was over eight for every ten, and, for the two Yorkshire conurbations, it was almost nine for every ten.

This picture may not seem, at first glance, to square with the impressions of wholesale abandonment of neighbourhoods that has been identified for a number of cities around England, often large cities like Manchester and Newcastle but also smaller urban areas such as Teesside. However, the two images are not inconsistent with each other. It is essentially a question of scale, both numerical and geographical. First, unlike some of the well-documented instances in the USA, it is usually individual neighbourhoods or housing estates that are being abandoned rather than entire cities. Second and partly related to this, the outmigration that is leading to neighbourhood abandonment is not normally outmigration from the whole urban region but, rather, moves to other parts of the same conurbation, probably even the same local authority district.

The second of the two questions, regarding who is moving, is a lot harder to answer, because there is very little data at the city scale on the social composition of migrants. The best source is the Population Census and the migration data that can be derived from its question about usual address one year before, i.e. movements in the year ending April 1991. In particular, the 1991 Census shows us that:

- The people that are most likely to move out of our larger conurbations into shire England are professional and managerial workers, plus skilled manual workers in the case of London.

- The places within these conurbations that supply most of the people moving into shire England are their wealthier suburban areas, with the highest rate of gross outflow amongst the 78 London Boroughs and Metropolitan Districts in 1990–91 being recorded by Kingston upon Thames.

On this evidence, the ‘urban exodus’ is a long way from being an outright flight. It is by no means a one-way movement, neither is it a mass stampede involving all types of people or an involuntary squeezing out of the cities’ most vulnerable residents. Most of the people who have been moving out were previously living in the more attractive parts of the conurbations and presumably had a real choice as to whether to stay or to go.

Quest?

Given that the majority of outmigrants can be presumed to be making a choice rather than being railroaded out of the cities, the question now turns on the balance of ‘push’ and ‘pull’ factors that prompted them to make the decision to move. This is where the emphasis moves from testing the evidence on ‘flight’ to discussing the relative importance in their decision of what I call the ‘quest?’. There are two ways of tackling this question: through migration data on where people move to and through survey data on the reasons they give for moving there.

Information about where people move to is relevant, because it can suggest whether they are moving just far enough to escape from the larger cities or are striving for something more than this. The migration data from the 1991 Census reveals a clear negative relationship between net migration balance and the size and urban status of a place. In particular, looking at the non-metropolitan part of Great Britain in Table 7, it can be seen that the scale of net migration gains increases down the ‘urban hierarchy’ represented by the district types. Even within ‘shire Britain’, which gained a net total of 85,000 migrants from the large conurbations, the cities (both large and small non-metropolitan) lost people in net terms through migration, while the largest net gain – in both absolute number and percentage rate – was recorded by the ‘most remote rural’ districts. The other two remote and/or rural district categories also experienced high rates of migratory growth, suggesting that people were especially attracted to the most rural areas rather than to intermediate types of settlements.

More detailed analyses of the Census data reveal the dominance of population movement down the urban hierarchy. If places are arranged in an urban hierarchy, they can expect to gain population through net inmigration from all the levels of places that are higher up the urban hierarchy than themselves and experience a net loss to each of the levels lower down than them. This is illustrated diagrammatically in Figure 2, with the ‘Rural area’ gaining from all the other levels above it and the ‘City’ losing to all the others. Applying this model to southern England (comprising what is now known as the Government Office Regions (GORs) of London, East, South East and South West), shows that the downward ‘flow’ of people was occurring in all but ten of the 55 pairings of district types. The same broad relationship was evident for the other broad

Table 7 Population changes resulting from within-Britain migration, 1990–91, by district types

District type	Population 1991	Net migration 1990–91	%
Metropolitan Britain	*19,030,230*	*–85,379*	*–0.45*
1 Inner London	2,504,451	–31,009	–1.24
2 Outer London	4,175,248	–21,159	–0.51
3 Principal metropolitan cities	3,922,670	–26,311	–0.67
4 Other metropolitan districts	8,427,861	–6,900	–0.08
Non-metropolitan Britain	*35,858,614*	*85,379*	*0.24*
5 Large non-metropolitan cities	3,493,284	–14,040	–0.40
6 Small non-metropolitan cities	1,861,351	–7,812	–0.42
7 Industrial districts	7,475,515	7,194	0.10
8 Districts with new towns	2,838,258	2,627	0.09
9 Resort, port and retirement	3,591,972	17,736	0.49
10 Urban/rural mixed	7,918,701	19,537	0.25
11 Remote urban/rural	2,302,925	13,665	0.59
12 Remote rural	1,645,330	10,022	0.61
13 Most remote rural	4,731,278	36,450	0.77

Note: 'metropolitan' includes the Central Clydeside Conurbation.

Source: calculated from 1991 Census SMS and LBS/SAS (ESRC/JISC purchase), Crown copyright.

regions used: Midlands and Wales, Northern England and Scotland. Very consistently, therefore, it seems that the more rural an area is, the more it gains migrants.

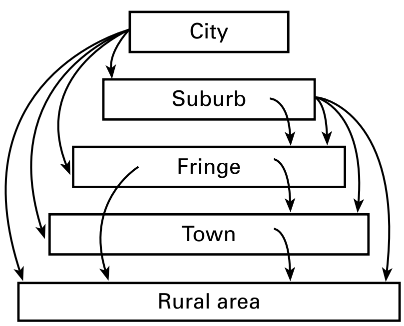

Figure 2 The counter-urbanisation cascade

This statistical evidence on the 'lure of the countryside' is reinforced by the results of countless surveys of people's residential preferences and of ex-urbanites' reasons for moving into the countryside. For example, according to a 1997 Countryside Commission survey, 51 per cent of inner city residents and 43 per cent of those living in city suburbs would prefer to live in a village or the countryside. Across England as a whole, 54 per cent would like to do this, well over twice the proportion (24 per cent) that do so currently. If those preferring to live in towns as opposed to cities are added in, the overall proportion who want to live outside cities rises to 69 per cent. This latter figure is not far short of the 72 per cent who replied to a Gallup poll that they would prefer living in the countryside to living in the city.

Surveys of people's reasons for moving into the 'countryside' elicit a variety of factors that could be interpreted as either 'push' or 'pull'. A typical response is the desire 'to live in a nicer area', which reflects as much on the perceived benefits of a more rural lifestyle as on the disadvantages of living in an urban area. Indeed, some surveys have found many respondents – up to a third in one case – who gave no specific complaint about city living as their reason for moving away, for whom presumably the 'lure of the countryside' was clearly paramount. These people regularly emphasise the twin principal attractions of the physical surroundings of more rural areas, including the greenery of the countryside and the traditional nature of the buildings, and the pattern of social relationships, notably the idea of being part of village life and a rural community.

In practice, it is extraordinarily difficult to pin down the reasons why people leave cities, and no doubt the reasons vary considerably between people. Nevertheless, for the majority of leavers, that is the ones who are moving out of the more attractive parts of the conurbations, the overwhelming sense derived from surveys is that they feel they are moving to something even better. At most, they are manoeuvring away from the large cities in anticipation of things getting worse there in the future. Very few appear to be forced to make this move, either by their employers or by the conditions prevailing in the places that they have moved from. Often, it would seem that people are following their instincts based on some glorified picture of a beckoning 'rural idyll', or, at least, following their neighbours and friends in a 'Keep up with the Joneses' fashion.

Is it too fanciful to suggest that there is a force in the English psyche which is driving people to aspire to a rural lifestyle? Unlike Americans who prevailingly strive for a suburban lifestyle and Europeans who, to varying extents, still prize urban living, the surveys suggest that, for the English, the lure of the countryside seems more irresistible than ever. If this is the case, has this more to do with social 'oneupmanship' or with any concrete benefits of rural living over life in the city? An argument can be made for the former through the example of the wealthy industrialists of the past who, craving social respectability, used their profits to try and ape the landed aristocracy, building large rural mansions in the countryside. The average ex-urbanite, whose 'home is his castle', could be seen as following this example to the extent possible. The perceived importance of this exodus has been enhanced by the success with which Britain has protected its countryside over the past half-century. The controls on new house building have enhanced the social cachet of rural living as well as, perhaps more arguably, improving environmental quality there.

In my view, therefore, for the majority of people moving out of cities, the 'quest' for a rural idyll is stronger than the negative aspects of urban life. Nevertheless, in many ways, there is only a fine line between them, and the two can feed off each other.

Overflow

There is, however, also a third broad explanation for the observed 'urban exodus', basically that there is just not enough room in cities for the numbers trying to live there. This may seem a strange thing to say when there is so much talk of neighbourhood abandonment, but urban spreading (or 'overspill') has been the dominant feature of urban change throughout the twentieth century. The move to the suburbs was not just a response to urban squalor, but a quest for more space and privacy and, moreover, it has been a quest shared by businesses as well as residents.

Remember that the reduction in urban densities was a central element of the Garden City movement and received official blessing in the Greater London Plan of 1945 and the New Towns Act of 1946. The overcrowding of cities was to be tackled by planned dispersal to New and Expanded Towns beyond the Green Belt. Poorer housing was to be demolished, and the older parts of cities redeveloped at lower density with more green space.

Remember, too, that events conspired to undermine key aspects of this planning framework, notably that the unexpected rise in the birth rate in the 1950s and the emergence of a strong north–south drift of population never allowed London the intended breathing space for introducing lower densities. Then, of course, the baby bust and economic recessions of the late 1960s onwards seriously weakened the 'market force' basis for redevelopment.

In certain respects, some of the features of the early post-war period can be viewed as replaying themselves, though the dynamics are rather different and so is the planning environment in which they are occurring. In particular, the Greater London area is facing a scale of population growth that it has not witnessed since the early 1960s, and Inner London since the 1920s. Over the past 15 years, London's population has been growing, and this despite experiencing gross outmigration of 200,000 plus residents a year to the rest of the UK. Each year in the 1990s, on average, over 150,000 people have been moving into London from other parts of the UK, producing that net loss of around 50,000 noted earlier. This loss has, however, been almost completely offset by London's average annual gains of 48,000 from net immigration from outside the UK, let alone its annual 38,000 surplus of births over deaths. To confirm this, the components of population change for Greater London for the six-year period 1991–97 are shown in Table 8.

What about the other large cities? Surely their situation is completely different from London's? Their recent growth profiles are also shown in Table 8, and the answer is both yes and no! Unlike London, in the 1990s, they have all been recording an overall net loss through migration. On the one hand, net migration to the rest of the UK has been running at a slower pace for these seven conurbations in aggregate than for London (despite their having a combined population base nearly twice the size of London's). On the other hand, however, their overall gain from overseas immigration has been much smaller than London's and their natural increase not much more than half the latter's. Even so, only three of these seven conurbations are estimated to have lost population between 1991 and 1997 – Merseyside, Clydeside and Tyne and Wear. The others are more or less static, apart from West Yorkshire with its gain of over 25,000 in the six years.

On the face of it, the 1990s' experience of the non-London conurbations may not seem to be anything startling, but it is important in two ways – two ways that are the same as for

Table 8 Components of population change for eight large conurbations and UK remainder, 1991–97, ('000s)

Conurbation	Total change	Natural change	Migration and other changes (MOC)	Boundary changes (BC)	MOC minus BC	Within-UK migration	Overseas migration (residual)
Greater London	232.2	229.1	3.1	–0.2	3.3	–286.5	289.8
West Midlands	1.2	52.1	–50.9	9.6	–60.5	–91.3	30.8
Greater Manchester	1.4	31.9	–30.6	–0.9	–29.7	–44.1	14.4
Merseyside	–36.2	3.3	–39.5	0.0	–39.5	–32.3	–7.2
South Yorkshire	2.6	9.5	–6.8	0.5	–7.3	–16.7	9.4
West Yorkshire	25.6	34.1	–8.5	–0.3	–8.2	–25.9	17.7
Tyne and Wear	–8.9	–0.2	–8.8	1.1	–9.9	–17.9	8.0
Clydeside	–17.1	4.0	–21.1	0.0	–21.1	–28.8	7.7
7 conurbations	–31.7	134.7	–166.4	10.1	–176.5	–256.9	80.4
8 conurbations	200.6	363.8	–163.3	9.9	–173.2	–543.4	370.2
Rest of UK	1000.1	316.7	683.5	–9.9	693.4	543.4	150.0
UK total	1200.7	680.5	520.2	0.0	520.2	0.0	520.2

Notes:
Data may not sum exactly due to rounding.
Clydeside comprises the post-1996 district authorities containing parts of the former Central Clydeside Conurbation. The within-UK migration for Clydeside is estimated from data for Health Board Areas.

Source: calculated from mid-year estimates and within-UK migration data from Office for National Statistics and Registrar General for Scotland.

London. First, it is a substantial change from the 1980s. The overall population loss of 5,300 people a year sustained by the seven conurbations combined in 1991–97 is only one-sixth of the annual rate of loss of 32,200 recorded between 1981 and 1991. For London, the equivalent figures are gains of 38,700 a year in the 1990s compared with a gain of 8,400 a year in the 1980s. Figures for the 1970s would show an even more dramatic contrast.

Second, and much more directly important in terms of the 'overflow' theme, is the much more positive change in household numbers than population numbers. The history of the twentieth century has been one of progressive reductions in household size. This has occurred for several reasons: fewer children per family, larger numbers of elderly people, elderly parents less likely to be living with their grown-up children, and more working-age people living on their own, both singles and the divorced/separated.

This process is continuing, though at a slower rate than in the last couple of decades. According to the latest (1996-based) household projections for England, average household size in 2001 will be 2.34 persons, which when compared with 2.67 in 1981 represents a fall of over 12 per cent for the 20-year period. The projections indicate that by 2021 the average size will have dropped to 2.15 persons per household, a drop by another 8 per cent from the 2001 figure.

This 'thinning' of households has immensely important implications for the population and migration trends of the large cities. This is especially the case for London. According to the latest projections, the combination of population growth and falling household size means that London's household numbers are projected to increase by 21 per cent between 1996 and 2021. Essentially, what this means is that, for every 100 housing units in existence, there will need to be an extra 21 in 25 years' time. The figures for other parts of southern England are even higher than this, up to a 26 per cent increase for the South East GOR. If the latter is seen to impose an immense strain on planning, how much more so it must be for London, already heavily built-up for the most part and without much opportunity for physical expansion. Already, the projections will be assuming considerable net loss of residents through migration to the rest of the UK, and any failure to cope with the projected level of household growth in London would be very likely to lead to additional migration losses.

While London would therefore seem to be very much in the throes of an 'overflow' scenario – and this would be consistent with the 'counter-urbanisation cascade' analogy described earlier – this explanation for the urban exodus is perhaps more questionable in relation to provincial cities, with lower population pressures and probably more spare land within their boundaries. Even so, in the latest projections, not one of the six metropolitan counties is projected to contain fewer households in 2021 than in 1996. Even Merseyside, the demographically weakest conurbation, will experience at least some increase in household numbers over the next 25 years. Pressures will be somewhat greater in the other conurbations with their rather stronger population dynamics, though in all these cases it is falling household size rather than population growth that is the major factor. Much more dramatic in terms of overflow and cascade, however, will be the situation in those smaller cities which are growing fast but are hemmed in by Green Belt restrictions, such as some of the old university and cathedral cities.

Conclusions and policy implications

The main findings are as follows.

First, the urban exodus is, in general, not a flight in the strict sense of the word. There are nearly as many people moving into each of Britain's eight largest conurbations from the rest of the UK as are moving in the opposite direction.

Second, the majority of people that are moving out of the cities are leaving from their most attractive neighbourhoods and comprise the wealthier sections of their residents. They are not likely to be under real pressure to leave, but they can clearly gain from this if they can sell their house for a good price and buy larger or cheaper elsewhere, as growing families and retirees respectively would probably hope to do.

Third, while surveys of ex-urbanites reveal much dissatisfaction with urban life, their moves appear to be prompted more by the quest for the nicer environment that they believe is available elsewhere and also by uncertainty about the future attractiveness of the city than by any specific 'push' factor. The frequent mentions of 'to escape from the "rat race"' suggests a desire to move to 'where the grass is greener', metaphorically as well as literally, and no doubt in some cases with very little real evidence that this may be the actual outcome.

Fourth, the truth is that our cities are relatively crowded, or at least are perceived as having rather little space and greenery. The long-established trend towards smaller household size, by some 5 per cent per decade at the current rate, means that either cities have to add 5 per cent to their housing stock every ten years or face losing 5 per cent of their residents.

Finally, London is an extreme case of what would look like an 'overflow' situation, with net outmigration to the rest of the UK being more than offset by net immigration from overseas and natural increase. But the same processes, in particular falling average household size, are operating in the other conurbations and in most other sizes and types of settlements, where local needs have to compete with the demands arising from incomers from the conurbations.

The policy implications can be put in the form of questions.

1. Is it wise to aim for a big increase in city populations by trying to alter some aspect of migration: (a) for London, (b) for the other large conurbations, (c) for other large cities?
2. If so, would it be better to aim to restrict the rate at which people are leaving cities or to try and attract more people to move into cities?
3. Is it necessary to provide within cities what it is that people are looking for when they choose to move out of cities? If so, how can 'countryside' be brought to the town?
4. Is there any prospect that the English could be made to 'love the city', like good Europeans? If not, could at least the people moving into the UK from Europe and elsewhere be persuaded to keep their liking for city life rather than be assimilated within the dominant ideology of the 'rural idyll'?

These questions constitute a sizeable research agenda that has migration and residential preferences at its heart but links up to a great many aspects of life in Britain today. Answers to them should provide a good basis for assessing the likely success of current proposals for achieving an 'urban renaissance'.

Note

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3 From unlettable homes to urban sprawl: planning for housing need

Anne Power

Introduction

Areas are made up of individuals grouped together and, like individuals, they reflect a range of characteristics. These area characteristics both help to determine and derive from the individuals who make up a local area or community. The physical area and the residents of an area are inseparable parts of the same neighbourhood and lend each other identity.

Most areas have a mix of types of people and incomes within a range that gives them identity. Most areas have both significant stability and mobility. Over a lifetime, most people move several times within and across types of area. Areas act as both a 'sieve' and a 'bucket' for people who move or stay. But some areas have a much narrower mix of people than average and much higher mobility – Mayfair at one extreme, Spitalfields at the other. This discussion concentrates on areas of low social or income mix at the bottom of the hierarchy. These areas tend to have high mobility.

Understanding area conditions and people

There are several questions. Do people at the bottom move around within poor areas, or do they gradually move up through a hierarchy of areas? What causes people to move up or stay at the bottom? Who moves into the spaces created at the bottom as some people filter out? Do the worst areas attract people with ever more concentrated problems leading to ever more marginal areas at the bottom? How can we measure an area's position or area progress – through area change such as conditions, the value of property, the composition of population, or through the progress of individual people? Most area studies focus on area conditions and the social composition of the people who live there, rather than on individual progress within and through areas (Power, 1997). The most basic question is whether objective area conditions affect people directly or do the type of people living in an area determine its conditions?

In America, progress is measured in individual success rather than area change, with the consequent tolerance of appalling conditions in inner city ghettos and many human casualties, on condition that opportunity for progress is there (Wilson, 1996). In Europe, including Britain, success is more commonly measured by area improvement alongside individual progress. Arguably, this is a more logical approach since there is little doubt that areas affect people and people affect areas. The strongest and simplest proof of this lies in the cash value that attaches to near-identical properties in different areas. For property values are dictated by neighbours and neighbourhoods – in other words, area conditions.

This paper aims to outline the interaction of 'people' and 'area' problems in acute urban decline, the evidence of incipient abandonment in the most extreme areas, and the implications for policy initiatives such as New Deal for Communities and Neighbourhood Renewal. The findings are based on the Centre for Analysis of Social Exclusion's (CASE) study of 12 high poverty areas and LSE Housing's study for the Joseph Rowntree Foundation, of incipient area abandonment in Manchester and Newcastle.

Concentrated poverty and clustering

The concentration of disadvantage in key regions, cities and neighbourhoods is significant. Taking wards (with an average population of 5,000) as the most easily measurable (but inexact) proxy for neighbourhoods, a large gap was identified between the 5 per cent poorest wards and the average for England and Wales (Glennerster *et al.*, 1999).

We defined 'poverty wards' as the 5 per cent of wards both with the highest proportion of people of working age not working, studying or training and with the highest concentration of deprived households (using the Breadline Britain Index). These two measures are not identical but together they identify the poorest areas in Britain. Our analysis of the 1991 census identified 284 poverty wards, i.e. wards that were both in the 5 per cent most 'work poor' and 5 per cent most deprived.

There are sharp regional differences in the concentrations of poverty as Table 10 shows. The extremely low figure for the eastern region underlines the contrast between regions with the lowest and highest concentrations of deprivation.

Even more stark is the high concentration of poverty wards in some local authorities and the clustering of poverty wards within these poorest local authorities forming large continuous areas of concentrated poverty. A poverty cluster describes an area where at least two high poverty wards are contiguous. Only 40 of the 284 poverty wards were 'lone' wards within a local authority. The rest were grouped in 51 clusters in adjacent areas within cities. Clustering is by definition an urban problem. Table 11 illustrates the large numbers of people grouped within poverty clusters.

Clusters of poverty matter because all the disadvantages associated with poverty are more concentrated and more extensive so escape becomes more difficult. It is for this reason that large poverty areas within cities persist, have a long history and attract powerful stigma (DoE, 1976). The maps of deprivation, poverty and urban decline have largely not changed their place over long periods (DETR, 1998). However, area *conditions* do change, are subject to decline, stabilisation or improvement, depending on what actions are taken (Robson, 1995). For example, Islington is still the tenth most deprived local authority in the country, is adjacent to the large poverty clusters in

Table 9 Percentage of population not working, studying or training and percentage in deprived* households in the 5 per cent poorest wards compared with England and Wales as a whole

	5% poorest wards	England and Wales
% of working age population not working, not studying, not on a government training scheme	45	24
% of households deprived*	38	18
Number of wards	284	
Number of people	2,371,000	

*according to Breadline Britain Index.

Table 10 Percentage of regional population living in poverty wards

Region	%
North East	18
North West	8
Merseyside	26
Yorkshire and Humberside	6
East Midlands	3
West Midlands	5
Eastern	0.1
London	4
South East	0.4
South West	1
Wales	5

Source*:* CASE Area Strand (1998).

Hackney and Tower Hamlets, and has more than one high poverty ward. But it no longer has the intense concentration of the poorest areas because area conditions have changed.

Intrinsic and acquired area characteristics

The characteristics of areas that accumulate high poverty and deprivation can be divided between *intrinsic* or long-term area characteristics that make some places difficult and unattractive to live in; and *acquired* characteristics that result from the impact of intrinsic problems on people, determining who moves in, who stays and who moves out. Tables 12 and 13 summarise these two categories.

Areas often have a mix of these characteristics, rarely all of them together. Some elements are easier to change than others. Change in one element can have a knock-on effect. For example, the environment and economy of Islington gradually changed over the 1970s after the lifting of demolition orders, and the service economy grew rapidly after the cancellation of road scheme blight and the loss of light engineering.

Given the inequality of areas, for example,

Table 11 Examples of local authorities (LAs) with high percentage of population in poverty wards and large clusters of poverty wards in continuous tracts**

	% of LA population in poverty wards	Number of wards in largest poverty cluster	Population of largest poverty cluster in LA
1 Liverpool*	49	26	259,000
Knowsley	54		
2 Manchester*	38	16	175,000
3 Tower Hamlets*	57	8	67,000
4 Middlesbrough*	46	8	44,000
5 Bradford	8	2	33,000
6 Hartlepool	39	3	19,000
7 Hackney	31	2	17,000
8 Rochdale	11	2	16,000

* Some local authorities have several clumps.

** There are other local authorities with poverty clusters, for example Newcastle.

Source: CASE Area Strand, 1998

Table 12 Intrinsic area characteristics

Intrinsic characteristics	Outcomes
Location	Low status
Transport	Low value
Physical style	Low desirability
Ownership	Low mix
Environment	
Economy	

Table 13 Acquired area characteristics

Acquired characteristics	Outcomes
Population mix	Deteriorating conditions
Reputation	Rejection and isolation
Appearance/conditions	Negative behaviour
Standards	Withdrawal
Service performance	
Income	

distance from work, tenure, quality of schools and environment, it is inevitable that more vulnerable people with less economic clout will be concentrated in areas of greater difficulty, with lower opportunities. People with more choice will go to great lengths to stay out or move out of such areas. As a result, these areas have only half the proportion of people in work and double the proportion of deprived households.

The impact of clustering

The clustering of poverty neighbourhoods across large urban areas works to limit people's chances in many ways:

- there are less obvious escape routes so more people feel trapped
- depression and low morale are more common, resulting in lower levels of organisation and initiative, and higher levels of frustration, aggression and other negative behaviour
- parenting is more difficult because of this
- children's social learning is heavily influenced by surroundings and negative behaviour
- schools suffer from low expectations resulting in lower performance and lower employment prospects; they also suffer more disruptive behaviour and higher pupil turnover
- lower cash incomes affect shops and other services as well as home maintenance and ability to support extra activities
- the high concentration of low-skilled people leads to intense competition for a shrinking pool of low-skill jobs, resulting in lower wages and often complete withdrawal from the labour market
- this helps create high levels of early retirement, disability and economic inactivity
- the larger and longer running the area problems, the stronger the cumulative impact leading to the flight of those more able to go and cumulative loss of control resulting from chronic instability

- tipping into chaotic decline becomes more likely as the backbone of a neighbourhood weakens; this makes some areas subject to eventual abandonment (James, 1995; Farrington, 1996; Power and Tunstall, 1997).

These 'clustering' impacts on people's life chances produce serious wider consequences. At a personal level, being poor in an area with many poor people and poor conditions generates a gradual loss of confidence in 'the system'. In the largest poverty cluster in Newcastle, for example, only one in ten people vote. In Hackney and Liverpool, the performance of local government has been a source of scandal for at least two decades (DoE, 1979). The depletion of whole areas leads to inadequate political representation, reduced competition for the role of councillor. This is now a serious problem in the poorest inner city authorities. The many conventional forms of involvement cease to operate as an area declines. A sense of failure, rejection and shame grows over where people live and belong. This increases dissatisfaction and undermines hope of change (Glennerster and Hills, 1997). Most importantly, it leads to population decline and the collapse in the housing market, which in turn drives urban sprawl, demand for new build and a new form of 'housing shortage', created by the demolition of increasingly abandoned areas.

All these pressures together generate aggressive behaviour, particularly in young males (Power and Tunstall, 1997). Parenting and street behaviour often become 'rougher' under the impact of depression. A social climate can come to prevail in a depressed area that militates against collective provision, individual success and social cohesion. This then gives negative signals to the next generation. The incidence of family breakdown, neighbourhood conflicts, anti-social behaviour, youth crime, street disorder, disrupted classrooms, shuttered shop-fronts and abandoned property stems from the loss of social controls that result from these forms of collective withdrawal. An area can slide from marginal viability towards collapse. This process was fully documented in *Estates on the Edge* (Power, 1997) and is supported by our current study in Manchester and Newcastle (Power and Mumford, 1999). It can happen in prospering cities such as London and Paris as well as in declining old industrial areas.

There is a powerful corollary to the clustering of poverty and acute area decline within cities. People move, most often to outer areas or surrounding towns, buying relatively cheap owner-occupied houses in more secure environments. Area depletion creates demand for a different type of housing in different types of neighbourhoods, which fuels planning pressures, building pressures and market supply. Many argue that this process of suburbanisation and outward flight is both inevitable and somewhat positive, particularly as it is strongly linked to job change and economic growth.

However, as Table 14 shows, land is being released in northern regions of the country (and even possibly around parts of London) ahead of demand, anticipating and thereby fuelling the exodus.

Table 14 Outstanding planning permissions, housing need and vacants

	Annual increase in households (structure plan or UDP forecasts)	Annual flow resulting from allocations in plans	Vacants at 1 April 1998 (HIP returns)	Outstanding planning permissions (dwellings) (various dates in 1998/99)
East Lancs.	1,110	1,425	13,706	8,360
Centre and west of	2,550	2,550	30,538	17,395
Greater Manchester*	(excl. replacements)			
Merseyside (excl. St Helens)	3,070	3,525	28,177	11,271

Notes: UDP = Urban Development Plan; HIP = Housing Investment Programme.
*Salford, Trafford, Manchester, Wigan, Bolton, Bury.

Figure 3 Cumulative urban decline leading to collapse in neighbourhood conditions

City decline

↓

Exit of skilled population

↓

Growing poverty, de-skilling

↓

Suburban owner occupation gets cheaper – more space – better amenities

↓

Social housing stock continues to expand (to 1983)

↓

Estates lose popularity

↓

Poorest estates become marginal

↓

Politicians ‘in denial’ – inadequate response

↓

Worst areas damage city image

↓

Greenfield developments to hold population

↓

Inner areas collapse

Source: based on European Urban programmes, Power (1993).

It is possible to show this process diagrammatically as shown in Figure 3.

The work of the Urban Task Force over the period 1998–99 has underlined the urgency of addressing the problem of urban depletion more generally and neighbourhood depletion in particular. The triple process of thinning out the poorest inner neighbourhoods which are in many senses obsolete for their founding purposes, the decline of some cities more generally, and the low-density, green-land consumption in outer areas is unsustainable.

The United States is already seeking to reverse this process through government action (Department of Housing and Urban Development (HUD) 1997, 1998). Many cities reached a point of collapse and many more popular environments became unsustainable over very short periods – less than a decade in some cases – as the thought-provoking series in *The Economist* (July, August 1999) on urban sprawl explained.

There are signs all over London and in the city centres of Birmingham, Manchester, Newcastle, Glasgow and elsewhere that the triple process can be put into reverse. However, so far in this country, we have not tackled neighbourhood depletion and renewal with the coherence and conviction that it may require.

Evidence from declining cities and declining neighbourhoods

Our recent study for the Joseph Rowntree Foundation explores these issues in depth illustrating the problem from firsthand and the most recent evidence (Power and Mumford, 1999). Evidence from four acutely declining neighbourhoods in two cities with severe long-run economic problems shows the eventual impact of the clustering of poverty within large cities. The problems of these cities are different in degree, but not, I would argue, in kind from most other big cities. Intrinsic problems such as structural economic change can play into the more specific area- and people-based problems we have outlined. The four neighbourhoods we studied are within much larger poverty clusters. We present here only a short summary of our main findings to illustrate the severity of the problems we encountered. I attempt to link these new findings to the wider problem of social exclusion and to the Government's new approaches to regeneration.

There is long-run movement away from cities and conurbations, although the exodus slowed over the 1980s (see Table 15).

With the exception of some inner London boroughs, the population decline is more acute in the main cities than the wider conurbations and even worse in the most depleted

Table 15 Population of conurbations, 1961–91 ('000s)

	1961	1971	1981	1991
Greater Manchester	2,720	2,729	2,595	2,571
Tyne and Wear	1,244	1,217	1,143	1,114
Merseyside	1,718	1,657	1,513	1,412
Greater London	7,992	7,452	6,696	6,683

Source: Halsey (1988); ONS (1991).

Table 16 Depopulation of Manchester, Newcastle and four neighbourhoods

Period	Manchester	Newcastle	*N1	N2	N3	N4
1971–1981 (%)	–18	–10	–39	–39	–13	-15
1981–1991 (%)	–11	–5	–5	–8	–19	-20
1991–1996 (%)	–7	–2	–6	–7	–20	-10

*N1–N4 represent the four inner neighbourhoods we studied in Manchester and Newcastle.

Source: Power and Mumford (1999).

Table 17 Housing tenure in two cities and four neighbourhoods (%)

	National average	Manchester	Newcastle	N1	N2	N3	N4
Local authority renting	19	38	35	50	54	48	77
Owner-occupied	67	41	50	28	30	35	16
Private rent	10	12	9	8	8	10	2
Housing associations	4	7	5	13	6	6	4

neighbourhoods. In the four neighbourhoods we studied, it is now leading to visibly abandoned areas of sound housing.

The tenure pattern of the two cities is out of line with the national picture. This applies more generally to cities and to virtually all inner London boroughs. A much higher proportion of local authority housing and far lower owner occupation help determine who lives and stays in the cities and who leaves. The pattern for the four neighbourhoods is even more extreme (see Table 17).

The aspiration to own is difficult to meet within inner city areas and take-up of the right to buy is below the national average for both cities. In the four neighbourhoods, the level of right to buy is extremely low in spite of the predominance of good quality council houses with gardens. People are less willing to risk ownership in the most acutely declining areas. The concentrated poverty affects aspirations and prevents many from considering it.

The loss of jobs in inner areas of both cities has affected males far more than females (see Table 18). The expansion of jobs in outer areas has not held people within the city boundaries as many people have leapfrogged to new housing in the surrounding districts while working in the city.

The cities, and particularly the four inner neighbourhoods, manifest acute signs of decline and deprivation (see Table 19). The contrasts with the national picture are stark.

The intense deprivation of the four neighbourhoods affects almost entirely white populations. This confirms earlier findings that concentrated poverty in disadvantaged areas is frequently not connected with race. This is another important distinction between British and American urban problems (Power and Tunstall, 1997). However, we should not overlook the concentrated poverty experienced

Table 18 Employment change in Manchester and Newcastle 1984–91, as percentage of total working age population

	Manchester		Newcastle	
All workers				
Inner	-6		–7	
Outer	+41		+9	
Male and female workers	**Male**	**Female**	**Male**	**Female**
Inner	–13	+1	–19	+4
Outer	+25	+54	–1	+14

Source: DETR, 1996.

Table 19 Indicators of decline and deprivation in two cities and four neighbourhoods

	National	Manchester	Newcastle	N1	N2	N3	N4
% working age not working	24	31	37	46	48	49	50
% deprived	18	34	30	41	41	39	46
% long-term unemployed*	27	39	34	40	38	45	42
% manual	43	55	46	71	73	63	83
% children in lone parent households	11	37	32	39	35	33	33

*as % of all unemployed.

Source: Power and Mumford (1999).

in predominantly minority ethnic areas like Bradford, Birmingham or Tower Hamlets.

In sum, the most disadvantaged neighbourhoods experienced:

- a skewed tenure distribution with very large concentrations of social housing
- significant and rapid depopulation over a long period and still continuing
- ever more concentrated deprivation as incomers tend to be more desperate than outgoers.

This resulted in:

- a rapid turnover of occupants and growing difficulty in keeping empty property filled
- private withdrawal and growing empty spaces
- trouble in the vacuum of collapsing demand
- strong pressures to build outside the city so that people needing a home can escape the poorest inner areas. The process thus becomes self-fuelling.

These outcomes are illustrated in Tables 20–23 using information collected from small areas of incipient abandonment within the four neighbourhoods. The most striking feature is the rapid pace of abandonment.

Table 20 Turnover rate in council housing as an indicator of low demand and severe management difficulty

	Rate of turnover of tenants p.a. (%)
National	10
Manchester	18
Newcastle	20
Specific estates in four neighbourhoods	
(a)	40
(b)	54
(c)	30
(d)	34
(e)	36

Source: Power and Mumford (1999).

Table 21 Growing percentage of empty council properties in four small areas

	1996	1997	1998
Area 1	2	6	19
Area 2	7	13	16
Area 3	6	18	35
Area 4	4	8	15

Source: Power and Mumford (1999).

Table 22 Accelerated pace of abandonment of council properties in one year 1997–98 showing growing number of empty homes per quarter

	Year start	1st quarter	2nd quarter	3rd quarter
Area 1	75	111	136	166
Area 2	151	174	229	248
Area 3*	257	244	214	252
Area 4	249	360	370	430

*Area 3 lost significant properties through demolition. This did not prevent continuing abandonment

Source: Power and Mumford (1999).

Table 23 Empty housing association and privately owned property

	% empty
Housing association 1	54
Housing association 2	56
Private landlord owned areas 1	42
Private landlord owned areas 2	30
Private landlord owned areas 3	50

Source: Power and Mumford (1999).

Incipient abandonment of unpopular areas

The summary of evidence which the tables present points to a chronic problem that is relatively new in this country but long running in the United States – the tipping of areas at the bottom of the hierarchy from viability to galloping abandonment. The social consequences for the people left behind and for the ever-widening areas which become affected by the blight are devastating. The knock-on consequences for cities are worrying the Government (Prescott, 1999). Large areas of major cities are losing value, cohesion and viability.

The following contentious questions are raised.

- Regeneration programmes, which are ongoing in these areas, have so far failed to stem the tide of decline. What changes of approach are necessary?
- Demolition of structurally sound, and often physically attractive, renovated property appears inevitable in the face of zero demand and zero market value. How does this fit with the overall projected increase in households? Are there untried remedies to resolve this contradiction? Is it purely a regional problem?
- Private loft apartments and quayside flats within a mile of the emptying areas are selling vigorously for high prices. Could developers do more? Could less glamorous private initiatives help restore inner neighbourhoods?
- Since 1930, the allocation of council housing has been broadly needs-based. This has created intense polarisation and during the 1980s it was made much worse by the loss of traditional jobs, the break-up of traditional family patterns, the rapid expansion of owner occupation and the collapse of private renting. Is there a way of breaking up the pattern of ghettoisation?
- When social controls disintegrate under the impact of rapid change, crime and anti-social behaviour increase. How can order and security be restored in such areas so that people with some prospects, commitment and confidence are willing to move in? Is neighbourhood management or zero tolerance, or both, the answer?

- The trajectory for boys and men in poor neighbourhoods is strongly downwards. This is unleashing aggression and generating fear. Simply locking more people up is an expensive solution. What new ideas are there to tackle the alienation of many boys and young men?
- In the short term at least, the same is not true for women. Job change and family are strong influences on this. What should be done to support women and children in a way that does not further reduce the male role?
- Residents within acutely declining areas face an increasingly precarious future. Some argue for new clearances and a clean-sweep, strategic approach to regeneration. Yet such solutions are immensely costly and therefore of limited applicability in the face of several thousand acutely declining neighbourhoods (Social Exclusion Unit (SEU), 1998). Holding on to populations and developing many smaller initiatives around them appears more promising. Will New Deal for Communities adopt the clean-sweep or incremental approach? What lower level initiatives are possible and practicable across every town and city in Britain?
- Some new company initiatives are having a dramatic impact. They rarely apply in the most acutely affected areas, but they can hold precarious and now steeply declining council estates (SEU, 1999). Should they be part of government policy towards council estates?

New approaches

Area-based policies have two strong intrinsic merits. First, they operate within universal systems such as education, health, policing and housing that can link and equalise all individuals and communities in the country. Second, they target specific additional resources to compensate for the problems of accumulated and concentrated poverty, and to counter some of the intrinsic disadvantages of poor areas, the special negative effects of which are not in doubt. In addition, the attention of constantly renewed special programmes has a ‘Hawthorne effect’ – the extra effort and attention raise standards, at least for the duration of the programme. Most importantly, regeneration and other special programmes require the enforcement of basic standards within marginal areas. This can break or slow the process. Programmes cannot succeed without this baseline. Regeneration programmes hold conditions and invariably arrest the slide into chaos that has struck many US inner cities. At its best it restores viability (Robson, 1995). A key finding from European experience of area rescue programmes in *Estates on the Edge* (Power, 1997) is that even the most chaotically declining areas can be restored. Action gives out the strongest signal that poor areas matter and poor people deserve better conditions and more equal treatment. For these reasons, special programmes, targeted on special needs and poor areas, are politically inescapable, logical and a prerequisite for integration. Without them, in spite of universal support, some areas would decay even faster (Power, 1997).

So how can regeneration be made to last, to take root? In the new service-based economy of smaller and generally far better off households, city authorities need to examine the potential for gentrification – attracting in and retaining many more of the new-style workers who currently flee the city. This is happening among high earners in core city areas in highly secured developments such as the quayside flats in Newcastle and canalside loft apartments in Manchester. It could be made to work in the inner city hinterland by appealing to the following types of workers:

- low-income entrepreneurs and pioneers of new styles
- people who like the urban mix and value cities
- commuters who prefer not to travel but are worried by schools, security, police and environment
- people who see potential in extremely decayed, now obsolete inner areas.

If city neighbourhoods are not gentrified in this sense, then there simply will not be enough people to fill them, for the vast majority of the population in work is hugely better off and generally doing higher skilled work, while the numbers in poverty, out of work and unskilled are declining – quite steeply overall.

Islington was a blighted slum clearance area until the 1970s. The central mill, warehouse and canal district in Manchester was until the 1990s. The banks of the Tyne were until 1996. There are many European and US examples of inner city renewal that support this thesis (Urban Task Force, 1999). The declining size of households and the multiplication of childless households reinforce the potential, as the CASPAR model developed by the Joseph Rowntree Foundation seeks to show (Best, 1999).

To achieve such a shift towards a greater mix of population requires a new approach to regeneration. Crucially, it needs proactive visible policing, backed by permanent, on-the-ground security (warden, super-caretaking services), open access to good schools, intensive care of and quality of streets and open spaces, a broader group of people in social housing, a change in ownership, the development of local shops and other services. These major policy areas that are closely linked to the future of cities are beyond the scope of this short paper but are more fully explored in the Urban Task Force Report.

Many of the right ingredients are built into New Deal for Communities:

- a long-term approach
- a focus on cities and distressed areas with the most severe problems
- stabilisation and support for the existing population
- the option of transfer of stock away from council ownership.

But it must incorporate:

- open allocations systems for social housing
- a revenue stream to fund the management of difficult areas of transition over the long term
- super-caretakers or wardens to perform the essential, front-line tasks of maintenance, security and social liaison

- a new style of ground level guarding within neighbourhoods
- a new and more grounded approach to urban management.

Overall, it must take account of: how to fund the organisational support task; how to generate ongoing, smaller scale reinvestment; how to keep up with change while stabilising conditions; how to retain existing communities while attracting new ones.

The Prime Minister's proposals for super-caretakers and wardens within a framework of neighbourhood management at the launch of 'Bringing Britain together' offer the potential for a changed approach to urban conditions (SEU, 1998).

Council housing needs to move in the direction of arm's length, non-political, smaller scale structures, that diversify ownership, incomes and management, and that have the freedom and flexibility to draw in new groups as old groups disappear. New housing company and housing association models are likely to spread rapidly. Already, Glasgow, Liverpool, Manchester, Coventry and Islington have discussed the idea of transferring all council housing away from direct political control. However, it would be too easy to squander the opportunity this offers for the genuine break-up of a monolithic and outmoded system into more varied, more flexible, more modern patterns – that might encourage and support city rebirth.

Conclusion

Will the Government reverse the growing inequality of areas and stop the leeching out of more successful people? Only if area policy is linked to the wider urban agenda of re-concentrating cities, stopping sprawl, improving transport, raising environmental and social conditions in cities as a whole.

My focus on small, deprived areas suggests only possible answers to the bigger questions of 'city renaissance' (Urban Task Force, 1998). But successful cities and city neighbourhoods are an amalgam of a complex patchwork of initiatives, actions and enterprise within small localities (Jacobs, 1970a; Power, 1997). By encouraging many of these patchwork initiatives in the most difficult areas alongside more ambitious and universalist reforms, the Government should at least reverse a slide into abandonment, and at best lead an urban renaissance.

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4 Population change – the market impacts

Yolande Barnes

This paper examines the housing market for its contribution to explaining the pattern of migration in England. It looks at the demand pressures behind what has been happening to house prices. Recent market trends are explained by way of background. The paper considers the geography of house prices and how that might interact with the geography of migration. It examines the factors behind the demand which creates changes in house prices in the owner-occupied sector. Does this have anything to do with migration and, if so, which is cause and which is effect? The supply response is also examined, and the paper concludes by giving some pointers towards future policy.

House prices

The overall pattern of house prices for the last five years has been upwards. Most prices have risen by between 20 and 37 per cent over this period, which does not constitute a boom. The focus of concern in recent years has been about the discrepancies between the growth of prices in the North and in Greater London. House prices in the North have not grown appreciably, according to the Nationwide Building Society figures, whilst Greater London's have grown by over 60 per cent. This is frequently billed as a north–south divide in the housing market. This should be closely questioned. Table 24 shows that prices in the North West over the last 25 years grew by 8.2 per cent per annum, which is more than in East Anglia (7.9 per cent); prices in Scotland grew by 7.84 per cent, which is just above those in the East Midlands (7.81 per cent); prices in the South West grew 8.3 per cent, which is more than in the outer South East (8.2 per cent). Even price growth in Yorkshire and Humberside (7.2 per cent) was only slightly behind price growth in Greater London (8.9 per cent). It is not latitude that is affecting house prices but a Greater London phenomenon.

Table 24 Volatility varies, not growth

	% per annum compound 1973–98	Volatility (S.D.)
Greater London	8.9	12.1
Outer Metropolitan	8.6	11.8
South West	8.3	11.5
North West	8.2	10.5
Outer South East	8.2	12.3
West Midlands	8.0	11.1
East Anglia	7.9	13.1
Scotland	7.8	7.2
East Midlands	7.8	11.7
North	7.5	9.6
Wales	7.4	11.3
Yorkshire and Humberside	7.2	11.8
All regions	**8.0**	**9.6**
Hi-lo spread (%)	23.6	81.9

Source: FPDSavills.

A closer examination of house price growth shows that, over the long term (25 years), there is surprisingly similar overall growth over all regions. During periods of growth, there is great diversity in house price growth between regions but, in recession, they come together again. At present there is disparity. For UK property as a whole, over the last 25 years, there has not been the separation claimed: compound growth shows all regions together average 8 per cent per annum and there is not a great deal of variation around that. Where the variation does occur is in volatility, especially in Greater London which is on a roller-coaster. Also, the volatility of growth for all regions when averaged is much lower than for individual regions, which suggests that growth and decline are occurring at different times in different regions (i.e. on different cycles), but they average out over the longer term. So, frankly, the differences are not as great as press reports may have led us to believe, and there is not an under-performing North sending people on any scale to a rapidly expanding South.

The influence of London

Our picture of what is happening in the housing market is distorted by London being different from elsewhere and becoming more so. House price growth in real terms in London, compared with the UK as a whole, shows both more pronounced peaks and troughs and outperformance against the rest of the country. This is a one-off sea change in the nature of the London market itself. London is no longer simply the nation's capital but now almost an international city-state. There has been a promotion up the league so that London now operates on different terms from 25 years ago. This is especially clear in prime central area house prices (the most expensive areas). This reveals something of what is happening and causing the regional and locational disparities in the UK housing market. By trying to understand the causes of the different markets we might be able to understand what the impacts of migration might be.

In prime London areas there is an international market. The 37 per cent of buyers who are from overseas raise issues for migration. These market figures from sales evidence do not match with what the Census tells us: the Census undercounts overseas households in London (perhaps because of differential failure to complete Census forms), thus undercounting international migration. Also, the experience of London as an international city emphasises the importance of the underlying economy in determining the fortunes of the housing market. London is strongly influenced by world GDP growth. The graph of house price trends in prime London matches uncannily closely the fortunes of world GDP (Figure 4). The forecasts of world GDP last year have been rapidly revised upward, and we expect to see further growth in prime London house prices. The figures also show that there is a high dependency on the financial sector and investors in central London, again making prime central London quite volatile compared with the rest of the country. House prices show greater reliance on a particular sector of the economy in London compared with the rest of the country. This explains:

- the outperformance of the prime sector of London, as the financial sector has outperformed the UK economy as a whole
- the volatility of prices because of the more homogenous nature of buyers.

Explanations for housing demand and disparities in house prices

Local economies are affected by the fortunes of buyers as an underlying factor. These are much

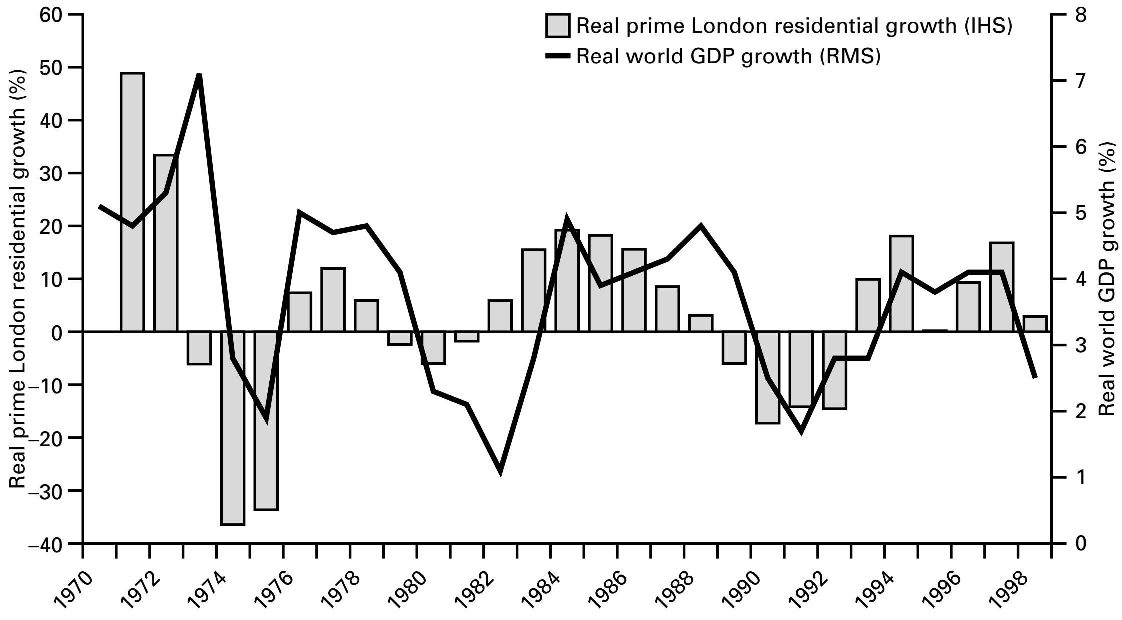

Figure 4 London prices and world GDP growth

more important in determining the fortune of the housing market than numbers of migrants. Migration is a symptom rather than a cause of demand. It is only one issue in a raft of demand factors. The importance of local economies is demonstrated by studying the housing market not at the regional level but at very local levels indeed. Recent work by the Land Registry shows that house price rises on one side of a town (e.g. Clifton in Bristol) were very much higher than the national average, but on the other side of Bristol, in the manufacturing sector, house prices were falling or static. So there is a very localised economic picture reflected in housing demand. The economic base of occupiers is a key determinant in the housing market. Young professionals in the service sectors have strong purchasing power and can compete for the best properties, whereas on the other side of Bristol the problems of unemployment and a weaker local economic base determine the housing market in that area.

Housing value is made up of five basic components: shelter, amenity, luxury, investment and speculation. All five of these are operating in prime central London, but shelter is the only value of housing in areas of incipient abandonment.

In the mainstream market, purchasing power is growing: there is an ageing population, with more outright owners (especially empty nesters) causing a change in the nature of the housing market. The effect of the ageing population has been a major repayment of mortgage debt. In the 1950s, there was the start of a massive transfer of stock from landlords to occupiers. That was facilitated by mortgage lending. A lot of this debt is now being repaid (after 25 years). Also, equity levels are being built up by the appreciation of existing housing as well. So there is potentially greater reliance in the market on equity rather than mortgage borrowing. A further significant reduction in mortgage debt is foreseeable as endowment mortgages come to be paid off in lump sums, 25 years after their surge in popularity. There are also changing attitudes to finance because interest rates are low and seem set to remain low. So we have capacity through low interest rates to borrow (though there is little sign of this being taken up at present) and increasing purchasing power through the use of equity.

At the same time, there is an ongoing change in space requirements: more single-person households do not necessarily mean that the average household requires less space: more and different types of space are needed (which needs more research). At the same time, lifestyle expectations are changing: more and more people are looking for the ideal home, not what the stock offers. This means that the top rungs of the housing ladder are becoming crowded and are likely to become more crowded.

The owner-occupied market mountain started to be climbed in the post-war years and, as more people have joined in and been there for longer, the top of the peak is becoming more and more crowded, with more people competing for the best properties (whatever form they are considered to take). This also helps to explain why the prices of top properties, not just in central London but everywhere, are growing faster than the prices of other properties. We are thus beginning to see a greater degree of polarity emerging in the housing market. Furthermore, our preferences/ideals are way out of line with what actually exists. Migration is a demand pressure but has to be viewed in the context of overall demand pressures.

Housing supply

On the supply side, there is a total stock of 24 million homes. About 10 per cent of the owner-occupied stock changes hands each year. Housing starts have a negligible effect on supply (less than 1 per cent of the stock, even though new homes account for about 10 per cent of the market each year), so the effect of not building homes on greenfield sites would make no real difference. This is not simply because of planning constraints. A study by FPDSavills of housing in Kent showed that completions between 1991 and 1998 were well below the volume of housing provided for by the Kent County Structure Plan over those years. There appears to be something in the capacity of the house-building industry which is causing structure plan provision, and even demand requirements, not to be met.

The housing stock is archaic. Comparing the housing stock with the types of homes that people want to live in, our industrial age housing legacy is not meeting requirements, either in terms of number or type. Nor is the house-building industry meeting the full range of types of home that people want (see Table 25). The industry is a niche industry (over-emphasising detached houses), though it does well at this. The supply constraints in the market seem liable to continue: there are environmental pressures and planning constraints, of course, but furthermore the political difficulty of developing greenfield sites because of local opposition has been underestimated. Despite the need for urban regeneration and the encouragement given to it, there are still huge barriers to brownfield land development, especially:

Table 25 House builders provide for a small niche

House type	Stock (%)	Preference (%)	Starts (%)
Detached house	21	73	37
Semi-detached	27	2	22
Terraced	30	1	18
Bungalow	2	19	4
Flat	19	4	17
Other	1	1	2

Source: FPDSavills, Council of Mortgage Lenders (CML), ONS

- site assembly
- economic competition from other potential uses (e.g. in London there has been a reversal of the economics of site development once again in favour of office development)
- a house-building culture which is not very experienced at difficult urban sites
- the redevelopment already of the easier sites leaves increasingly the more difficult ones to tackle.

The dynamics of the housing market show that migration is a symptom of these underlying forces. The markets observable in deserted inner cities and the pressures on the South East and on greenfield sites are really symptoms of a two-speed economy. The disparities are between the service economy (concentrated in the South East) and the manufacturing economy. There are, however, signs of burgeoning service sector economies at certain key locations, such as Newcastle, Edinburgh and Bristol, which all have their expanding financial sectors. Growth in these sectors may give the best hope for urban regeneration.

Supply constraints are the absolute key. There is insufficient replacement of an archaic stock built for an industrial economy 100 years ago, which has not adapted to the needs of the growing service sector and people aspiring to the upper peaks of the housing market. Polarisation of the market is the main result of the inelastic supply, with volatility (especially in London and the South East) being a reflection on an inelastic supply, not numbers of people migrating.

Conclusions and recommendations

This paper has shown that there is:

- geographical polarisation, with as a result hot spots where everybody wants to live but there is not enough property to go around, and black spots with low demand and, at the extreme, desertion
- sectoral polarisation between desirable and unwanted properties, closely linked and possibly causing this geographical polarisation
- an element of temporal disparity in the housing cycle between regions.

Local economic regeneration is the key to avoiding this polarisation. Also the supply of housing has to change, providing the ‘right’ property as well as the ‘right’ place. The UK housing stock is old. Properties have been stretched to the limit of their adaptability to modern lifestyles and there is little more slack to take up, so there is a huge qualitative issue to address. A long-term political will is needed, but there is no sign of this being on offer. Planning is generally not to blame in hindering urban regeneration, though of course there are places where it has not helped. The main issues are land availability, land cost, and the barriers there are to site assembly and enabling central city regeneration to occur. Market resistance to the more difficult sites needs to be broken down. The house-building industry needs to become much larger and to embrace a greater diversity of occupier types than the niche it currently supplies.

5 The London dimension

John Lett and Mark Brangwyn

Introduction

This paper offers a strategic view of the way London planning policy is responding to some of the trends identified in earlier papers. In doing this, it is difficult to disentangle the policy responses specific to migration and those made to other factors which bear on future housing requirements. Net population and housing increases which conceal the different components of demographic change (including migration) are of course important in coming to a view on these requirements but are by no means the only answer; a point which some planners may not always have grasped. It is crucial to be alive to the overall demographic processes, as well as the social and economic factors which underpin net change and are expressed (at least potentially) across the different sectors of the housing market.

The demographic balance sheet

The 1996 Population Projections set out London's basic demographic balance sheet for 1996:

- all migration in: 288,300 (of which international was 47,500 and, of this, 28,900 was asylum seekers/switchers)
- all migration out: 288,600
- net migration: -400
- natural change: 39,000.

This shows how different London is to many other regions. Migration elsewhere can be a major component of net demographic change but, in London, the main driver, in net terms, is natural change. The figures also shows the dangers of making simplistic equations between demographic change and the housing market. The London Planning Advisory Committee (LPAC) does not predicate its housing policy simply on natural change. LPAC is very much alive to apparently smaller-scale housing issues concealed by the net figures, not least those posed by the 10 per cent of inmigration attributed to 'asylum seekers and visitor switches'. The housing policy response to the issues posed by this apparently small component of the London demographic balance sheet are considered later. The broader and longer-term trends and issues are considered first.

The background context is that gross inmigration is projected to fall slightly by 2021 (from 288,000 to 277,000 per annum) and gross outmigration is expected to increase a little more than this (from 289,000 to 303,000). In contrast, the natural change increment is projected to increase from 39,000 to 50,000.

The 1992-based household projections, which form the cornerstone for a lot of LPAC's demand side work, anticipated an increase in household numbers of 629,000 between 1991 and 2016. They were based on population projections which suggested an annual increase of 20,700 per annum. The annual increase from the 1996 round is a lot higher: 26,500 per annum. This higher rate of population growth must have borne on the increase in household numbers suggested by the associated new round of household projections for which summary figures have been published (a further 50,000 by 2016), but just how the two are related we will not know until the detailed results of the household projections are published.

Towards housing requirement estimates

LPAC does not take statistics on trust, particularly when, like the 1992-based household projections, they indicate an increase in household numbers equivalent to seven extra boroughs. The Committee challenged these in a two part study co-sponsored (very sportingly) by government. The London Resource Centre (LRC) and P.S. Martin Hamblin carried out the work.

The first part of the study entailed 'unpacking' the different components and assumptions used in the projections to see if they were robust indicators of past demographic experience which could reasonably be rolled forward as indicators of the future. The key finding was the now well-documented tendency to under-represent the proclivity to form couples. This suggested that, in coming to a view on London's future housing requirement, a growth in household numbers of 600,000 was more reasonable than one of 629,000.

The second part of the study tried to take into account housing preferences, especially those of single-person households who accounted for 83 per cent of the projected increase. This was based on a geographically structured quota sample of 1,250 interviews. Apart from the usual findings on housing aspirations (in an ideal world most people would like more space), the work highlighted two key points.

The first of these was the crucial role of affordability in determining a housing requirement. A separate LRC Study for the Housing Corporation suggests that only 52 per cent of all new London households can afford owner occupation, 15 per cent are placed in a transition group (owner occupiers who can't afford it or social renters who can afford owner occupation) and 32 per cent are identified as needing social housing. However, given the future importance of single person households (SPHs), even this figure may be on the low side. The Survey of English Housing indicates that two-thirds of SPHs earn less than £15,000. P.S. Hamblin's interviews for our study show that only 29 per cent of SPHs can afford some form of market housing, and only 17 per cent can afford two or more bedrooms.

Second, the survey explored factors which might influence SPHs' propensity to share. The Hamblin interviews showed that 35 per cent wanted to reduce their housing costs. Of these, about a third would think about taking in a lodger or some other form of sharing. Applied to the household projections, this suggests that about 180,000 would want to reduce housing costs, and about 60,000 would be prepared to share to achieve this.

So, the LRC/Hamblin study provides three housing requirement 'rule of thumb' scenarios to 2016:

- 629,000 (the projections themselves)
- 600,000 (taking into account the propensity to form couples)
- 550,000 (also taking into account propensity to share).

The housing provision response

LPAC has already carried out two Housing Capacity Studies. Consultants contributed to both. Experience from these underscored the need for quality control and transparency in carrying out such studies. The first gave a figure of 260,000 dwellings for the period 1988 to 2001. Reference is still made to this in the current Regional Planning Guidance for the South East (RPG 9) and Regional Planning Guidance for London (RPG 3). The second gave a figure of 234,000 for the period 1992 to 2006. This is also included in the current edition of RPG 3, but as a minimum guideline to help test for additional sources of capacity.

LPAC's third Capacity Study is still ongoing. It will span the period 1997–2016. In some respects, it is close to the Urban Capacity Study model proposed by the Urban Task Force, linking, if not fully integrating, parallel projects investigating office, industry and town centre capacity. For a Capacity Study covering a large metropolitan area, it has adopted a relatively novel methodology. This sets up a series of propositions or benchmarks for different types of capacity which it challenges boroughs to test. The capacity categories include large sites, large windfalls, office sites, small sites, different categories of conversions, live–work, non-self-contained and vacancies. The benchmarks for each of these categories are based on historic trend data, planning permissions and existing allocations plus the results of four independent studies on:

- large site windfalls
- dwellings over and in shops
- surplus offices and sites
- sustainable residential quality (SRQ) integrating car parking, density, public transport accessibility, design principles and location. Though the concept of integrating such a range of factors has been discussed for some time, it is understood that this is the first time it has been applied across a large, British metropolitan area.

London-wide, interim results were published in September 1999 as part of the 'testing' process which is inherent to the study and to help gain ownership of the eventual output among those who will use it most – the boroughs. It must be stressed that the results represent work in progress. Three boroughs have yet to respond fully to the benchmarks and several more are still in negotiation on them, especially on the application of SRQ principles to large sites.

The draft results are set out in Figure 5. They suggest that between 1992 and 2016, London could have capacity for 450,000 – 480,000 additional dwellings. The range rises to 530,000 – 560,000 if 'admissible' vacancies and non-self-contained accommodation are included. The upper figures of these ranges are particularly susceptible to change; half the boroughs have yet to make alternative responses to LPAC's original propositions and/or agree those for vacancies and non-self-contained dwellings. Figure 6 shows the sources from which the extra dwellings are expected to be derived, with an equivalent Figure 7 showing the sources anticipated in the 1992 Capacity Study. Figure 8 shows the consistently higher housing capacity identified by the current study in all periods than suggested by the 1992 study.

It is too early to determine the overall contribution to additional capacity of sustainable residential quality principles (which are excluded from Figures 6 and 7) as boroughs are still considering capacity increments for

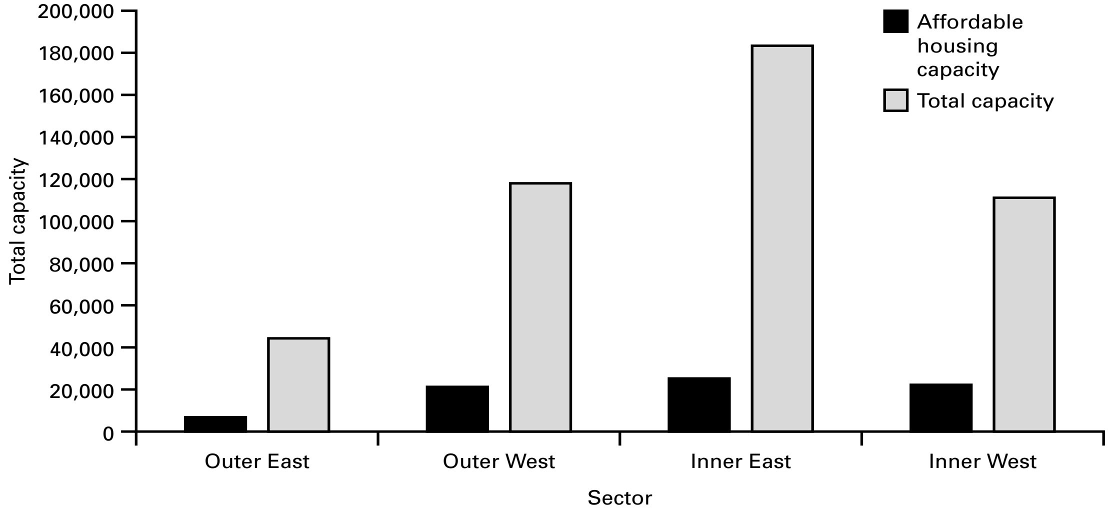

Figure 5 Total capacity by sector 1992–2016

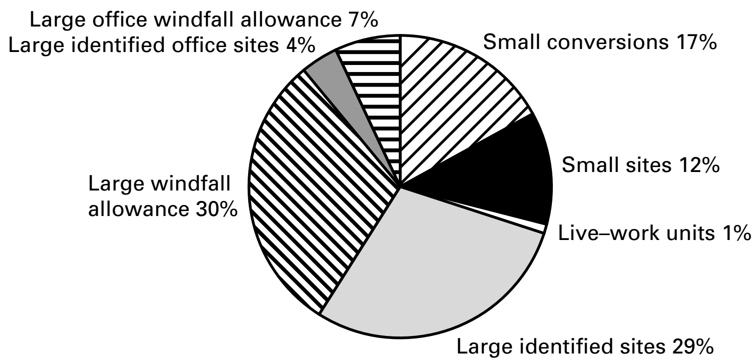

Figure 6 Sources of additional dwellings, 1999 Housing Capacity Study 1997–2016

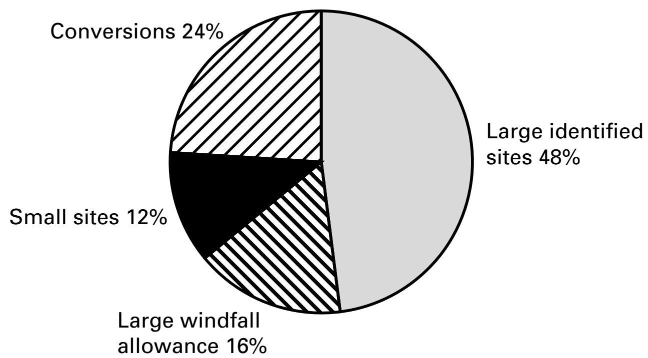

Figure 7 Sources of additional dwellings, 1992 Housing Capacity Study 1992–2006

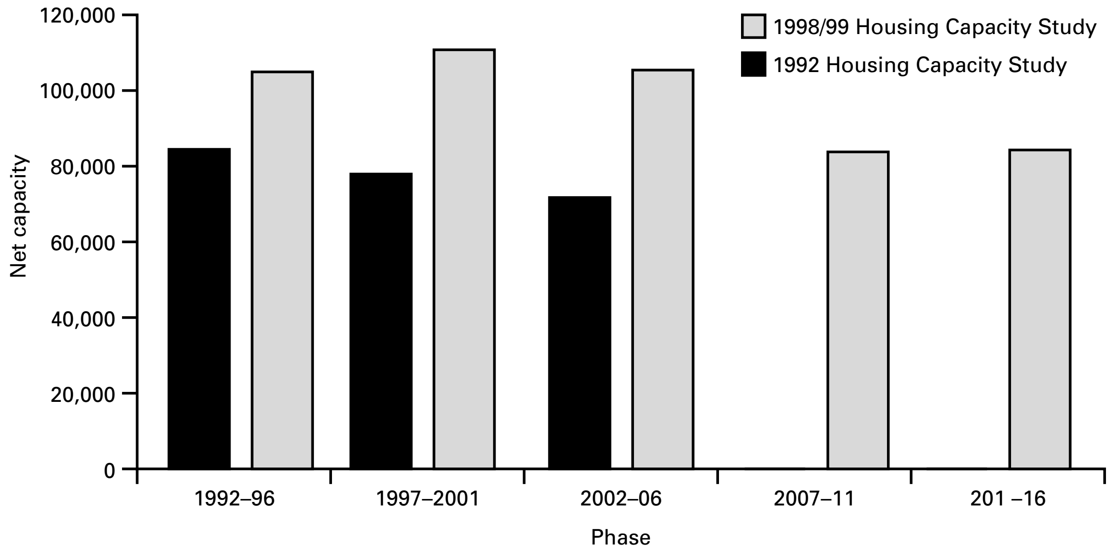

Figure 8 Phasing of total capacity, 1992–2016

large sites. However, for small sites, most boroughs expect an increment to capacity of 20 per cent through a more flexible application of density and parking policies, particularly in more accessible locations. Consideration has also been given to the proportion of affordable homes likely to be achievable on large sites, phasing the supply of dwellings and the bringing forward of some of the identified housing capacity in co-operation with the London Development Agency and English Partnerships.

Possible pointers for policy

At this stage of the study, it is not appropriate to draw out the implications of the interim results for regional policy and the review of RPG 9. There are still too many uncertainties attached to the data, especially the upper levels of the capacity ranges. However, there are some more general pointers.

For the short term, these bear especially on the current reviews of London's 33 Unitary Development Plans. Six of these have reached or passed the deposit stage and 20 are programmed for deposit before April 2000, when LPAC will be abolished. In considering how each of the deposit drafts addresses future housing requirements and provision, LPAC is consistently making formal objections (intended to be resolved through negotiation) to ensure that:

- The Plans take the PPG 12 suggested 15-year perspective to provide the necessary strategic dimension in anticipating the scale of London's future housing needs. The draft UDPs so far have taken a literal interpretation of the now dated RPG 3 and look forward no further than 2006, rather than to 2016.
- They respond to the RPG 3 requirement to test for new capacity additional to that identified by LPAC in 1992. The current

LPAC Housing Capacity Study can inform this process.

- They take into account the 'Planning for Communities of the Future' and draft PPG 3 suggestion to apply sustainable residential quality principles, as detailed for London by LPAC. The principles should be applied to new housing capacity estimates as well as to policy to guide new development.
- They take a consistent and equitable approach to applying affordable housing policy, especially in terms of a London 'tailored' definition, an approach to assessments of need which recognises metropolitan as well as local need, setting targets in terms of the relationship between this need and capacity rather than LPAC's now dated 25 per cent 'rule of thumb' and the application of policy to resist cash in lieu of *in situ* provision of affordable housing (this includes consistent recognition of the exceptional circumstances in which it might be entertained, and a standard formula to be used in its calculation).

For the longer term, there is a long list of issues with which London needs to come to grips if it is to tackle the implications of the projected growth in household numbers. These include:

- higher, long-term priority to meet small household needs
- a metropolitan as well as a market town housing market model for PPG 3
- PPG 3 to recognise the north–south housing divide
- PPG 3 to give real regional flexibility and support to tackle regional housing issues
- PPG 3 support for regionally tailored, consistent application of sustainable residential quality principles
- in social housing renewal schemes, think again about reducing social housing densities in order to retain provision which could be suitable for single-person households even though it is not appropriate for current priority needs of families
- through integrated design and allocation policies resist high child populations in high density schemes
- review valuation criteria/compulsory purchase order (CPO) procedures as disincentives to vacancy, especially in commercial buildings with residential conversion potential
- fiscal changes for a level playing field between conversions and new build
- reinvigorate sharing incentives
- regional policy, migration, wealth transfers and commuting
- better Single Regeneration Budget/ Regional Development Agency (SRB/ RDA) recognition of housing as a regenerator
- new SRB/RDA priority for brownfield reclamation
- Mixed Communities Policy: expand the outline suggestions in draft PPG 3 so that measures to foster greater social mix in

areas of concentrated social housing do not undermine those of meeting affordable housing need

- London-wide co-ordination of housing need and opportunities
- integrated local and strategic needs assessments
- consistent strategic and local application of affordable housing policy, especially in terms of definition, targets and *in situ* provision (not cash in lieu)
- Regional Housing Strategies to be real guides to all housing investment priorities – the first London Regional Strategy was largely descriptive with little sense of policy purpose or direction
- Regional Housing Forums made up of all the key players in the housing market to guide preparation of the Regional Strategy – in London, this could be chaired by and partly composed of Mayoral appointees, along the lines already suggested for the Mayoral transport and regeneration agencies.

What could a Mayor deliver?

Many of the points raised above have a distinct strategic dimension which will need to be addressed if they are to be tackled effectively. The Greater London Authority (GLA) as presently proposed has no specific housing remit. However, housing clearly falls within the GLA's broader social, economic and environmental concerns. Moreover, both the Assembly with its scrutiny role and the Mayor with his/her massive electoral credibility (in Europe, second only to the President of France in terms of a direct electorate) could be major instruments of policy influence. The Mayor will also have a Spatial Development Strategy (which extends beyond conventional land use planning) and could more directly influence the distribution of resources. In addition, he/she will have some direct control over the strategic use of land through their statutory powers over Unitary Development Plans and major development proposals.

International migration

The current population of London is seven million of which 1.8 million are from black and minority ethnic groups (24 per cent), including 250,000 to 350,000 refugee communities (London Research Centre estimate). The difficulty found in refining these figures, especially for refugees, is an indication of our limited understanding of this sector's needs. London boroughs support 51,000 destitute asylum seekers; in the 12 months to September 1999, the boroughs accepted an additional 9,000 homeless asylum seekers (out of a total of 37,000 homeless households which they accommodated).

London's population is projected to rise by 662,000 by 2021. London's black and minority ethnic population is expected to rise to 1.9 million in 2011, representing a 27 per cent increase. There are particular issues affecting London's housing requirements, especially a 78 per cent increase in numbers of elderly black and minority people and a 31 per cent increase in London's child population of black and minority ethnic communities.

The Home Office estimates that there will be between 60,000 and 70,000 asylum seekers in the year 1999/2000 (i.e. around 6,000 applications per month). Many authorities in London and the South East believe that it is no longer possible to provide temporary accommodation (in hotels, etc.) for these people: there are too many of them chasing the accommodation available within the financial limits which have been set by the level of government grant. Numbers of destitute asylum seekers are expected to rise to about 41,500 in 2000/2001. This is expected to include 5,000 families and 36,500 single people, of which 21,750 will require the support of Asylum Support Directorate. They will be housed in local authority stock, by the private sector and in other forms of accommodation. It is clear that the majority of asylum seekers will be accommodated outside London and the South East for the six months while their applications are being considered. Recent figures suggest that about 30 per cent of applications for refugee status will be successful, and therefore these asylum seekers remain in the country whether for a short or long period of time. There are at present 12,000 continuing in residence annually.

So far as particular nationalities are concerned, the success rate of applications varies considerably. Many will stay only for a short period of time before being asked to leave the country. Somalia tops the list of sources of those who are likely to stay for a longer period. Amongst those who stay on, some will move on to existing communities of their ethnic group, but new communities may spring up. Their requirements will generally be for cheap accommodation, reflecting their limited earning power.

Note

These views are not necessarily those of LPAC or the Association of Local Government (ALG).

6 Migration and policy: where next?

Glen Bramley

What is happening to migration in the 1990s?

An analysis of migration flows at the district level confirms the main features of the pattern of migration as involving:

- net migration is north to south and urban to suburban/rural (creating an additional north–north divide and a south–south divide)
- patterns of movement accentuated between the early and late 1990s, with northern industrial areas and to some extent southern urban areas losing population through migration at an increasing rate through the decade, though this is re-emphasising a pattern that was already present in the 1980s
- net outward migration is associated with significant amounts of low demand/unpopular housing; this is especially found in the north-west and north-east conurbations, but there are also problems in pockets of London and the South East (at least in the rented sector).

Relationship of migration with employment

Mapping net migration and employment change at the district level suggests that there is a strong relationship between the two. There is a clear north–south divide in employment change, with exceptions, though true rates of unemployment are much higher in the North when account is taken of under-employment and the incidence of incapacity benefit (which in some areas is larger than numbers on unemployment benefit).

Are people following jobs or vice versa? The answer can be different between north–south flows and urban–rural flows. There is certainly job decentralisation from cities, and this may be more rapid than population decentralisation. In the Clyde Valley Structure Plan area, 75 per cent of new house building was found to be on brownfield sites, but 75 per cent of business development was on greenfield sites. More research is needed to find out whether the same is happening in southern England. Employment decentralisation is to some extent reflecting trends in technology, single-storey activity and the desire for road access, rather than necessarily reflecting population movements.

Urban to rural movement and interregional migration may be limited by the tightness of the southern housing market: Yolande Barnes referred to this inelastic response in the housing market in Chapter 4. Restricting the migration response to job shifts can be expected to create tensions in the labour market (e.g. longer commuting). However, at the same time, there may be a long-term decline in the way in which people relate their home to their workplace, for example:

- staff may work at home more, with the less frequent trips to city centre offices allowing a longer distance between place of work and residence
- dual-income, dual-career households may find that their jobs are not located in the same place, so they may need to compromise in their residential location.

Is the scale and pattern of migration a problem?

Observed patterns of migration, particularly from urban to rural areas (which is the larger element of the overall picture), are often conceived of as a problem, notably by planners, for reasons such as:

- the loss of greenfield sites
- the waste of brownfield land and the implied failure to regenerate cities
- the additional pressure on the use of environmental resources
- the greater costs of infrastructure for servicing the dispersed population (though there is little evidence on this)
- greater car dependence
- the unsustainability of long-distance car commuting
- it may be inflationary, as job growth is predicted to grow faster than household numbers in the context of already full employment in the South East, thereby creating difficulty in housing the labour force and causing inflation initially in house prices
- continued decentralisation implies a waste of the potential which cities represent to the economy as motors of growth and seedbeds of innovation, with new business sectors and economic clusters developing.

The selective nature of the migrants may be a cause for concern. How regions develop economically is affected by who moves (their skill levels and which demographic groups) as much as by their numbers. This may cause a worsening cycle of cumulative decline for the regions they are leaving and advantage for the regions they are moving to.

There is also the issue of community breakdown. The more rapid the stock turnover the less people know their neighbours, interact with them and form communities capable of developing ‘social capital’. So the nightmarish results of the kind described by Anne Power in Chapter 3 can emerge as communities unravel. Concern about communities (interaction between people and balance of people within them) may prompt a concern about migration. Furthermore, in areas of low demand, there can be the abandonment of homes resulting from migration, wasting resources, creating social problems and causing difficulties for managing these areas.

However, there are counter-arguments that migration should not be regarded as so much of a problem. People make judgements about their quality of life, type of environment, the type of housing space standards they want, which can perhaps be realised only through migration. All governments attach importance to economic growth and competitiveness issues, and in deference to this there is little support for the idea of having a strong regional policy that will try to direct where business and employment should be located. We are in a global economy, the argument runs, so the risk – or assumed risk – is that companies will move to other countries rather than to England’s outlying regions if they are discouraged from locating in the South East. There are now not many people willing to argue that an effective regional policy is practicable.

There is a debate about the sustainability case for urban consolidation. The argument for compact urban development to minimise car travel and carbon dioxide emissions is almost an orthodoxy within the planning system, but there are some who argue that the relationship between built form, planning and the environmental problems are weak or exaggerated or at least very long term, and other factors bear more heavily on those environmental concerns. There are others who argue that the case for tight containment is really just selfish local politics (i.e. NIMBYism (not in my back yard), meeting the needs of those who are already comfortably off). Taking the case further, perhaps there isn't enough migration and some people are not getting the chance to migrate?

What strategy should the Government pursue?

Option 1: let the market adjust
Retain tight planning controls and allow the market to adjust. The market will eventually lead to high house prices because of a shortage of supply. Salaries and wages will follow them upwards, and this will make businesses realise it is in their interests to relocate northwards and a new equilibrium will be restored in due course. This neo-classical argument does not seem to work well in practice. There is evidence that wages tend to be 'sticky', with forces resisting regional wage differentials despite variations in the housing market. These are not the main factors directly affecting business location. This would be a risky strategy.

Option 2: go with the flow
There is plenty of evidence about where people wish to live, so one option is to go with the flow. This would imply:

- releasing a lot more land for housing where people wish to live and where the economy is trying to grow, which is for the most part in the rural parts of the South
- making it easier to move within the social rented sector, thus promoting mobility in all tenures, since some groups are currently more mobile than others
- recognising that some of the northern cities will decline, and therefore arranging to manage this decline in a more positive way.

This is quite a radical strategy: it is doubtful whether the Government is ready for it!

Option 3: selective accommodation
It would involve some recognition of the greater pressures in the South, and some accommodation of them in certain locations, with changes to well-established policies like Green Belt but only in a limited number of places. There might, for example, be a few new towns and major urban extensions (e.g. like Stevenage) and this could be linked to development in public transport corridors. Another part of the strategy would give support to northern cities which have growth potential, whereas those experiencing decline would be supported in their management of that decline. This is the most likely option to emerge in practice.

Option 4: proactive regional economic policy
Regional economic policy was last employed in

the 1960s and 1970s. Certainly, the conditions of major regional economic imbalances provide an incentive for them, and there could be elements which are worthy of reintroduction, such as:

- physical planning controls on job-generation (linked to housing supply)
- tax breaks for investment in the North and in cities, and more Regional Selective Assistance
- public investment in infrastructure, education, research and development, and regional centres
- more regionalisation of government through devolution.

My own suggestion is that there should be a rule giving authorities more freedom to decide the level of housing growth to plan for, but that this should be demonstrably consistent with the level of job growth they are providing for. This could be negotiated amongst a group of authorities in a subregion, to share out the housing and employment in the most advantageous way. There is also the scope to pick elements from the various options above.

Are institutions and structures appropriate?

Who is responsible at national level?
At present, there is no national spatial framework for development (though one is emerging at the European level). Do we need one? Do we have (or believe we could have) a regional economic policy? A national policy for cities is expected to emerge through the forthcoming Urban White Paper.

Who is responsible at regional level?
The Regional Development Agencies have a narrow brief, a limited budget, and are set in a competitive mode: this is unlikely to provide an integrated response. Regional Planning Bodies are relatively new (other than SERPLAN), have very limited resources, and rely on a weak consensual model of decision making. The Government Offices for the Regions have a contribution to make. The Housing Corporation is taking a more regionally based approach through Regional Housing Statements, though these are too focused on social housing which is not the main issue in respect of the most mobile groups in society.

How do we plan at the key subregional level?
Structure Plans have already been fragmented at city region level (into Unitary Development Plans in metropolitan and unitary areas), which is unfortunate, and their future is in some doubt. Planning is needed at the level above this, i.e. the labour market and housing market scale, which is subregional, but there is a gap at this scale. Housing Strategies and Housing Investment Programmes are district-based, like Local Plans, offering detailed planning, not strategic planning.

Responsible local authorities?
Local authorities must be persuaded to adopt realistic and responsible forecasts and plans, especially for housing. This is difficult because:

- many of them are in competition for population and jobs (especially in declining areas in the North)
- they fear loss of tax and grant base

- the most appropriate approaches to reshaping neighbourhoods are open to discussion: there could be thinning out of urban areas or intensification of inner areas to tackle the renaissance proposed by the Urban Task Force
- there are real political and managerial difficulties in 'downsizing' services and communities, including facing up to large-scale demolition.

The verdict, therefore, is that institutions and structures are not up to the task.

7 Migration: causes, consequences and controls

Richard Bate, Richard Best and Alan Holmans

Introduction

This final chapter of our report attempts to draw out key points from the papers presented to the JRF seminar and subsequent discussion, supplemented by information that has become available subsequently, such as the new (and higher) 1998–based population projection. We focus on possible directions for tackling problems arising from migration within the UK, within the context of the other components of population change.

How much migration is taking place and between which places?

Two sets of internal (i.e. within the UK) migration flows were discerned in the papers that form this report: a net flow from the North of England to the South and a net outflow from the metropolitan areas. The relative importance of these two sets of net flows as sources of increasing population and, hence, household formation and housing need, in suburbs, smaller towns and rural areas, has to be looked at in the context of two other factors: net *migration from outside the UK* and the distribution of the *natural increase of population (excess of births over deaths) between areas*.

There is much talk of 'flight from the cities', 'an urban exodus' and 'area abandonment'. Chapter 2 shows that what is happening is more complicated: although nearly 50,000 more people moved out of the six metropolitan areas of the North and West Midlands than moved in, the actual movement of population was much greater – 274,000 people moving out and 225,000 people moving in. 'Abandonment' is a phenomenon confined to small neighbourhoods. And in London, although there is an annual and substantial net loss of UK population, in 1997 an estimated 167,000 people moved into London even though 222,000 moved out. Overall, therefore, it is certainly true that UK cities have been suffering from substantial outward flows of population; but 'city flight' may be an exaggeration.

In terms of the growth of population in London and the rest of the South, how important is the movement from the North and West Midlands metropolitan areas and from the rest of those regions?

Table 26 shows the position for the eight years 1991–98. This shows that only 8 per cent of the net migration from the Midlands and the North went to the South and only 12 per cent to London. That does not make policies that relate to outward migration from the northern regions unimportant; but it does show how limited the potential is for restraining growth of population in the South, i.e. the South East, South West and eastern regions. The really large components of population change in the South of England are (a) the natural increases (excess of births over deaths); (b) the net migration out of London to the rest of the South; and (c) the net inward migration from outside the UK.

In 1991–98, net migration from London amounted to one half of the total net increase in the population of the rest of the South. Some of the implications of attempting to reduce this pressure on the South can be appreciated by noting that if, hypothetically, the net outflow from London to the rest of the South had been

Table 26 Estimated components of change in population in London and the South of England: 1991–98 (thousand)

	London	South excluding London	Total South
Natural change (births over deaths)	+273	+183	+456
Internal migration (net) from North and Midlands of England	+36	+57	+93
Internal migration (net) from Wales, Scotland and Northern Ireland	–3	+4	+1
Net migration from London to the rest of the South	–370	+370	0
International migration	+335	+137	+472
Other changes	+26	–16	+10
Total population change	**+297**	**+735**	**+1,033**

Derived from the official annual population estimates: some estimating is necessary as the total net change in the population relates to mid-year; see the Appendix tables A8, A9 and A11.
'South excluding London' comprises the East, South East and South West government office regions.
Net migration from the North and Midlands includes the East Midlands, where there is a net inflow of movers from both London and the rest of the South.
'Other changes' see note to Table 1, page 3.

zero, there would have been an increase in London's population of nearly 670,000 in seven years (excluding any further growth attributable to the consequential effects on births and deaths of this extra population). This would mean growth for London of 95,000 people a year, which is well in excess of any likely increase in London's housing capacity. Chapter 5 indicated that there could be problems in coping even with the annual growth of 26,000 a year, which was based on the 1996-based projections. Increasing this to 95,000 a year within London's built up area would be wholly unmanageable. So it is that population pressure in London has to be relieved by outward migration. And this growth does not come from international migration alone: the natural increase of London's own population is large and is projected to remain so (Table 2 of the Introduction shows projected excess of births over deaths in London of 45,000 a year).

Now that we have the figures from the Office for National Statistics of 1998-based population projections, we can see an intensification of the pressures. For England, the projected population in 2016 is almost 1 million higher than from the earlier (1996-based) projections; the change is principally due to recalculating inward migration from outside the UK at a new 95,000 a year net into the UK, in place of 65,000 a year in the previous projection, and also to a more rapid fall in death rates.

Converting numbers of people into numbers of households, this means about 400,000 more households by 2016 than estimated earlier. In the great debate about the need for more homes, the new figures indicate a growth of 4.3 million households for the 25 years to 2021, compared with the last official figure (derived from the 1996-based projections) of 3.8 million households.

The new numbers are particularly important for London: it is London that is most affected by growth in inward migration and by natural change.

And if London is under pressure, this inevitably spills outwards to the southern regions.

This report indicates, therefore, that migration within the UK is not the dominant influence on where people will want to live. But migration has important impacts in many places.

Cause and effect

Economic forces seem paramount in explaining why people move within the UK. Structural changes in the location and type of available employment are at the heart of migration trends.

While most people are keen to improve their quality of life, only those with sufficient resources and without ties to their current home are able to give effect to this by the device of migration. But the distinction between 'pull' and 'push' factors is not always clear: for example, whilst neighbourhood decline is a 'push' factor accelerating outward migration, an alternative stock of available housing acts as a 'pull', making the exit easier; and, similarly, the movement of people further out – on the continuum from central city to remote rural area – is facilitated by another generation of people coming along behind.

So, does the building of new houses on greenfield sites on the periphery of cities accelerate the exodus from older, existing property? Or is the market expanding with the growth of new households so that construction caters simply for pent-up demand and helps those climbing the housing ladder to exercise choice? In other words, to what extent is large-scale greenfield housing development *causing* the problems of urban decline or *responding* to them?

Clearly, if overall shortages and homelessness are to be avoided, sufficient housing must be available to meet the requirements of substantial growth in household numbers. And if new homes are not built in areas of demand, there will be scarcity where people wish to live, and inflationary pressures in the areas of high demand. But the impact on house prices of the new homes market takes time to have an effect: additional building adds less than 1 per cent to the housing stock each year and nine out of ten purchases are of second-hand homes. But gradually pressures mount if supply does not respond to demand. And for those whose accommodation is provided outside the market place – by social landlords – failure to sustain sufficient volume in the places where there are more households than homes must lead to overcrowding and/or homelessness.

Migration can be said to cause greenfield sites to be developed; and the development of greenfield sites can be said to cause – or at least to enable – migration to take place. But cause and effect are interrelated in complex ways.

Where do we want to get to?

Is migration having harmful effects? Some would argue that the current relatively low rates of migration reduce opportunities for people to improve their incomes and quality of life. But, under a number of criteria, the JRF seminar moved towards the conclusion that – irrespective of the arguments about inflationary pressures, causes and effects – the current wave of migration was a problem: it was worsening the polarisation of society between the 'haves' and the 'have nots' and, in extreme instances, accentuating social breakdown in neglected urban neighbourhoods.

In looking ahead, there seems common ground that it would be beneficial if the current trends outwards from the conurbations and southwards between regions were to be moderated: (a) for economic reasons, in avoiding over-heating in some areas and inflationary house price increases; (b) for social reasons in easing competition for space in some locations and the virtual abandonment of other neighbourhoods; and (c) for environmental reasons in preserving countryside and natural habitats, and avoiding the pollution (and the congestion) of increased traffic flows from country to town. Generally, there is the desire for greater equalisation of opportunities for housing and employment between regions, within regions and even within cities.

Some solutions

The seminar raised more questions than answers and clear solutions did not emerge. Nevertheless, a range of possibilities exists for 'doing something'. Among the candidates are the following.

Regional economic policies

It is naive to expect Government to impose major constraints on the growth of profitable economic activity in the successful southern regions: regional policy aimed at discouraging or preventing further investment in the South East might not lead to comparable investment in England's outlying regions but to 'foot-loose capital' investing in continental Europe (or elsewhere). Government is unlikely to place barriers in the way of the South's engine of economic growth which is powering the whole of the UK's current economic success. However, there is scope for promoting investment in the South East which is environmentally friendly and sparing in its creation of jobs in the region.

Nevertheless, if disincentives in the South are unlikely, incentives in the North may be needed to encourage economic development in the places worst hit by the decline in manufacturing industry. This does not imply a return to the regional economic policies of the 1960s and 1970s but to investment in the infrastructure and encouragement for enterprise, at the individual and corporate level, in the areas needing employment growth. Regional Development Agencies (RDAs) exist to redress these imbalances by achieving successful economic outcomes throughout the country. But the danger is that the RDAs compete with one another to attract inward investment rather than co-ordinating their efforts in the national interest.

Meanwhile EU funding needs to take into account the likely migration effects of alternative types of assistance.

Regional planning policies

The greater emphasis on economic and social planning, as well as land use planning, within the framework of Regional Planning Guidance (RPG), as well as the need for RDA strategies to reflect this guidance, has increased the relevance of the RPG process: this is an appropriate scale to consider the best means of tackling low demand and area abandonment, which could include tough restrictions on nearby greenfield land releases where this could help stem decline in urban stock for sale or rent. The process of Public Examination of draft RPGs could be used by Regional Planning Bodies to draw attention to interregional development issues which include migration. SERPLAN's attempts, for example, to focus economic development on the areas most in need of investment in the South East – which contrasts with the RDA's preference for promoting it in the already buoyant parts of the region – may represent an important balance in reconciling economic and land use policies.

Regional Planning Guidance should give clear advice on the preparation of Structure Plan policies in the areas which should be the focus of major investment, and which should be subject to the 'management of decline'. Between the two extremes will be a variety of options, including the increasing of housing supply in the suburbs where new opportunities are being identified for higher densities and more amenities which would not detract from the environment: other policies will target piecemeal renewal and enhancement of urban areas through more 'greening'.

Land releases for economic development

As business location is an important magnet for population movement, the planning system should be used to encourage the direction of investment in jobs to the places where the residents of the existing housing stock can readily gain access to it. This is likely to mean the encouragement of the development of urban brownfield sites rather than greenfield ones in many places.

Urban renaissance

It seems that the culture and traditions of Britain differ from those in Europe or the USA: while other Europeans often choose to live in towns, and Americans favour the suburbs, the British continue to yearn for life in the villages and rural areas. If this attitude is to change, urban living must be made more attractive. Some believe that means making the towns more like the countryside – with more space and green areas – while others want to capitalise on the different assets to be found in urban areas (which may involve increasing densities there).

The proposals put forward by Lord Rogers' Urban Task Force are generally likely to reduce the differential economic prospects between urban and rural areas and, by encouraging city centre living, should have the effect of attracting people back to the conurbations. Making the least desirable urban areas more attractive would be expensive; but so would be not tackling them.

City planning

While some argue for planning which embraces the subregional level and considers the immediate travel-to-work area around each city (where adjacent suburban areas may be seeking to win outgoing population), it is not realistic to expect another tier in the planning system. While co-operation between adjacent authorities must be desirable, cities will need to consider their own balance of policies, e.g. for intensifying densities or thinning out/greening urban areas; choosing between demolition/

major redevelopment and piecemeal renewal; going for growth or managing decline; tackling the opportunities as well as the emerging problems of their suburbs.

London

London merits special attention because it is a magnet for international inward migration and is growing fastest from 'natural' causes (more births than deaths), but also because the arrival of a Mayor and Executive for London should now make possible co-ordinated efforts to handle inward migration, to negotiate the sharing of this responsibility (especially for asylum seekers, who constitute some 60 per cent of London's inmigrants) and to plan better the development and transport for the metropolitan area as a whole.

Neighbourhood-based approaches

Urban neighbourhoods need case-by-case analysis, just as do parishes in rural areas, to achieve the objectives which local communities themselves identify. To make the best use of council housing stock, the current trend for devolution into new patterns of ownership attracting private finance should be coupled with more autonomy of management and an emphasis on security and safety (through greater involvement of residents and employment of more support, e.g. through neighbourhood managers and 'super-caretakers').

Opportunity for migration

Significant groups in society have been left stranded by the loss of employment and insufficient skills to generate a move to work. They are also likely to be tied to declining areas by their reliance on social housing provision with little opportunity to transfer or exchange to the places where jobs are more plentiful. The options available to people trapped in these circumstances could be increased by means such as:

- reform of social housing administration to create greater opportunity to move within the rented sector
- more opportunities for low cost home ownership for those moving into employment and wishing to leave the rented sector – who must currently leave the city core altogether
- an emphasis on enhanced education and training opportunities in new and relevant skills.

Influencing the migration process

Various 'sticks and carrots' can be envisaged to discourage or encourage migration of different kinds. Some relatively 'gentle' fiscal disincentives could be deployed which might have some effect on housing consumption in areas of shortage: for example, there could be higher rates of council tax for second home-owners (who are currently charged *lower* rates because their property is left unoccupied for much of the time). And encouragement to make use of empty and poor quality housing, while moderating the demand for new housebuilding, could take the form of an equalisation of VAT on improvements/repairs and new building (with both, perhaps, at 5 per cent or 7.5 per cent instead of the present system of 17.5 per cent VAT for the former and zero rating for the latter).

More dramatic measures can be imagined, such as incentives for people to stay put in cities by a sliding scale of council tax charges the longer the period of residence; or disincentives to retire to southern 'hot spots' through a higher rate of stamp duty on the property transactions involved; or encouragement to young people to stay in the area of upbringing through a voucher scheme, paid via local employers to people in their first job, etc. However, it seems improbable that inhibitions on the freedom of movement of the population would be advocated by any government.

Appendix

Sources of population growth in the South of England: within UK migration, international migration and births and deaths

Introduction

The origin of the increase in the population of the South of England outside London (the South East, East and South West government office regions) is often thought to be primarily migration from the North of England, in colloquial terms 'the drift to the South'. Reducing the pressure of population and household growth in the South and hence the demand for land for house building is consequently seen as halting or, preferably, reversing this 'drift'. A set of population flows often discussed separately from North to South flows is net migration from metropolitan areas, sometimes referred to as the 'flight from the cities' or (less dramatic) the 'urban exodus' (Champion, 1999, 2000). Both sets of flows have to be discussed in net terms.

It is true that net flows between regions, or from the metropolitan areas, are the differences between large flows in each direction and that there is no such thing as a 'net migrant'. But as the concern is with net increases in population, analysis in terms of net flows is proper, as well as necessary for being intelligible. Net migration flows, both within the UK and overseas, are comparable with the other component of overall population changes, the difference between births and deaths (natural change).

This Appendix attempts to analyse the contribution made to the growth of population in the South of England outside London by:

- net migration from the North and Midlands
- net outward migration from metropolitan areas
- net migration from outside the UK
- natural change – the difference between births and deaths.

The picture presented is, in bald terms, as follows.

- At the regional level, the regions with persisting net outward migration to the rest of the UK are (subject to minor exceptions in the early 1990s) the three regions of the North of England, i.e. the North East, North West and Yorkshire and Humberside government office regions and the West Midlands. The East Midlands region, in contrast, had net inward migration from the rest of the UK in all years from 1991 to 1998 (the most recent year for which figures are available).
- There was net outward migration from all metropolitan areas – Tyne and Wear, Greater Manchester, Merseyside, South Yorkshire, West Yorkshire, West Midland and London – in all years since 1991. The composition of population change in London is, however, very different

from the other metropolitan areas, so London has to be considered by itself and not aggregated with the metropolitan areas of the North and Midlands.

In 1991–98, some 51 per cent of net outward migration from the metropolitan areas in the North and Midlands went to the remainders of their regions. Much of the outward migration from these metropolitan areas thus puts pressure on the non-metropolitan parts of the North and West Midlands, not the South. Net migration from the metropolitan areas to the rest of the region was particularly important in the West Midlands.

- Nevertheless, in the same period over 75 per cent of net migration from the North and West Midlands to the South came from the metropolitan areas and only 25 per cent from the remainders of their regions. Pro rata to population the proportions would have been 57:43. In their direct effect on population growth in the South of England, net outward migration from metropolitan areas of the North and Midlands and the 'drift to the South' are substantially the same thing.
- The largest component of the increase in the population of the South of England excluding London, is net migration from London, followed by the natural increase of the population and net inward migration from outside the UK. Migration from the West Midlands and North is a comparatively small element, though of course some of the movers from London may originally have come from the North and West Midlands or from overseas.
- The net outflow of population from London to the rest of the South partially balances a large natural increase and net inward migration from outside the UK. The net inflow from the Midlands and North is small in comparison. How important the natural increase of population (excess of births over deaths) is in London's population change is not always appreciated: in 1996–98 London had 49 per cent of the total natural increase in England, compared with 14 per cent of the total population. The reason is London's age structure, not higher birth rates or lower death rates. The comparatively 'young' age structure of London's population is the consequence of migration in past years.

The evidence from which these conclusions are drawn is presented in subsequent sections of this Appendix. It depends principally on official migration estimates as published. For internal migration (within the UK) these are in the first instance for calendar years and have now *(Population Trends*, Winter 1999, table 8.1) been published for 1991 and all subsequent years for government office regions, including the years for which they were originally published for standard statistical regions. The metropolitan areas are not affected by the change to government office regions, but there is a discontinuity in that for 1996 and previous years the matrix of moves by origin and destination published in *Key Population and Vital Statistics*, which distinguished the metropolitan areas (table 5.2a), covered England and Wales and did not include Scotland and Northern Ireland. For consistency, therefore, origin and destination analyses for the metropolitan areas have to be for

England and Wales and the percentages in the third and fourth bullets above are on that basis. For regions (as distinct from metropolitan areas and remainders) the published tables include Scotland and Northern Ireland. The net flows between the English regions and Scotland and Northern Ireland were not large enough to alter the picture materially drawn from the data for England and Wales. Annual changes in the population, and components of change, are published from mid-year to mid-year, as the annual estimates of the population relate to mid-year, so net international migration is available from mid-year to mid-year. The three components of population change, natural change (published for calendar years), internal migration within the UK and external migration, can be brought together and compared only in an approximate way.

Population flows in outline 1991–98

This section of the Appendix sets out the main figures for population change at subnational level in England in 1991–98. The net internal migration flows are shown in Table A1 for each year, in order to show how net outflows from the North and West Midlands increased and net inflows to the South outside London rose between 1991 and 1993 and more recent years. In the table, the West Midlands is included with North East, North West (which includes Merseyside) and Yorkshire and Humberside in a subtotal for regions that overall have consistently experienced net outward migration to the rest of the UK. Net outward migration from the West Midlands, particularly the metropolitan areas, is substantial; but it attracts less notice than net outward migration from the North, through being masked by the inward migration to the East Midlands in a North/Midlands/South grouping of regions.

Table A1 Net internal migration flows for regions of England 1991–98 (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998	1991–98 total
North East	–0.7	+0.2	–3.4	–6.4	–7.7	–5.9	–5.9	–4.0	–34
North West	–8.8	–8.8	–8.6	–10.1	–12.1	–9.0	–11.0	–12.9	–81
Yorkshire and Humberside	–0.4	+1.9	+0.3	–4.4	–6.8	–7.4	–7.3	–4.4	–29
West Midlands	–5.2	–6.5	–9.2	–10.3	–8.1	–10.4	–11.1	–6.6	–67
Subtotal	**–15.1**	**–13.2**	**–20.9**	**–31.2**	**–34.7**	**–32.7**	**–35.3**	**–27.9**	**–211**
East Midlands	+8.1	+9.6	+10.1	+10.2	+5.4	+7.8	+10.3	+11.4	+77
London	–53.3	–51.5	–52.9	–45.9	–36.9	–45.4	–54.4	–47.7	–388
East	+9.1	+7.2	+10.2	+15.1	+15.9	+18.3	+20.3	+19.3	+115
South East	+13.0	+15.6	+23.3	+25.1	+22.7	+29.1	+23.8	+20.0	+173
South West	+21.8	+21.1	+20.5	+23.8	+23.6	+28.7	+31.6	+27.0	+198
Subtotal South excluding London	**+43.9**	**+43.9**	**+54.0**	**+64.0**	**+62.2**	**+76.1**	**+75.7**	**+66.3**	**+486**
England	**–16.4**	**–11.4**	**–9.7**	**–2.9**	**+0.2**	**+5.8**	**–3.8**	**+2.2**	**–36**

Source: *Population Trends*, Winter 1999, table 8.1

Net migration from the North and West Midlands ran considerably higher in 1994 and afterwards than in 1991–93. The economic recession of the early 1990s affected the South of England more severely than the Midlands and North, so the lower net migration to the South outside London is probably explained by the comparatively depressed state of the economy there.

The next part of the outline of the pattern of internal net migration is to show net migration from the metropolitan areas of the North and West Midlands. An important distinction to draw is between net migration to the remainder of the region and to the rest of the country (England and Wales in this context, for reasons explained above).

Migration from the metropolitan areas to the remainders of the regions in which they are situated, and vice versa, nets out at a regional level. It is nevertheless substantial. For all six metropolitan areas together it amounted to 51 per cent of their net outward migration, for the five northern metropolitan areas 45 per cent; but for the West Midlands metropolitan area 60 per cent went to the remainder of the region. To a substantial extent, therefore, net outward migration from the metropolitan areas generates population and housing pressure in the remainders of their regions, not in the South of England. Particularly this is so in the West Midlands, hence the expressions of concern in the counties are on the same lines as in the South of England. Also warranting comment are the figures for net migration from the metropolitan areas apart from the regional remainder to the rest of the country. A summary for all six areas is shown in Table A3.

Table A2 Net migration from metropolitan areas 1991–1998 (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998	Total
Overall									
Tyne and Wear	–0.5	–0.8	–2.2	–4.1	–5.2	–4.5	–4.4	–3.7	–25
Greater Manchester	–5.4	–6.2	–6.4	–8.3	–9.1	–7.7	–10.5	–8.9	–63
Merseyside	–4.7	–5.4	–4.5	–4.9	–6.0	–5.3	–6.0	–4.9	–42
South Yorkshire	–0.8	–1.3	–2.0	–3.8	–4.4	–3.5	–3.4	–2.9	–22
West Yorkshire	–2.6	–1.9	–2.3	–4.5	–5.8	–6.7	–5.5	–5.3	–35
West Midlands	–11.9	–11.7	–15.6	–16.9	–15.0	–18.6	–18.9	–13.5	–122
Total	**–25.9**	**–27.3**	**–33.0**	**–42.5**	**–45.5**	**–46.3**	**–47.7**	**–39.2**	**–307**
Excluding migration to/from regional remainders									
Tyne and Wear	+1.0	+0.9	–0.5	–2.0	–3.3	–2.7	–2.3	–1.7	–11
Greater Manchester	–2.5	–3.0	–3.3	–5.0	–5.7	–3.9	–5.9	–5.3	–35
Merseyside	–2.9	–3.7	–3.1	–3.0	–3.9	–3.2	–3.8	–3.2	–26
South Yorkshire	–0.2	–0.8	–1.3	–3.1	–3.8	–3.0	–3.0	–2.1	–17
West Yorkshire	–0.5	+0.8	+0.6	–1.7	–2.4	–3.5	–2.3	–2.5	–12
West Midlands	–3.8	–4.0	–6.4	–7.4	–6.4	–8.0	–8.3	–5.3	–50
Total	**–8.9**	**–9.8**	**–14.0**	**–22.2**	**–25.5**	**–24.3**	**–24.4**	**–20.1**	**–149**

Note: Detail does not always add to totals owing to rounding.

Source: ONS, *Key Population and Vital Statistics*, table 5.2a (annual).

Table A3 Net migration from metropolitan areas to regional remainders and rest of country (thousand)

	Regional remainders	Rest of England and Wales
1991	–17.0	–8.9
1992	–17.5	–9.8
1993	–19.0	–14.0
1994	–20.3	–22.2
1995	–20.0	–25.5
1996	–22.0	–24.3
1997	–23.3	–24.4
1998	–19.1	–20.1

Source: See Table A2.

The increase in net migration from the metropolitan areas to the regional remainders was much less than to the rest of England and Wales (how much of this went to the South of England is analysed in a later section of the paper). If the annual average in 1996–98 is compared with 1991–93, net migration to the regional remainders is seen to have risen by only 3.6 thousand, but the rest of England and Wales by 12.0 thousand. The greater stability of net migration from the metropolitan areas to the remainders of their regions suggests that much of it is unrelated to North (and West Midlands) to South 'drift' but on the contrary is motivated by better living conditions and possibly employment opportunities outside the metropolitan areas. To that extent, an 'urban renaissance' in the northern and West Midlands metropolitan areas would work to take pressure off the suburban and rural areas of the North and Midlands, not the South.

How much of total net outward migration from the three northern regions and West Midlands was from the metropolitan areas and how much from the rest of their regions (or regional remainders) can be gauged approximately by comparing Table A2 and Table A1. Net migration from the metropolitan areas to the rest of England and Wales was shown in Table A2; net migration from the 'regional remainders' in Table A4.

Table A4 Net migration between regional remainders and rest of country (apart from the metropolitan areas) (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998	Total
North East	–1.7	–0.7	–2.9	–4.4	–4.4	–3.2	–3.6	–2.3	–23
North West	–3.4	–2.1	–2.2	–2.1	–2.5	–1.9	–1.3	–4.4	–20
Yorkshire and Humberside	+0.3	+1.9	+1.0	+0.4	–0.6	–0.9	–2.0	+0.2	0
West Midlands	–1.4	–2.5	–2.8	–2.9	–2.7	–2.4	–2.7	–1.3	–18
Total	**–6.2**	**–3.4**	**–6.9**	**–9.0**	**–9.2**	**–8.4**	**–9.6**	**–7.8**	**–61**

Source: Tables A1 and A2.

For all four regions together, just over 70 per cent of net outward migration to other regions in 1991–98 came from the metropolitan areas, compared with the 57 per cent that there would have been if pro rata to population. In the North East the proportion was 32 per cent; in the North West 75 per cent; in Yorkshire and Humberside 100 per cent and in the West Midlands 75 per cent, compared with an expected 37, 63, 68 and 50 per cent if pro rata to population. Net migration from 'regional remainders' followed the same sequence through time as did net migration from the metropolitan areas, but the increase after 1993 was much less steep.

There are two further parts to be shown of the outline of population changes by region and metropolitan area before concentrating on London and the rest of the South: total population change (Table A5) and the division of the total changes into their components (Table A6).

An analysis of the components of population change is immediately available only at regional level, for 1991–97, to distinguish natural change, net migration within the UK and net international migration. Table A6 includes another component, 'other changes', which comprises UK armed services personnel, foreign (mainly US) forces and their dependants and a number of technical adjustments in the mid-year population estimates. For metropolitan areas, only, a division between natural change and 'migration and other changes' is available.

In the 1990s all the regions had a positive balance of international net migration; but that over 80 per cent was in the South of England (including London) is extremely important for so much of the net increase in England's population being in the South – just over 1 million in 1991–98, 80 per cent of the total for England. International migration is the least securely estimated of the components of population change; but it seems unlikely that any revisions will greatly alter the picture.

Table A5 Net changes in total population 1991–98: regions and metropolitan areas (thousand)

	Metropolitan areas	Regional remainders	Regions
North East	–15	+4	–13
North West	–33	+39	+6
Yorkshire and Humberside	+31	+29	+60
West Midlands	–1	+66	+67
Subtotal	**–18**	**+137**	**+120**
East Midlands	…	…	+137
London	…	…	+297
East	…	…	+227
South East	…	…	+325
South West	…	…	+184
Subtotal South excluding London	**…**	**…**	**+735**
England	**…**	**…**	**+1,257**

Source: ONS *Population Estimates mid 1998 England and Wales*, table 6.

Table A6 Components of population change 1991–97 (thousand)

	Natural change	Internal migration (a)	International migration (b)	Other change	Total
North East	+7	–28	+8	+5	–8
North West	+47	–65	+2	+15	–1
Yorkshire and Humberside	+49	–22	+20	+6	+54
West Midlands	+74	–57	+30	+8	+55
Subtotal	**+178**	**–172**	**+61**	**+33**	**+101**
East Midlands	+43	+53	+21	+5	+121
London	+229	–279	+259	+23	+232
East	+77	+82	+32	–7	+184
South East	+84	+132	+79	–15	+280
South West	–3	+143	+10	+8	+158
Subtotal South excluding London	**+158**	**+357**	**+120**	**–13**	**+623**
England	**+608**	**–40**	**+462**	**+47**	**+1,076**

Note: (a) Includes Irish Republic as well as UK.
(b) Includes asylum seekers and visitor switchers.

Source: Supplied by ONS; previously published in table 2.1 of Holmans and Simpson, 1999.

Population flows and changes in the South of England excluding London

In this section of the Appendix, net migration from the North and Midlands (and from Wales, Scotland and Northern Ireland) to the South of England outside London is brought together with net migration from London, international migration and natural increase of population (excess of births over deaths). Net migration from the rest of the UK to London can also conveniently be shown here. Some of the movers to London both from the rest of the UK and from overseas may well in due time move out to the rest of the South. In Table A7 plus signs denote more movers into the South than movers out.

In the eight years covered by Table A7, net migration from the rest of the UK to the South of England (including London) totalled just under 100,000. As noted above, there was a sharp increase after 1993. In the first three years, there was a net outflow of 8,000 from the South excluding London and a further 8,000 from London. In the eight years in total there was a net flow of 95,000 from the northern and West Midlands metropolitan areas to London and the South and a further 32,000 from the remainders of those regions. In the opposite direction was a net outflow of 27,000 to the East Midlands region. As was remarked on above, in a South/Midlands/North division, net migration into the East Midlands masks the large net outflow from the West Midlands, which in its migration characteristics is similar to the three northern regions.

The internal migration flows to the South shown in Table A7 are brought together in Table A8, with the flows from London to the eastern, South East and South West regions. Natural change is also shown. Natural change plus net inward migration from London and from the Midlands and North, Wales, Scotland and Northern Ireland is not the sum total of population change in the South outside London, as it does not include net migration from outside the UK. As explained above, that is not published on a calendar year basis.

Table A7 Net migration from the rest of the United Kingdom to the South of England, 1991–98 (thousand)

Origin	1991	1992	1993	1994	1995	1996	1997	1998	Total 1991–98
(a) South excluding London									
North and West Midlands metropolitan areas	+2.5	+3.0	+4.1	+8.3	+9.9	+10.4	+10.8	+8.1	+57
Remainder of North and West Midlands	–0.9	–0.3	+2.2	+4.3	+5.7	+5.1	+4.6	+2.6	+24
East Midlands	–2.5	–3.4	–2.3	–1.8	–2.0	–0.5	–3.7	–4.4	–21
Wales, Scotland, Northern Ireland	–5.5	–3.1	–1.7	+1.0	+3.6	+4.6	+1.1	+2.3	+2
Total	**–6.4**	**–3.8**	**+2.3**	**+11.8**	**+17.2**	**+19.6**	**+12.8**	**+8.6**	**+62**
(b) London									
North and West Midlands metropolitan areas	+1.7	+1.2	+2.8	+5.3	+6.6	+7.1	+6.7	+6.7	+38
Remainder of North and West Midlands	–0.4	–0.9	–0.5	+ 1.5	+ 1.8	+2.5	+ 1.7	+2.1	+8
East Midlands	–1.5	–1.7	–1.5	–0.8	+0.2	0	–0.2	–0.1	–6
Wales, Scotland, Northern Ireland	–2.9	–2.1	–1.9	–0.3	+0.6	+1.7	+0.5	+0.8	–4
Total	**–3.1**	**–3.5**	**–1.1**	**+5.7**	**+9.2**	**+11.3**	**+8.1**	**+9.5**	**+36**

Table A8 South of England outside London: migration from London and rest of UK and natural increase (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998	Total 1991–98
Net migration from Midlands, North, Wales, Scotland, Northern Ireland	–6.4	–3.8	+2.3	+11.8	+17.2	+19.6	+12.8	+8.6	+62
Net migration from London	+50.2	+47.9	+51.7	+51.6	+45.8	+56.5	+62.9	+56.1	+423
Natural increase	+33.3	+36.0	+26.0	+32.5	+18.4	+20.3	+20.5	+22.2	+209
Total apart from international migration	**+77.1**	**+80.1**	**+80.0**	**+95.9**	**+81.4**	**+96.4**	**+86.2**	**+86.9**	**+694**

Table A8 can be drawn on to provide a picture of population change in the South East outside London that brings in net migration from outside the UK in an approximate way. The starting point is the net increase in population between mid-1991 and mid-1998 (Table A5). That is a seven-year period; the 1991–98 totals in Table A8 above are modified by subtracting one half of the 1991 and one half of the 1998 figures. International migration, including the 'other changes', is left as a residual; for present purposes the 'other changes' in Table A6 are scaled from six to seven years.

Overall, net migration from the Midlands and North and from Wales, Scotland and Northern Ireland contributed slightly more than 8 per cent of the total net increase in the population of the South of England outside London. Fifty per cent came from net migration from London. Natural increase, a component of regional population that tends often to be overlooked owing to the emphasis on migration, contributed 25 per cent. Fuller details of natural increase by region are in Table A12. For the three regions of the South outside London taken together, the share of the national total excess of births over deaths was less than pro rata to population. The reason is that in the South West deaths slightly exceed births (as a consequence of the effect of inward migration of older people on the age structure). In the eastern and South East regions, the proportion of total natural increase was pro rata to population. The figure for net inward migration from abroad is approximate but not likely to be far out. It is more than twice as great as internal net inward migration from outside the South. But migration from London dominates. In the first instance it goes to the adjacent eastern and South East regions rather than to the South West; but the South West has substantial net inward migration from the eastern and South East regions, especially the latter.

Population change in London

Because so much of the growth of population in the South of England outside London is the result of net migration from London, it could appear that pressure on the South outside London might most

Table A9 Estimated composition of population change in the South of England outside London, 1991–98

	Number (thousand)	Annual average	Percentage
Natural change (births minus deaths)	+183	+26	25
Internal migration (net) from North and Midlands and Wales, Scotland, Northern Ireland	+61	+9	8
Internal migration (net) from London to the rest of the South	+370	+53	50
International migration (net) (a)	+137	+20	19
Other changes	–16	–2	–2
Total population change	**+ 735**	**+105**	**100**

Note: (a) Residual.

Source: Tables A5, A6 and A8.

effectively be diminished by reducing net outward migration from London. To show what might be implied, an analysis of population change in London is made in the same way as for the rest of the South in Tables A8 and A9. Table A10 below shows internal net migration and natural change.

Net migration from outside the UK can be brought into an analysis of population change in London in the same way as for the rest of the South (Table A9).

As for the South outside London (Table A9), so for London the migration figures are approximate only, but are close enough to the mark to show how important international migration has been in the growth of London's population. The natural change is a firm figure (table 6 of ONS, *Population Estimates mid 1998 England and Wales).* Net migration from the North and Midlands and Wales, Scotland and Northern Ireland made only a modest contribution to increase population pressure in London. Net inward migration from overseas was substantially larger and its contribution to the growth of population is well known. Less well known and little commented on is the size of the

Table A10 London: migration within the UK and natural increase (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998	Total
Net migration from Midlands and North Wales, Scotland and Northern Ireland	–3.1	–3.5	–1.1	+5.7	+9.2	+11.3	+8.1	+9.5	+36
Net migration to eastern, South East, South West regions	–50.2	–47.9	–51.7	–51.6	–45.8	–56.5	–62.9	–56.1	–423
Natural change	+36.9	+39.8	+35.9	+39.3	+36.9	+39.7	+41.8	+43.2	+314
Total excluding international migration	**–16.4**	**–11.6**	**–16.9**	**–6.6**	**+0.3**	**–5.5**	**–13.0**	**–3.4**	**–73**

Source: Tables A7, A8 and A12.

Table A11 Estimated composition of population change in London 1991–98 (thousand)

	Total	Annual average
Natural change (births minus deaths)	+273	+39
Internal migration (net) from North and Midlands and Wales, Scotland, Northern Ireland	+33	+5
Internal migration (net) from London	–370	–53
International migration (net) (a)	+335	+48
Other changes	+26	+4
Total population change	**+297**	**+42**

Note: (a) Residual.

Source: Tables A7, A8 and A12.

natural increase in the population in London, i.e. the excess of births over deaths. The 39,000 a year shown in Table A11 was 34 per cent of the total for England, which was far out of proportion to London's share of the total population (between 14 and 15 per cent). The main reason for the disproportionately large natural increase in London is the age structure of its population, rather than lower death rates or higher birth rates.

Age-standardised birth rates in London in 1997 (the most recent year for which the data are available) were just over 2 per cent higher than in England as a whole and age-standardised death rates 2 per cent lower *(Regional Trends,* No. 34 (1999) tables 3.9 and 3.10). These differences are too small to account for more than a small part of the difference between London's actual excess of births over deaths and its proportionate share pro rata to population. The main explanation is in the age structure of London's population. London's population is more heavily weighted with young adults than the population of England as a whole. In 1997 46.1 per cent of the population of London were aged 16–44, compared with 40.9 per cent in England as a whole (table 3.4 of *Regional Trends,* No. 34). This difference is the cumulative result of net inward migration of younger men and women and net outward migration of children (with their parents) and older people. Of the population of London 13.1 per cent were aged 65 and over in 1997, compared with 15.8 per cent in England as a whole. If net inward migration from the Midlands and North and from overseas were to cease, the difference in age structure between London and the rest of England would gradually diminish, but only slowly. The disproportionately large natural increase in London is therefore likely to persist.

In the absence of net outward migration to the rest of the South of England, London's population would have grown by between 90,000 and 100,000 a year in the 1990s. In times past such population growth would have been accommodated by physical growth of London's built-up area. The growth of the built-up area stopped, however, at where it had got to in 1939. Present Green Belt policies do not provide for any resumption of outward growth of the built-up areas. To accommodate 100,000 more people a year within the built-up area without massively increased over crowding and multi-occupation would appear impossible. To accommodate even the 26–27,000 a year net increase for 25 years shown by the 1996-based population projections appears at the limit of possibilities. With the natural increase and net inward migration from overseas at anything like their present levels, large scale net outward migration from London to the rest of the South is inevitable. Most of this net migration from London goes to the South East and East regions, but there is a partially balancing net flow from the South East region to the South West.

The future prospect: what could take the pressure off the South?

The starting point of an assessment of what might be done to reduce the pressure of population growth and hence housing demand and need, in the South of England outside London, is the rapid growth of the total national population. The 1996-based official population projections, from which were derived the 1996-based household projections, showed an increase of 3.4 million in the population of England between 1996 and 2021 and the 1998-based projections published in March 2000 *(Population Trends,* Spring 2000) raised this figure to 4.6 million, principally through higher

Table A12 Natural increase in population: regional analysis 1991–98 (thousand)

	1991	1992	1993	1994	1995	1996	1997	1998
North East/North (a)	3.1	2.9	0.6	0.9	0.2	–0.3	–0.4	–1.8
North West (b)	14.8	12.8	7.1	8.4	3.8	5.1	4.0	1.9
Yorkshire and Humberside	11.3	11.9	8.1	8.7	7.1	6.4	5.2	4.0
West Midlands	17.2	15.9	11.9	13.3	9.1	11.0	10.6	9.2
East Midlands	10.1	9.8	6.4	8.2	5.5	5.3	4.8	3.8
Eastern/East Anglia (c)	3.6	3.9	2.4	3.2	10.3	10.5	10.9	10.1
London	36.9	39.8	35.9	39.3	36.9	39.7	41.8	43.2
South East (d)	28.3	30.0	24.0	27.7	11.0	11.3	11.6	13.7
South West	1.4	2.1	–0.4	1.6	–2.9	–1.5	–2.0	–1.6
England	**126.8**	**129.1**	**95.9**	**111.4**	**80.7**	**87.6**	**86.6**	**82.5**

Notes: (a) In 1991–94 the North standard statistical region.
(b) In 1991–94 standard statistical region.
(c) In 1991–94 East Anglia standard statistical region.
(d) In 1991–94 rest of South East standard statistical region.

assumptions about net inward migration to the UK (95,000 a year in place of 65,000). Of the net increase of 3,395,000 shown by the 1996-based projections, 2,930,000 is projected for the South of England, 660,000 in London and 2,270,000 in the eastern, South East and South West regions. It is understood that ONS do not plan to issue new long-term subnational population projections that are consistent with the 1998-based national population projections to replace the 1996-based projections. But it is clear (because the higher international migration assumption contributes so much to the upward revision of the national total) that the projections for London and the South would be raised disproportionately. Some 80 and 85 per cent of net inward migration from outside the UK goes to London and the rest of the South (Table A6). As well as the effect of migration (including children born to migrants) the concentration of natural increase in the South is important to note. ONS estimates (*Population Trends*, Winter 1999, page 26) that if there were no migration after mid-1996, either internal or to and from outside the UK, the total population of England would grow by 995,000 between 1996 and 2021, purely from the excess of births over deaths. Of that increase, 488,000 is projected to be in London and 320,000 in the eastern and South East regions (in the South West an excess of deaths over births of 64,000 is projected).

Without a large fall in net international migration, the situation in the 1990s depicted in Table A9 (the South outside London) and Table A11 (London) will run on into the future. For both together the driving forces are net inward migration from outside the UK and natural increase, which together ensure substantial net outward migration from London to the rest of the South. Net migration from the Midlands and North is of secondary importance in comparison. In consequence, an 'urban renaissance' in the North and Midlands could not itself obviate future large increases in the population of the South outside London so long as net inward migration from outside the UK runs at the levels of the 1990s.

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