

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
REGIONAL PLANNING COMMITTEE**

Date: 8 December 2004

Subject: **District Housing Distribution Process**

Report of: Director of Planning & Transport

Recommendation:

That the Committee note the approach set out in this report.

1. Purpose of the Report

- 1.1 To respond to the Committee request for further information on the arrangements for arriving at a district level¹ housing distribution as part of the process of preparing the South East Plan.

2. Context

- 2.1 At the November meeting of the Regional Planning Committee, members considered a report on the approach to determining the district level housing distribution. The report (which is annexed to this report) proposed a process that would take as its starting point the regional spatial options in the Draft South East Plan, together with the assessments that have been carried out through the sub-regional strategies and a balancing element for each of the county areas outside the sub-regions. The distribution itself would be guided by the strategic set of regional and sub-regional policies and proposals and by independent advice on a housing distribution methodology.
- 2.2 The working arrangements that were proposed put the local authorities at the centre of the process for arriving at the district housing distribution: in the sub-regional areas each sub-region would be asked to prepare a housing distribution (or distributions) related to the spatial options that they have or are developing. Outside the sub-regions the counties would be asked to work with the relevant districts in a similar way.

¹ All references in this report to districts also includes unitary authorities.

3. Update

- 3.1 Since that report to the November meeting of the Regional Planning Committee, Regional Assembly officers have taken some further soundings on what was proposed. The advice that has been received suggests to the Assembly that the broad approach that was previously proposed could command support from the local authorities, but that further explanation is required on a number of issues.
- 3.2 The distribution will be guided by a strategic set of regional and sub-regional policies and proposals set out in the Draft South East Plan. There will be a housing distribution methodology based on independent technical advice. The methodology will not be a formula that is applied in a mechanistic and uniform way throughout the region. Rather, its purpose is to help ensure consistency of approach. A steering group is being established to oversee the consultants' work on the distribution methodology.
- 3.3 Each sub-region will be asked to prepare distributions for a range of figures based on the 'bottom-up' assessments carried out through the sub-regional strategies and the 'top-down' regional spatial options. In other words, the 'bottom-up' and 'top-down' housing figures will be tested in exactly the same way. In order to simplify the process and to avoid testing numerous different figures, the sub-regions will be asked to arrive at distributions for a limited number of totals based on the bottom, top and mid-point of the range. In most sub-regions it will be appropriate to test and put forward for consultation different spatial options related to a particular growth level.
- 3.4 In each of the county areas outside the sub-regions there will be a similar process based on a range of figures derived from the 'top-down' regional spatial options.
- 3.5 Within the sub-regional areas the process for arriving at housing distribution options is very much an extension of the work on the sub-regional strategies. It is therefore appropriate that the principal authorities – the counties and unitaries – take the lead in these areas. However, the Regional Assembly wishes to see a common format for the member steering groups with the counties, unitaries and districts acting as equal partners with each authority having equal voting rights. Such arrangements have already operated successfully in a number of sub-regions during preparation of the sub-regional strategies.
- 3.6 Outside the sub-regions it is proposed that each of the existing county and district groupings will be asked to prepare distributions for its area. It will be for each grouping to agree working and leadership arrangements. To ensure that the processes are joined up it will be important that there is liaison between those preparing the distributions for the sub-regions and for adjoining areas.

- 3.7 The Regional Assembly will discourage minority reports setting out other housing distributions.
- 3.8 The work will need to commence in January 2005 and complete in April 2005. The distributions will then be reported to Regional Planning Committee and the Regional Assembly, to be followed by a second period of public consultation prior to submission to the Secretary of State.

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25 November 2004

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**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
REGIONAL PLANNING COMMITTEE**

Date: 8 November 2004

Subject: **Approach to Determining the Distribution of Housing**

Report of: Director of Planning & Transport

Recommendation:

That the Committee note the approach set out in this report.

1. Purpose of the Report

- 1.1 To respond to members' requirements for further information on the arrangements for arriving at a district level² housing distribution as part of the process of preparing the South East Plan.

2. Context

- 2.3 At the July meeting of the Regional Planning Committee, members considered a report on procedural and distributional arrangements for the South East Plan (Agenda Item 9). The second part of the report dealt specifically with the question of the distribution of development. The report proposed a staged approach to distribution. The first stage would be a distribution to sub-regions and to those parts of counties not covered by sub-regions. The district level distribution would be undertaken as a second stage and would reflect the decisions made about the levels of housing provision at regional level and sub-regional level, the regional and sub-regional spatial strategies, and more detailed local assessments. These broad arrangements were agreed by the Committee.
- 2.4 Since that report to the July meeting of the Regional Planning Committee, PPS 11 'Regional Spatial Strategies' has been published. Although the PPS confirms that the South East Plan will need to provide individual housing figures for each district, it does not require that we adopt a particular approach or methodology. In the period since July we have also established a better understanding of the approaches to housing distribution that have recently been developed by colleagues in other English regions. We have concluded that although there are some elements of their approaches that we will wish to take board, and lessons to learn, it will not be appropriate to simply apply an 'off-the-shelf' methodology to the South East. We are therefore developing a specific methodology for this

² All references in this report to districts also includes unitary authorities.

region that builds on the regional and sub-regional work that has been completed to date.

3. Proposed Way Forward

3.9 There are three levels at which the distribution of housing is being considered in the South East Plan: regional, sub-regional/residual county area, and district.

3.10 At a regional level the housing distribution is expressed in broad terms in the form of the emerging regional spatial options, and (following the consultation on the Draft Plan), a preferred regional spatial strategy. The emerging regional spatial options will form the basis for the broad distribution of growth between the sub-regions and those parts of the counties not covered by sub-regions. For example, in some parts of the region we will seek to ensure that there is a better balance between economic growth and housing provision, while in other areas the emphasis will be on regeneration. The Draft Plan will also identify an overall settlement policy.

3.11 The housing distribution to sub-regional level in the Draft Plan will reflect the broad 'top-down' regional spatial distribution together with the 'bottom-up' assessments that have been carried out to date through the sub-regional strategies. The sub-regional housing distribution may well take the form of a range for each sub-region comprising a lower and upper level of housing provision. It is this sub-regional distribution in the Draft Plan that will form the basis for preparing a district level housing distribution, together with a balancing element for the non-sub-regional areas, in other words, county areas outside sub-regions. These are derived from the overall regional forecasts, and distribution based on chosen policy options.

3.12 The district level housing distribution will be guided by this strategic set of regional and sub-regional policies and proposals. While we must avoid being site-specific and going into the level of detail more appropriate to a Local Development Document, any district level housing distribution necessarily also needs to take into account other more detailed factors. Broadly speaking these other factors fall into two categories: (i) basic building blocks of information; and (ii) opportunities and constraints.

3.13 The basic building blocks include factors such as the following:

- outstanding housing commitments
- vacancies within the existing housing stock
- assessments of urban housing potential
- international and national designations relating to intrinsic land quality
- housing market areas
- demographic projections and forecasts, although they need to be interpreted carefully at the district level.

3.14 Other factors that act as constraints and/or opportunities will need to be taken into account. These include:

- transport infrastructure, including congestion, existing and planned capacity, potential and timing
- accessibility – current and potential
- additional urban potential
- water supply and waste water
- other utilities
- social infrastructure
- retaining gaps between settlements
- strategically significant opportunities on public land
- deliverability and phasing.

3.15 We are commissioning a short piece of work from consultants to assist in establishing a consistent housing distribution methodology. We propose to use that independent advice to build on the technical analysis underlying the sub-regional strategies. Our preferred approach is to continue with our current sub-regional working arrangements, with each sub-region being asked to prepare a housing distribution based on the housing provision figure (or figures) in the Draft Plan using the regionally agreed distribution methodology. In those areas outside the sub-regions, the counties would be asked to work with the relevant districts in a similar way. The work would need to be carried out over a similar timescale as the consultation on the Draft Plan, beginning in January 2005 and completing in April.

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28 October 2004

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