

## **South East Wales Regional Housing Apportionment Memorandum of Understanding**

This Memorandum of Understanding comprises 3 parts:

**Part 1 - Explanatory text**

**Part 2 - Housing Apportionment by Local Authority to 2021**

**Annex - History of the Apportionment Process**

### **Part 1 - Explanatory text**

This work has been undertaken in the context of the Wales Spatial Plan 2004 and the associated area work of the South East Wales Strategic Development Project.

The process reflects the Welsh Assembly Government's revisions to national planning policy guidance on housing.

This Memorandum is based on the Welsh Assembly Government's household projections and confirms agreement to their apportionment to each local authority, not as a target, but as a working hypothesis to provide a regional context for the preparation of individual Local Development Plans (LDPs).

Use of the Assembly Government's household projections and the consequent housing apportionment figures have been facilitated through the regional collaborative working of the eleven local authorities in the South East Wales Strategic Planning Group and other stakeholders, including the Home Builders Federation, utility companies and environmental organisations.

The detailed housing apportionment figures form the basis for ongoing work on individual local authority statutory LDPs and will require review in tandem with their progression. Individual LDPs are subject to strategic environmental assessment/sustainability appraisal and are prepared through the engagement of a broad range of stakeholders. Compliance with the regional apportionment will be monitored by the SEWSPG and significant variations considered by the Group.

**George Ashworth  
Officer Chair South East Wales Strategic Planning Group  
February 2007**

**Cllr Peter Clarke  
Member Chair South East Wales Strategic Planning Group  
March 2007**

**Part 2 - Housing Apportionment by Local Authority to 2021**

<b>SEWSPG: Dwelling Completions &amp; Household Change by LA to 2021</b>								
<b>AUTHORITY</b>	<b>Dwellings</b>					<b>Households</b>		
	<b>Average rate of completions 1991-2005*</b>		<b>Assumed average dwelling completions 2006-2021 p.a.</b>		<b>Rate of change for dwelling completions 2006-21 compared to 1991-05</b>	<b>Proportion of total households in region in 2003</b>	<b>Proportion of WAG regional household growth 2003-21 (LAs preferred options)</b>	
	<b>No</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>No</b>	<b>%</b>
<b>Blaenau Gwent</b>	129	2.6	200	3.3	+54.5%	4.9	4,280	3.9
<b>Bridgend</b>	513	10.4	500	8.3	-2.6%	9.3	10,120	9.3
<b>Caerphilly</b>	561	11.4	650	10.8	+16.0%	12.0	11,450	10.5
<b>Cardiff</b>	1352	27.5	1,420	23.6	+5.0%	22.3	26,070	23.9
<b>Merthyr Tydfil</b>	130	2.6	250	4.2	+92.5%	3.9	4,900	4.5
<b>Monmouthshire</b>	395	8.0	350	5.8	-11.4%	6.1	6,140	5.6
<b>Newport</b>	419	8.5	800	13.3	+90.7%	9.9	12,100	11.1
<b>RCT</b>	696	14.1	950	15.8	+36.5%	16.5	17,300	15.9
<b>Torfaen</b>	216	4.4	400	6.6	+85.4%	6.5	6,600	6.1
<b>The Vale of Glamorgan</b>	511	10.4	500	8.3	-2.2%	8.5	9,940	9.1
<b>S.E. Wales</b>	<b>4,923</b>	<b>100.0</b>	<b>6,020</b>	<b>100.0</b>	<b>+22.3%</b>	<b>100.0</b>	<b>108,900</b>	<b>100.0</b>
<b>SUB REGIONAL COMPARISONS</b>								
<b>EAST</b> (Newport, Torfaen, Blaenau Gwent & Monmouthshire)	1,160	23.6	1,750	29.1	+50.9%	27.4	29,120	26.7
<b>WEST</b> (Merthyr, Caerphilly, RCT, Bridgend, Vale & Cardiff)	3,763	76.4	4,270	70.9	+13.5%	72.6	79,780	73.3
<b>COAST</b> (Monmouthshire, Newport, Cardiff, & Vale)	2,678	54.4	3,070	51.0	+14.6%	47.0	54,250	49.8
<b>REST</b> (Torfaen, BG, Caerphilly, MT, RCT, & Bridgend)	2,245	45.6	2,950	49.0	+31.4%	53.0	54,650	50.2

\* Including average completions for last one or two years for some authorities

## **Annex - SEWSPG- History of Regional Housing Apportionment Process**

### **Welsh Assembly Government (WAG) Consultation Draft Ministerial Interim Planning Policy Statement (MIPPS) on 'Housing', July 2005**

The draft guidance outlines that within each region local planning authorities (LPAs) should work together collaboratively to apportion to each authority the Assembly Government regional household projections or agree their own regional policy based projections (paragraph 9.2.2).

### **19 September 2005 SEWSPG Member/Officer Meeting**



Agreed that an up-to-date position statement be prepared on housing to update the housing land supply figures from those contained in the January 2000 Strategic Planning Guidance for South East Wales.

Agreed to invite SEWTA, SEWRHF and SEWEF to future meetings of SEWSPG. Chair of SEWSPG to attend future meetings of these regional groups and report back.

SEWRHF Regional Housing Market Study circulated to all SEWSPG members, SEWRHF invited to next meeting to give presentation on the report's main conclusions.

Noted the current consultation on the draft MIPPS and TANs1 and 2 with their explicit recognition of working at a level above that of individual local authorities to assess housing issues. Agreed to note the implications for the future role of the SEWSPG and give consideration to such matters in individual consultation responses.

### **12 December 2005 SEWSPG Officer Meeting**

Agreed to collate Housing Land Availability (HLA) data from all authorities, (Graham Fry, Newport City Council) to input to SE Wales Strategic Development Project Initiation Document.



### **23 January 2006 SEWSPG Member and Officer Meeting**

Draft data sheet indicating dwelling completions and brownfield/greenfield split for the majority of authorities introduced by Graham Fry (Newport City Council).



**24 April 2006**  
**SEWSPG Officer Meeting**

Two papers introduced:

1. Draft 'Household Projections and Local Development Plan Dwelling Requirements' Jerry Dixon (Merthyr Tydfil County Borough Council).
2. First Draft of 'South East Wales Regional Household Forecast: Apportionment to Local Authority Areas' (Gerry Lynch, Cardiff City and County Council).

Agreed to convene a special meeting in the form of an informal workshop to discuss each authority's ability to accommodate the projected household growth; inviting a WAG representative in respect of revised planning policy on housing and household projection figures.



**11 May 2006**  
**SEWSPG Special Officer Meeting**

Presentation by Neil Hemington and Jamie Jenkins (WAG Planning Division and Statistical Directorate) 'Sub-national population projections: South East Wales'.

Two papers introduced:

1. The 'bottom up' policy based approach by Roger Tanner (Caerphilly County Borough Council).
2. The 'top down' policy based approach by Dave Holtam (Cardiff City and County Council).

Neil Hemington confirmed that the work of SEWSPG would acquire status by feeding into the WSP refresh and then into individual Local Development Plans (LDPs).

SEWSPG agreed that the WAG household projections of 108,900 should be used as a working hypothesis for regional housing apportionment.

Local Authority capacity figures put forward to assist the group in its current exercise and to provide the WSP process with an option for consideration. Agreed this was an Officer view and that matters require further political consideration. Papers to be revised and figures updated for the Member meeting.



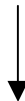
**22 May 2006**  
**SEWSPG Member and Officer Meeting**

Presentation by Neil Hemington (WAG Planning Division) 'Sub-national population projections: South East Wales', outlining amendments to draft MIPPS (para 9.2.2) in light of analysis of consultation responses.

Agreed that the WAG household projections of 108,900 should be used as a working hypothesis for regional housing apportionment.

Dave Holtam (Cardiff City and County Council) presented a paper 'Apportionment of Regional Housing Projections'.

Agreed that the apportionment of households indicated in the appendix of the paper presented should be accepted as the basis for local authority participation in on-going discussions on the SEW Strategic Development project and progressing individual LDPs.



**'MIPPS 01/2006 'Housing' and 'TAN1- Joint Housing Land Availability Studies', June 2006**

The final Housing MIPPS introduces collaborative working between LPAs *and* appropriate stakeholders to apportion household projections (para 9.2.2).



**12 June 2006**  
**SEWSPG Officer Meeting**

Agreed need to liaise with transport, housing and private sector groups.

Presentation by Peter Green (Bridgend County Borough Council) on behalf of SE Wales Regional Housing Forum (SEWRHF).

Agreed to further revise apportionment figures for Torfaen CBC and Caerphilly CBC according to meeting discussions.



WAG email confirming discussions that SEWSPG needs to consider apportionment in light of the three Area Framework options. Consultation on the options and their SEA/SA will then include the three apportionment options (16 June 2006).



**17 July 2006  
SEWSPG AGM**

Agreed Dave Holtam (Cardiff City and County Council) should make a presentation to the Business Panel on 24 July 2006 on behalf of SEWSPG regarding the housing apportionment process and detailed figures to date.

Presentation by Dave Harris on behalf of the South East Wales Transport Alliance (SEWTA).



WAG advises SEWSPG Chair via email that it is unlikely that the consultation draft of the South East Area Framework will include the LPA apportionment figures and that LPAs will need to substantiate their housing figures based on guidance in the Housing MIPPS and TAN1 (1 September 2006).



**18 September 2006  
SEWSPG Officer Meeting**

WAG advised that regional housing apportionment should be carried out in accordance with Housing MIPPS and TAN1, confirming that the existing WSP should be used as the basis for the regional housing apportionment exercise.

WAG also confirmed that it was *not* intended that the WSP would set out detailed apportioned housing figures, but would probably include the overall household projection (108,900) and may refer to broad areas of housing growth, but would provide no further detail.

Agreed that the housing apportionment figures could not be 'set in stone' and that flexibility would be required to allow the figures to change as LDPs move forward.

Agreed a sub-group should be formed to consider the best means of engaging other stakeholders, including the Home Builders Federation (HBF), Business Panel, environmental groups and utilities, in the housing apportionment exercise.



**6 November 2006**

**SEWSPG Officer Meeting with stakeholders (incl HBF, Environment Agency, Welsh Water) to discuss future methods of engagement in housing apportionment process.**

SE Wales Business Panel paper entitled 'South East Wales Strategic Development Options' (by Nathaniel Lichfield) introduced to SEWSPG by Richard Price (HBF).

Agreed there did not appear to be a marked difference between SEWSPG's housing apportionment figures and the position adopted by the South East Wales Business Panel.

Paper prepared by WAG entitled 'Housing, LDPs and the Wales Spatial Plan' circulated to all SEWSPG members. Agreed the document provided helpful clarification outlining that the apportionment of household projection numbers from the regional projections should take place through regional collaboration between LPAs and other stakeholders including the housebuilders and utility companies, in line with the revised planning policy guidance, noting that it would be legitimate for this to take place in the context of the spatial plan work.

Agreed a Sub Group be formed (George Ashworth, Monmouthshire CC, Dave Holtam, Cardiff CC, Andrew Wallace, Vale of Glamorgan CC, Lynda Healey Blaenau Gwent CBC, and Roger Tanner, Caerphilly CBC, with the involvement of Justin Cooper of Sewta) to prepare a strategic statement for the region to be fed into the work of the WSP Core Group, indicating general directions of growth and identifying key settlements; a draft of the document to be presented to the next SEWSPG meeting.

Agreed Event Sub Group meet asap to make arrangements for a stakeholder conference to take place in January, reporting back to next meeting.



**11 December 2006**

**SEWSPG Officer Meeting with additional housing apportionment stakeholders**

First Draft SEWSPG paper 'Preferred Option for a Strategic Framework to Guide Future Development and Policies in South East Wales' prepared by Sub Group, introduced by George Ashworth (Monmouthshire County Council and Chair SEWSPG). Agreed any additional paragraphs that SEWSPG members felt should be added to the document to be sent to Secretariat.

The work of the Event Sub-Group (Jane Coppock Monmouthshire CC, Lynda Healey, Blaenau Gwent CBC, Dave Holtam Cardiff CC, Keith Warren, Rhondda Cynon Taf CBC) was reported regarding the organisation of the Housing Apportionment Seminar outlining the balance of between various sectoral interests, the HBF to seek nominations from the private business sector; workshops to be independently facilitated by Cardiff University School of City and Regional Planning (CPlan).

Agreed the Business Panel, through Richard Price of the HBF, be invited to submit an alternative apportionment to be assessed at the seminar and that it also be suggested to the Panel that their representative liaise with DH beforehand to ensure consistency in the figures to be discussed.



**11 January 2007**  
**South East Wales Regional Housing Apportionment Seminar**

Five Presentations from:

- WAG - 'Welsh Assembly Government Context' (Neil Hemington, Planning Division).
- Environment Agency – 'Environmental Resources and Opportunities. Creating a Networked Environmental Region' (Michael Evans).
- Welsh Water – 'Utilities Context' (Ryan Bowen).
- SEWSPG – 'Regional Housing Apportionment' (David Holtam, Cardiff City and County Council).
- Business Panel – 'Business Panel Views' (Richard Price, Home Builders Federation), supported by HBF, CBI Wales, Chamber of Commerce, FSB, Institute of Directors, Institute of Chartered Accountants and RICS Wales.

Three Workshops facilitated by CPlan to discuss the compatibility of the apportionments with the existing Wales Spatial Plan strategic objectives for the South-East Wales region, with focus on transport proposals and environmental opportunities and constraints.

Workshop Feedback Notes prepared by CPlan and circulated to all seminar participants and SEWSPG members.



**12 February 2007**  
**SEWSPG Officer Meeting with additional housing apportionment stakeholders**

Agreement on key issues arising from Seminar.

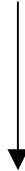
Agreement of Draft Memorandum of Understanding, subject to a number of minor amendments to paragraph 3.





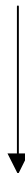
**05 March 2007**  
**SEWSPG Member/Officer Meeting with additional housing apportionment stakeholders**

The meeting agreed that the regional housing apportionment be endorsed as a working hypothesis for local development plan preparation and that each local authority report back to their individual Councils/Cabinets to seek similar endorsement as an option for LDP preparation.



**18 June 2007**  
**SEWSPG Officer Meeting**  
**(additional housing apportionment stakeholders invited)**

An update was provided by all LPA representatives on political reporting of the regional housing apportionment as one of the options for future growth to be considered in the preparation of individual LDPs. It was noted that a majority of authorities had formally endorsed their respective housing apportionments in either a stand alone report or as part of their LDP Preferred Strategies.



**16 July 2007**  
**SEWSPG Member/Officer Annual General Meeting**  
**(additional housing apportionment stakeholders invited)**

An update was provided by all LPA representatives on political reporting of the regional housing apportionment as one of the options for future growth to be considered in the preparation of individual LDPs. It was noted that an additional two authorities had formally endorsed their respective housing apportionments in either a stand alone report or as part of their LDP Preferred Strategies, with remaining authorities to progress political endorsement in the autumn. The vast majority of authorities now have political endorsement for this work and SEWSPG will continue to monitor the apportionment in tandem with LDP progression with any significant variations to be considered by the Group.