



Public Examination

Report of the Panel on the Review of Housing Growth Indicators

March 2006

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1. Introduction

Background

- 1.1 The Regional Development Strategy (RDS) sets out a long term integrated spatial plan for Northern Ireland to 2025. It was the product of a wide ranging public consultation and formal Public Examination and received cross-party support in the Assembly. It was published in September 2001.
- 1.2 An integral part of the RDS is the Spatial Development Strategy (SDS), which sets out a planning framework based on the principles of balanced development between Belfast and its hinterland and the rest of Northern Ireland. This is developed in greater detail via the identification of gateways, main hubs, local hubs and transport infrastructure across the region.
- 1.3 The RDS sets Housing Growth Indicators (HGIs) for District Councils within the context of the SDS and in 2001 it established a regional housing need figure of 160,000 additional dwellings between 1998 and 2015.

The Need for a Review of the HGIs

- 1.4 The RDS included a commitment to update the Regional housing need assessment after 5 years. The original RDS housing growth estimates were based on Government Actuary Department (GAD) data and so the 2001 Census enabled a more accurate and up to date analysis of demographic change and household projections. A Consultation Paper was issued by the Department for Regional Development (DRD) in May 2004 and over 50 responses were received from a range of stakeholders. The reassessment involved a new approach to population and household projections by the Northern Ireland Statistics and Research Agency (NISRA). NISRA's analysis of demographic change in Northern Ireland was set out in the Occasional Paper No. 21¹.
- 1.5 The Department's calculation of housing growth figures was based on this analysis combined with an updated assessment of stock loss, second homes and vacancy rates in the Region. This was published in the Public Consultation document in January 2005². The Department simultaneously published a draft Equality Impact Assessment (EQIA), which explained how equality effects were taken into account in adjustments to the draft HGIs³. The work resulted in a new estimate of 200,000

¹ NISRA (2005) *Household Projections for Northern Ireland 2002-2025*.

² DRD (2005) *Public Consultation: Review of the Regional Housing Growth Indicators*.

³ DRD (2005) *Draft Equality Impact Assessment: Review of the Regional Housing Growth Indicators*.

homes needed in Northern Ireland to the year 2015 and, in accordance with the principles established under the SDS, each District Council received an uplift on its 2001 base figure.

Terms of Reference for the Public Examination

- 1.6 The Department for Regional Development (DRD) appointed an independent Panel to undertake a review of the new HGIs and their allocation to District Council areas across Northern Ireland. The Panel were asked to examine:
- The soundness of the methodology used to calculate household projections and regional housing need and the adequacy of the regional housing figure; and
 - The adequacy of the allocation of the draft regional need figure to District Council areas through draft Housing Growth Indicators.
- 1.7 The full terms of reference for the Public Examination are set out in Annex II.

The Process

- 1.8 The Panel published a preliminary list of Matters and Participants at the first preliminary meeting on the 8th November 2005. This was based on the responses to the Department's Public Consultation document (January 2005). The Panel also provided *Notes for Participants* setting out the arrangements for submission of papers and participation in the Public Examination. The preliminary list was the subject of a further consultation exercise and a final list of Matters and Participants was published by the Panel on the 14th December 2005. The three Matters were:
- **Matter 1 Population, household change and housing provision.** This matter examined the validity of the NISRA population forecasting model, the method used to assess housing need and the assumptions that underpinned both.
 - **Matter 2 Allocation of draft Housing Growth Indicators to District Council Areas.** This matter looked at the methodology used to allocate HGIs to District Councils, their conformity with the SDS and the planning implications of the delivery of HGIs in local areas.
 - **Matter 3 Equality issues.** This final matter looked at the adjustments made to the HGIs as a result of the EQIA and their conformity with the SDS and wider RDS.
- 1.9 The full List of Matters and Participants is set out in Annex III. The Panel also asked the DRD to prepare *Background Papers* to facilitate the analysis of technical matters, which comprised:

Background Paper 1 Household Projections;
Background Paper 2 Other Elements of Housing Needs Assessment;
Background Paper 3 Allocation to Local Government Districts; and
Background Paper 4 Adjustments as a Result of the Equality Impact Assessment.

- 1.10 One of the results of the consultation process was that the NISRA methodology was challenged by the Belfast Metropolitan Residents Group (BMRG) who proposed an alternative *Vector Model* of household forecasting. At the request of the Panel, NISRA and BMRG prepared a *Joint Position Paper* outlining areas of agreement and difference in their respective approaches, which was further supplemented by a short non-technical description of each method.
- 1.11 A further preliminary meeting was held on 12th January 2006 to set out the final arrangements and procedures to be followed by the Examination. The submission period for statements from the participants ended on the 20th January 2006 and the Panel received a total of 43 submissions. The relevant policy documents, background papers and submissions were posted on the dedicated website at: www.rdshousingreviewpanel.co.uk.
- 1.12 The Public Examination was held between the 14th and 17th February 2006. Matters 1 and 3 were held in Belfast, whilst Matter 2 was sub-regionally divided between the south and east and the north and west and these sessions were held in Portadown and Coleraine respectively.
- 1.13 The remainder of this report sets out a consideration of the issues raised under each Matter. This is preceded by a summary of our recommendations to the Department for Regional Development as a result of the Public Examination.

2. Summary of Recommendations

1. The use of the NISRA Model for forecasting population and household change at the Northern Ireland level is endorsed (3.13).
2. The housing growth figures for Northern Ireland as a whole should be increased by 8,000 to 208,000 to take account of the Government Actuary Department 2004 forecasts (3.22).
3. The figure of 5% of the 2015 housing stock (39,600) should be accepted as the best estimate of vacant stock (3.33).
4. The estimate of 34,000 for stock loss over the plan period is accepted as being the best available (3.37).
5. Stock replacement should be treated appropriately through the development plan process bearing in mind the sequential test (3.37).
6. The Department's estimate of 7,400 second homes is confirmed (3.31).
7. Planning Policy Statement 12 – Housing in Settlements should be revised to clarify and strengthen policies on affordable housing in order to facilitate their delivery through the development plan process (3.31).
8. The allocation for single houses in the countryside should be contained within the overall Northern Ireland figure (3.41).
9. The continued development of single houses in the countryside should be curtailed as a matter of urgency through the review of rural planning policy (3.39).
10. Over-zoning should not exceed the exceptional 10% contained in Policy HOU 1.1 of the Regional Development Strategy (3.51).
11. No adjustments should be made to the District Housing Growth Indicators on the basis of Equality differences (4.9).
12. Housing Needs Assessments should identify the particular circumstances of the relevant Equality groups and, where necessary, a focused assessment of zoning policies for residential development should be undertaken (4.14).

13. The use of the Spatial Development Strategy as the primary driver of housing allocations across the Region is endorsed (5.5).
14. The quality and range of data on migrant workers should be improved to better inform the Department on the likely impacts of this group on local housing markets (5.8).
15. The HGIs should make allowance for the attraction of Newry and Mourne and Down Districts as second home destinations through a re-allocation from the Belfast Metropolitan Area (5.12).
16. Used in conjunction with the Spatial Development Strategy and taking account of local circumstances, the NISRA estimates are endorsed as providing a rational basis for setting District Housing Growth Indicators (5.14).
17. The use of build rates to test the accuracy of the regional housing needs assessment is accepted (5.17).
18. Build rates at District level should be used with caution as a means of reconciling predicted need with market performance rather than to predict future housing need (5.17).
19. The process set out in Appendix 5, Diagram 1 of the Consultation document should specify 'Stakeholder Input' and Planning Service should be included in the stakeholders to be consulted as part of the process (5.19).
20. Future HGIs should be provided on a sub-regional basis to align geographically with new local government Districts arising from the Review of Public Administration (5.25).
21. Further research on sub-regional housing and labour markets should be undertaken to inform future Housing Growth Indicators (5.25).
22. The proportion of housing between the Belfast Metropolitan Area and Hinterland and the North, South and West of the Province should be maintained at the level contained in the Regional Development Strategy (5.28).
23. The additional 8,000 dwellings arising from the Government Actuary Department 2004 forecasts should be distributed on the basis of 99,800 to the Belfast Metropolitan Area and Hinterland and 108,200 to the North, South and West (5.28).
24. A sustainability appraisal of the proposed Housing Growth Indicators should be undertaken and the results and any required adjustments provided as part of the current Review (5.34).

25. Adjustments should be made to the proposed District Housing Growth Indicators in accordance with Table 1 (5.36).
26. A Policy Statement should be issued with some urgency which explains how the process of monitoring the Housing Growth Indicators is to work and how the results will feed into the development plan process (6.5).
27. Proposals for “strategic directions of growth” or for a “strategic land reserve” should be developed and included in the Policy Statement and the criteria for controlling the release of such land should be clearly defined (6.11).

3. Population, Household Change and Housing Provision

Background

- 3.1 The Panel began by considering population, households and housing need at the level of Northern Ireland as a whole.
- 3.2 The first questions we asked concerned the methodology and assumptions behind this estimate. Was the NISRA Model an appropriate forecasting model on which to base the review of the Housing Growth Indicators? Were the underlying forecasting assumptions robust in relation to population and household growth? And were the forecasts regarding migration acceptable?
- 3.3 We went on to consider the methods and assumptions regarding second homes, vacancy rates and stock loss.
- 3.4 We then considered two other matters which had been raised in evidence and which concerned us – the question of single houses in the countryside, and the proposition which a number of parties had raised that there should be some significant level of flexibility (or “over-zoning”) to be added to the forecast of 200,000 houses.

Methodology and Assumptions

- 3.5 The details of the NISRA *Propensity Model* are set out in NISRA Occasional Paper 21. It involved, briefly, the construction of a household membership probability matrix for 18 household type/size groupings by 20 age/sex groupings at 1991 and 2001, and – with various refinements – the projection of these propensities to 2015 and 2025 based on the GAD population forecast (2002). The NISRA Model was not based on Mean Household Size – this was simply an output from the model.
- 3.6 While most respondents were content with this methodology, there were those who were dissatisfied. The Belfast Metropolitan Residents Group (BMRG) were the leading critics, and their comments are to be found in their March 2005 consultation response, their written submission to the Public Examination, and in a Joint Position Paper on Methodologies produced at the request of the Panel by NISRA and the BMRG.
- 3.7 The BMRG put forward an alternative *Vector Model*, the details of which are also set out in their response of March 2005. This model relied upon a relationship

- between population increase and the number of occupied houses, and it concentrated on the growth in the working population only – arguing that those over 65 would already own houses; they would not therefore be seeking to acquire property and did not generate a need. BMRG were supported in particular by the Dunadry Community Association (DCA), whose representative at the Examination had carried out the modelling work. This model suggested a much lower need for some 140,000 houses over the 1998-2015 period.
- 3.8 Additional information had been sought about these two rival models beforehand, and we discussed them at some length at the examination. NISRA and the Department criticised the BMRG Model; they felt it was a good starting point, but it was too “simplistic”. They argued that the model took insufficient account of changing age/sex structure, falling fertility levels, changing living patterns, and the role of the over-65s as a part of housing need.
- 3.9 NISRA very openly accepted that their model was not precise. It was a sophisticated model, based on best practice around the world (they had looked at various techniques employed elsewhere); but it could only be based on the demographic make up of Northern Ireland at the time of the forecast. There were indeed, as BMRG suggested, inadequacies in the data – but the Census was “as good as you are going to get”. They accepted that basing the model on two points only – 1991 and 2001 – was not ideal. However, the 1981 data were problematic and population and household data were never reconciled; in any event current trends were very different from those in the 1980s. BMRG had criticised some of the technical details of the model, such as the age groups used and the “scaling” technique; but these were normal techniques, used elsewhere, and designed to ensure that the results were as realistic as possible. They accepted that trends could change in the future but the methods they had used were the best available and they had confidence in the output of the model. The Department, Northern Ireland Housing Executive (NIHE) (who had sought an independent assessment), and others supported this view.
- 3.10 Later in the Examination, the representative of the DCA told the Examination that in view of recent new housing figures from Department for Social Development, he now accepted that the figure of 200,000 from the Department was likely to be of the right order. We do not know whether the BMRG agree with this, because they were not present on this later occasion, but obviously this seriously affects the strength of their case. Crucially, the evidence given to us at this late stage was that in fact the two models were likely to give broadly similar results.
- 3.11 There was a further alternative approach which was put to the Examination – which was that we should use trends from the Republic of Ireland and apply them to the Region. It was suggested that it was likely that the high level of economic growth there might be reflected in Northern Ireland. This would give substantially higher need figures. The Panel did not however see clear evidence that the trends to the south were likely to be replicated in the north, and it was pointed out that economic

growth rates in Northern Ireland – which had been forecast at 2.6% per annum at the time of the RDS - had in fact only reached 2.1% during 2000-2004. We do not believe that proximity equals similarity in respect of population and household growth, and we are not persuaded that this approach is likely to provide the basis for an accurate forecast of future housing needs.

- 3.12 Regardless of the similarity in the final figures, we prefer the NISRA/DRD methodology to the *Vector Model* proposed by the BMRG. Though we appreciated the effort which had gone into producing the alternative, which helped us critically to appraise the NISRA approach, we are in agreement with the Department that it represents an over simplification. The NISRA Model was comprehensive and the peer review that had been carried out gave us some confidence in the technique (whilst the BMRG model had not been satisfactorily peer reviewed). NISRA were refreshingly open about the drawbacks of the method, and there are always questions about basing assessments of the future on past trends, especially using only two points. But, as was observed at the Examination, both models did this. We believe that an approach based on the best estimate which can be made of household formation – looking at the population as a whole – is the right approach.
- 3.13 The Panel conclude therefore that the methodology used by NISRA and the Department is satisfactory, is the best available, and should be used for future forecasting. No doubt, as with all models, further refinements will be made in the future both to the techniques and to the data sources.

Nonetheless, we commend the use of the NISRA Model and the approach taken by the Department – based on that model – to the forecasting of population and household change and housing provision at the Northern Ireland level.

- 3.14 Some of those who supported the methodology were nonetheless concerned that the figure which emerged from it may be too low. In particular NISRA may have under-estimated migration and the model may have failed to take account of possible improved economic performance in Northern Ireland in the future. Points were also raised about the accuracy of the second homes assessment, student housing, and stock loss. The issue of whether the most recent GAD figures should be factored into the assessment was also raised, as was the extent to which *demand* rather than *need* should be catered for in future housing provision.

Migration and GAD 2004

- 3.15 It was acknowledged by all parties that there is particular difficulty in forecasting the level of migration into or out of Northern Ireland over the period. There was discussion about the adequacy of various statistical sources. NISRA told the Examination that, on their assessment, at present some 20,000 people enter and some 20,000 people leave Northern Ireland each year, with a slight negative balance. The model assumes a net outflow of 500 per annum.

- 3.16 There was considerable discussion about the likelihood of inward migration increasing, and there was much anecdotal evidence of migrants from various parts of Europe working in various forms of employment throughout both the urban and rural parts of Northern Ireland. It was suggested that the combination of a successful economy and a peaceful society would be attractive to immigrants. There was speculation that there would be a wave of further immigration following the accession of further countries to the EU in 2007; but conversely it was suggested that, because other European countries would be opening their borders to inward migration in the future, there might be a reduction in the flow to – or even a greater outflow from – Northern Ireland. There was discussion as to whether immigrants were likely to be transient or permanent, whether they would be followed by their families, and so on – but none of this was backed by firm statistical information.
- 3.17 None of this provided us with any hard evidence on which to base a revised forecast and it was generally acknowledged that the data were simply not available to give an entirely accurate forecast of this highly unpredictable factor.
- 3.18 GAD, however, have produced revised population forecasts (2004) which allow for higher levels of inward migration. They suggest a net inward flow of zero in 2003/4, of 4,000 in 2004/5, 3,000 in 2005/6, 1,000 in 2006/7, and reverting to a net outflow of 500 thereafter.
- 3.19 GAD 2004 forecasts also, as set out in Background Paper 1 (page 4), add a further 10,000 approximately to the 2015 population based on changes in birth and death assumptions.
- 3.20 There was some debate as to the likely household size of immigrant populations and it was suggested that this might be different from that of the local population. It was speculated that there may be substantial multi-occupation. But in the absence of any other firm statistics we accept the estimate which the Department give in Background Paper 1 of a total addition of 8,000 households arising from both components of the increased GAD 2004 projections.
- 3.21 Some parties argued that this increase was still insufficient to cater for the likely increase in migration but we do not feel that there is sufficient information before us to support this proposition. There were others who pointed out that GAD forecasts had in the past gone down as well as up, and there was no basis to assume continued increases.
- 3.22 The Panel were urged to recommend that the Department should increase its forecast to take account of the 2004-based projection. The Department did not support this proposition, arguing that this and any future revised forecast should be fed into the process through the regular monitoring and review process which they intend to implement (which is discussed later). On consideration we do not accept the Department's view. We do understand the need to avoid constant changes in

the figures but we note that without a change at this point, development plans will proceed on the basis of figures that are already four years out of date. We think that – this forecast being available to the Panel, and available before work is far advanced on most development plans – it is sensible to feed it in at this stage. We see no justification for going any further than the GAD forecasts, but we do not see any advantage in delaying the adoption of these recent figures.

We recommend that the figures for housing growth for Northern Ireland as a whole should be increased by 8,000 dwellings to take account of the GAD 2004 forecasts.

- 3.23 We have considered whether it is necessary or desirable to make adjustments to the other components of need (second homes, vacancies, and stock loss) to reflect the updating of the GAD forecasts from a 2002 to a 2004 base. These would be very small changes and we have concluded that this would represent an over complication; we think it is necessary to reflect the new GAD figures but we do not believe it necessary to pursue the matter further.

Second Homes

- 3.24 The Department had assumed a need for 7,400 second homes in Northern Ireland as a whole, based on an assumption of 1% of the occupied housing stock total at 2015. Northern Ireland House Condition Survey (NIHCS) information had been used as the basis for this forecast (see Background Paper 2, page 1). This assumed a slower rate of growth than in the late 1990s when, it was argued, economic and financial considerations had caused a particularly rapid increase in second homes.
- 3.25 There was some comment on the data source, with the Census and the Electoral Register suggested as alternatives. We were however convinced by the evidence of NISRA, the Department and NIHE that the NIHCS represented the best and most comprehensive source of information. We note that in any event, at 2001, it does not differ much from the Census figures.
- 3.26 There were different views about the adequacy of the allowance for second homes however. Several parties felt that it was inadequate, and figures of 1.5% of housing stock, or more, were put forward. There was much anecdotal evidence of the number of second homes in particular “hot-spots” and a feeling that this was having a severe effect on the housing market and depriving local people of the opportunity to find accommodation.
- 3.27 In evidence and in the examination there was debate as to likely trends in second home ownership, bearing in mind their attraction as investments (compared with the stock market for example); the relationship with trends and policies across the border; and changes in things like water charges and housing benefit regulations. The relationship with student housing (which is covered in the main household forecasts) was also discussed. It was hard for us to draw any solid, evidence-based

- conclusions from this discussion which would support a recommendation to change the Department's assumptions. We felt that the approach taken by the Department, relating the number of second homes to the occupied stock, was preferable to the approach – suggested by some parties – of taking an annual rate of increase based on trends in preceding years. We accept that this latter approach could create a distortion if the trend were based on years when there were particularly favourable (or unfavourable) economic conditions.
- 3.28 There were those who took a quite different view. It was suggested that second homes should not be included at all – they did not represent a real housing need. The question of the extent to which the Strategy should meet *need* or *demand* arose a number of times in the evidence and it is discussed later in this report.
- 3.29 It was also suggested that supplying more second homes would simply fuel the demand without solving the problem. It was argued that it was necessary, alongside the consideration of second homes, to consider policies in relation to affordable housing. In Northern Ireland, means of managing supply and encouraging affordability are not extensively used, in the way that they are elsewhere in the UK; it was suggested that through this method any damaging effects of the growth in second home ownership could be countered. This, it was argued, was to be preferred to simply increasing the numbers. We are of course aware of the statements on affordable housing in the RDS and in Planning Policy Statement 12 – Housing in Settlements (PPS 12). However, the thrust of the comments on this issue during the Examination was that these policies were not as yet having the desired effect in relation to affordability.
- 3.30 We conclude that it is necessary to make some allowance for second homes; they are a fact of life and at least some account must be taken of them in assessing need. In the absence of any sound alternative estimate we accept that the figure of 1% of occupied housing stock (7,400) is appropriate. We are not convinced of the need for any increases in this figure nor do we support the suggestion from some participants that the problem could be addressed through over-zoning in areas where second homes are prevalent. We agree that there is a danger of simply fuelling demand. We accept the view that there are other measures which can be taken to influence the way in which new housing stock is developed and used.
- 3.31 We note the Department's assessment in PPS 12 that there is no justification for requiring the delivery of an arbitrary level of affordable housing by the private market in Northern Ireland as a whole. Local Housing Needs Assessments, however, are expected to identify local affordability "hotspots" where local need is not being satisfied because of a demand for second homes or for some other reason. While it is intended that development plans will highlight problem areas and the proportion of housing required to meet different categories of need, we think there is a lack of clarity about the level at which affordable housing requirements will be "triggered" and the mechanisms to be used for their delivery. We consider that PPS 12 should include strong and clear policies on these matters in order to ensure

that the development plan process provides an appropriate and adequate response to specific local circumstances. We recognise that the level of affordable housing to be provided will vary according to local circumstances but consider that there is a need for consistency and transparency of approach. It is a matter for the Department to determine the detail of how this should be done but the evidence put to us at the Examination was that it is a matter of some urgency and that there are serious problems of affordability emerging in some areas.

We recommend that the Department's estimate of 7,400 second homes be confirmed. We further recommend that the Department clarify and strengthen its policies on affordable housing in PPS 12 in order to facilitate their delivery through the development plan process.

Vacancy Rates

- 3.32 The Department had made an allowance of 5% of the total 2015 housing stock (39,600 houses) as an estimate of vacancies. This was based on a variety of data sources, none of them totally reliable in themselves but all giving broadly similar totals. There had been relatively little comment on this figure in the written evidence, and there was only a brief discussion at the Examination.
- 3.33 We noted that the previous Panel examining the draft RDS, in their report of February 2000, had felt that the proportion was likely to fall during favourable economic conditions and that a figure of 4.5% should be the maximum. However we accept that such data as is available suggests that the figure has remained at a higher level. Various attempts to reduce the figure have been unsuccessful.

We recommend that the figure of 5% of the 2015 housing stock (39,600) should be accepted as the best estimate of vacant stock.

Stock Loss

- 3.34 The Department had made an allowance for net stock loss arising from conversions, closures and demolitions. Based principally on the NIHCS, and on trends between 1996 and 2001, an estimate of a net loss of 2,000 houses per annum – 34,000 over the plan period – was reached. (See background Paper 2, page 9).
- 3.35 Though there was debate at the Examination about the unsatisfactory nature of the statistics, especially when broken down below Northern Ireland level, there was again relatively little comment on this factor either in the written evidence or during the Examination, and no evidence on which to base any revised estimate.
- 3.36 We did however have a concern, not about the process or the forecast but about implementation. The stock loss figures are in a different category from all the other figures; they do not represent an addition to the stock but - by definition – a straight replacement for dwellings which are lost. As such they are likely more often than not to be replaced on, or at least close to, the sites from which they are lost. They

ought not, normally, to go into the general housing “pot”, to be distributed in the same way as the remaining new houses proposed. The amount of new land that will be required for stock replacement will usually, though not always, be limited.

- 3.37 In accordance with the sequential test set out in the RDS and in PPS 12, there can be little doubt that in practice stock loss replacement will indeed be treated in this way. However, we believe that it is valuable to stress the difference between this component of the HGIs and the other elements.

We recommend that the estimate of 34,000 for stock loss over the plan period is accepted as being the best available. We further recommend that the Department ensures through the Area Plan process that stock replacement is treated appropriately bearing in mind the sequential test.

Single Houses in the Countryside

- 3.38 The number of single houses approved in the open countryside has been running at a very high level – between April 2003 and March 2004, 7420 were approved – a 77% increase over a five year period (Consultation Document Para 5.12). We were told that the number of permissions granted last year was equivalent to a town the size of Coleraine. A new draft Planning Policy Statement on Sustainable Development in the Countryside (PPS 14) was not available at the time of the Examination but has since been published. It proposes to restrict these developments, which the Consultation Paper described as “unsustainable in the longer term if the RDS objectives to build more houses within our urban areas are to be achieved”.
- 3.39 There was a discussion at the Examination as to how individual dwellings in the countryside should be treated within the Housing Growth Indicators. On the one hand there was a suggestion that they should be treated as being additional to the HGIs – an extra allocation over and above the 200,000. This would enable the HGIs to relate solely to settlements where there was control over the level of land to be released.
- 3.40 This view, however, did not find much support. It was argued strongly that such dwellings as might be permitted in the countryside must be counted as part of the requirement for Northern Ireland; an important part of the need is met in this way and it would be quite wrong to exclude them from the HGI figures. It was also argued that in order to maintain the spatial strategy of the RDS it was necessary to draw back rural development into the HGIs. Although the extent and allocation of single dwellings was an “uncontrolled” element of the HGIs, it was a matter for local decision in Development plans and planning policy to regulate the level of development in the countryside.
- 3.41 The Panel has a clear view on this matter. Firstly we agree with the Department that the continued development of single housing in the countryside, on anything like the scale which has been seen to date, is unsustainable and is not in accordance with

the aims of the RDS. Secondly, in terms of the way the HGIs deal with this issue, we are in no doubt that single houses in the countryside (whether existing unimplemented permissions or new permissions) should be embraced within the 200,000 figure. We have considered the contrary argument, but we can see no case in logic to contemplate an additional allocation for this factor. We welcome the more restrictive approach proposed in draft PPS 14 which we consider to be entirely consistent with the objectives of the RDS. This approach will allow a greater degree of control over the distribution of housing in development plans in order to meet the more directional approach advocated by the RDS. It will also address the concerns expressed that many settlements are unable to achieve their growth potential because the distribution of housing at Area Plan level places a disproportionate emphasis on rural growth as a result of past trends. We acknowledge that there will be a tension in the short term because existing commitments in the countryside will still have to be provided for from the District allocation. It is essential, however, that future housing is concentrated in designated settlements in order to achieve the objectives of the Strategy.

We recommend that there should be *no* additional allocation for single houses in the countryside but that they should be contained within the overall Northern Ireland figure. We further recommend that the continued development of single houses in the countryside on any significant scale be curtailed as a matter of urgency through the review of rural planning policy.

Flexibility or “Over-zoning”

- 3.40 The RDS, in Policy HOU 1.1, sets out a policy on over-zoning. This had been produced against a background of 20-40% over-zoning in Northern Ireland in earlier years, before the directional approach to growth of the RDS had been established. The Department saw the RDS as a “step change”, and the elimination of substantial over-zoning was part of this. The RDS had signalled a move from “predict and provide” to “plan, monitor and manage”.
- 3.41 The relevant RDS policy HOU 1.1 is to “...reserve the possibility by exception of allowing, through the development plan process, for a limited level of housing land over-zoning up to a maximum of 10% as a contingency measure in those situations where a potential land supply difficulty is likely to arise...”. The Department stressed that it was only exceptionally that over-zoning would be acceptable.
- 3.42 Though this was not a question which we had been asked to address – and indeed it was argued that we had no remit to recommend any alteration to the policy in the RDS - there was an enormous amount of debate on the subject in the responses and evidence, and at the Public Examination itself. We do not feel that we can ignore the subject, but we discuss it very much in the context of the current policy.
- 3.43 There was a very strong case put by representatives of the development sector and, later in the Examination, by District Councils for over-zoning. Though one party suggested a level of 100%, most supported a figure somewhere around 25%, and

there were several references to the Kate Barker Report⁴ recommendation for a range of 20-40%. ⁴We note that this recommendation has not been accepted by the Office of the Deputy Prime Minister in England.

3.44 The arguments put in support, which appear in the various written submissions, can be summarised as follows.

- It is necessary to have some flexibility in the event that forecasting assumptions do not turn out as predicted and HGIs are found to be too low;
- Zoning does not necessarily result in delivery: land which is allocated may not be released for a variety of reasons including land hoarding, speculation, sentimental attachment to land, physical development problems, etc;
- The planning process is slow and cannot easily respond to this situation or to other changes;
- Under-provision would have a serious effect on the market and raise problems of affordability – restricting supply would force up the price of houses; and
- It was wise to be optimistic.

3.45 These arguments were countered in various ways by other parties:

- There was no reason to think the forecasts were too low, and this could be dealt with by monitoring in any event (see below);
- There were ways of dealing with unwillingness to release land – eg through taxation, de-zoning or compulsory purchase, and in any event – as one participant put it – the industry should not be “rewarded” for holding on to land by the release of further supplies; and
- Affordability could be tackled in different ways.

3.46 There were other participants who were opposed to the concept of over-zoning (at least beyond the level set out in the RDS). Their reasons were as follows.

- Such a policy would be contrary to the RDS – not just directly in terms of Policy HOU1.1, but also in terms of its effect on brownfield targets;
- It was likely that over-zoning would lead to more allocations on greenfield sites;
- There would be a “free-for-all”, with developers seeking to cherry pick the most favourable sites, and
- There was in any event no certainty that extra land would be needed – forecasts could go down as well as up – and in a plan monitor and manage regime it was essential to bring discipline to the release of land.

3.47 The arguments in favour of over-zoning were strongly put, widely held, and must be taken seriously. There is no doubt that there can be problems of deliverability, for a variety of reasons; and we accept that a severe under-supply of land in areas

⁴ Kate Barker HM Treasury (March 2004) – Review of Housing Supply – “Delivering Stability: Securing our Future Housing Needs”.

designated for significant growth would have a damaging effect on the achievement of RDS objectives.

- 3.48 But on the other hand, having supported the assessment of HGIs discussed earlier in this report (with one proposed change), we see no reason to make provision beyond those figures at this stage. We accept the view that there are serious dangers in over-provision and that these could work against the objectives of the RDS, to which we constantly return. We are encouraged by the response of the development industry to brownfield development, which currently exceeds the 60% target in the RDS. While we see no reason at present to extend brownfield targets to the smaller settlements, it is important in the interests of sustainability that that a tension is maintained between greenfield and brownfield development. We share the concerns expressed that an over-generous supply of zoned land can have the effect of fuelling greenfield development. We believe there are other ways of dealing with the problems of deliverability and affordability, and we accept the Department's view that the "step change" to a "plan, monitor and manage" approach means inevitably a tightening up of provision as compared with the accepted situation in Northern Ireland before the RDS.
- 3.49 We were impressed by two particular points that were made during the Examination. The first, which we mentioned earlier, is the distinction between *need* and *demand*. It was argued that, whilst it is necessary and possible to meet need, it is not possible or desirable to meet demand in all locations. To do so would mean that there was little point in having a Strategy at all. The Panel agree with this view.
- 3.50 The second was that supply and management need to work together, to ensure that best use is made of the land that *is* released. This applies in particular in relation to affordability. We agree with this too, and it supports our earlier recommendation on affordable housing. We return to the question of managing the release of land later in the Report.
- 3.51 Our conclusion on over-zoning is clear. Even if our terms of reference permitted us to go beyond Policy HOU 1.1 in the RDS, we would not wish to do so. While we understand the reasons why many parties wish to see the "10% exceptional" figure increased, we think the damage of doing so would outweigh any possible benefits. The RDS has moved Northern Ireland into a new situation and over-zoning could harm the chances of achieving the objectives upon which it is based.

We recommend that no greater provision be made for over-zoning beyond the exceptional 10% contained in RDS Policy HOU1.1.

4. Equality of Opportunity and the Draft HGI Adjustment

Background

- 4.1 It is important to note that, in considering the equality aspects of Housing Growth Indicators, the statutory provisions of the Northern Ireland Act (1998) apply to the formulation and delivery of the policy. In this regard, the Department prepared an Equality Impact Assessment (EQIA) to determine the effects of the HGI allocations on the nine equality categories identified in Section 75 of the Act⁵. The Panel were concerned with three key issues as follows: the robustness of the methodology used to redistribute housing allocations as a result of the assessment; whether the adjustments were valid; and whether mitigating measures were in general conformity with the Spatial Development Strategy (SDS) of the RDS.

The Department's Methodology

- 4.2 Consideration of this issue was primarily based on the draft EQIA published at the same time as the Review of the Regional HGI Public Consultation document. The Department also prepared a Background Paper (No.4), giving further details on the method of adjustment used to apportion allocations in response to the impact analysis. The draft indicators were adjusted to take account of the differential effects set out in the EQIA, especially between persons of different religions and political opinions.
- 4.3 Districts that had a lower proportion of HGI allocated under the RDS than the NISRA based housing need methodology were grouped together as were those who gained more than the initial NISRA estimate of need. When the statistical profile of these District Councils was analysed, the Department found that there was a differential impact on both Roman Catholics and Nationalists. These groups comprised 51% of the population in the underprovided areas, whilst they made up 44% and 42% of the Northern Ireland population respectively.
- 4.4 In mitigating the effects of these differences, the Department proposed to move the Districts closest to the under-provision/over-provision threshold 'over the line' (DRD, draft EQIA, p.22). In producing the final draft allocation, 200 households were redistributed from Derry City Council Area and 300 from the Belfast Metropolitan Area (the two with the highest over provision) to Magherafelt (100), Cookstown

⁵ This includes the promotion of equality of opportunity: between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation; between men and women generally; between persons with a disability and persons without; and between persons with dependents and persons without.

(200) and Omagh (200). This had the effect of reducing the under provision of 51% for Roman Catholics and Nationalist to 48% and 47% respectively.

Method of Assessing Equality Impacts

- 4.5 The Panel heard a number of specific criticisms of the method of assessment and adjustments made to mitigate differential effects:
- The analysis and redistribution should be based on the NISRA housing need figure rather than the draft HGI as the former better measures potential inequalities in the distribution of housing.
 - The draft EQIA did not include measures to ensure the full participation of groups with particular access or mobility problems, such as, older people, young people or disabled people.
 - Overall, the consultation was inadequate, especially in attempting to reach equality groups that have been traditionally under-represented in planning policies.
 - The role of the External Working Group was unclear and whilst its functions relate primarily to monitoring the progress of the RDS, its work in directing the equality assessment of the HGIs was minimal.
 - Data on all the relevant groups was not thoroughly collected and evaluated, such as, persons of a different sexual orientation and persons with a disability and those without.
 - However, it was also not clear whether or how these groups would be affected by HGI policy, in the way in which the Department set out their evaluation of impacts.
- 4.6 Some participants considered that an assessment was difficult to conduct on a policy of this nature and the Department's representative reported that the Equality Commission also acknowledged that EQIAs were methodologically problematic in assessing the effects of high level strategic policies.
- 4.7 However, the Panel were primarily concerned about the staged approach to the analysis of impacts and how they were interpreted in terms of overall policy aims. We were especially mindful of the methodology set out in the Equality Commission's guidance on the conduct of EQIAs⁶ (as well as *The Guide to Statutory Duties*, which outlines the mandatory arrangements under Section 75 of the Act). This suggests that data are used to assess: whether a group has been treated differently by the policy (either favourably or unfavourably); whether it has had an adverse impact, which is an indication that the effect is less favourable (i.e. negative); and whether this effect is discriminatory and unlawful. We were not convinced that the Department presented a rigorous analysis of the last 2 stages namely: (a) a description of the specific adverse effects of HGI policy on equality groups; and (b) where the policy was potentially discriminatory, either intentionally or unintentionally, and therefore unlawful.

⁶ Equality Commission (2005) *Practical Guidance on Equality Impact Assessments*.

- 4.8 Neither the Department nor the participants identified features of the policy that produced a measurable adverse effect on a particular equality group via a robust screening exercise. A more thorough analysis of how each group might be affected by the policy, the identification of other research that could support such assessments, a stronger screening and evaluation role for the External Working Group and more targeted consultation with the equality categories may have helped the reliability and validity of the analysis. However, we were satisfied that the preparation of the EQIA complied with statutory guidance and do not feel that there is value in repeating the exercise in order to strengthen equality of opportunity through the policy.
- 4.9 Our concern with the equality adjustment also rests on the connection between setting HGIs and allocating houses to specific equality categories. The tenuous nature of this connection has already been acknowledged by the Department and in their reported consultations with the Equality Commission. In short, allocating a marginal amount of additional housing to a District Council area with proportionally more Roman Catholics and Nationalists does not guarantee these groups will benefit, in real terms, from the adjustment. Housing market dynamics, social housing allocation systems, and the socio-economic and demographic profile of the population will all influence the character of dwelling purchase and stock occupancy.

We recommend that the Department revert to the original housing estimates, without adjusting for equality differences, subject to proposals made for adjustment in HGIs in other recommendations in our report.

- 4.10 On the basis of the evidence presented to the Public Examination, it is the view of the Panel that adjusting the HGIs was not the most effective way to achieve equality objectives and mitigate the differential effects of the allocation on the relevant equality groups. Whilst the base draft HGIs should not be adjusted for equality reasons, we feel that more effective mitigation would be achieved by alternative policies principally, via the operation of the Development Plan system. This is acknowledged in the EQIA and is discussed next.

Mitigation and Conformity with the SDS

- 4.11 A number of contributions and participants made the point that the final adjustments were marginal and made little difference to the overall distribution of housing opportunity across the region.
- 4.12 The Department also argued that there was a balance between adjusting for equality effects and maintaining conformity with the SDS. However, other participants argued that the point of the adjustment should be to align the HGIs to the spatial distribution of the nine equality categories across Northern Ireland. The Department conceded that they had not carried out an exercise to see whether or how far an allocation to match the spatial distribution of the nine categories would compromise the SDS. The Panel is mindful that this a difficult balance to achieve

and that there is not a simple formula to address these tensions. The reallocation of the draft HGIs as a consequence of the EQIAs would however potentially compromise the principle of the SDS as the main driver of the allocation process without necessarily achieving equality aims.

- 4.13 A number of respondents felt, as mentioned in Chapter 2, that over providing housing against the regional indicator and over zoning land in Development Plans would provide the flexibility to respond to adverse effects of the draft HGI allocations, especially given the high rates of residential segregation across Northern Ireland. We were not convinced that allocating additional houses and over zoning *per se* would contribute to the attainment of equality objectives. Again, it is not clear how net additional housing and over zoned land would generate housing explicitly for any of the nine categories and it was pointed out that excessive zonings might create more opportunity for community polarisation, at a time when Government policy is to decelerate the rate of residential segregation and promote opportunities for mixed housing⁷.
- 4.14 The Panel are very mindful of the implications of resource allocation decisions, especially around housing, in the context of community divisions and high rates of residential segregation in Northern Ireland. We do not minimise the importance of equality considerations, especially in land use planning, around issues of religion and political opinion as well as the other seven categories where real inequalities might result from the workings of the planning system. Moreover, it is important to acknowledge the value of the EQIA in identifying the potential for inequalities to emerge especially as the HGIs are worked through the Development Plan and development control processes. We agree with the Department and a number of participants however, that it is at Development Plan level that the equality effects of housing allocations would matter most and would be most appropriately measured.

In terms of mitigation, we recommend that Housing Needs Assessments should identify the particular circumstances of the relevant equality groups provided for in PPS 12. This may highlight the need for a focused assessment of zoning policies for residential development (on the basis of religion and political opinion in particular) in the EQIAs prepared on Development Plans.

⁷ Office of the First and Deputy First Minister (OFMDFM) (2005) *A Shared Future: Policy and Strategic Framework for Good Relations in Northern Ireland*.

5. The Regional Distribution of the Draft Revised Housing Growth Indicators

Background

- 5.1 The Regional Development Strategy set out the spatial framework for housing in Diagram 8. The Housing Growth Indicators (HGIs) reflected the Spatial Development Strategy (SDS) which aims to achieve a balance of growth across Northern Ireland maintaining a strong economic heart in the Belfast Metropolitan Area and its hinterland while encouraging decentralised development at identified locations across the Region. This distribution resulted in a 48% share (77,500 dwellings) to the 6 Council areas making up the BMA together with the BMA hinterland Districts of Larne, Antrim, Ards and Down and the remaining 52% (82,500 dwellings) being allocated to the North, South and West of the Region.
- 5.2 The draft adjusted HGIs are set out in Table 2 of the Review of the Regional Housing Growth Indicators. The figures contained in this table set out the Department's proposed allocations for the uplifted figure of 200,000 dwellings across the Districts and allocate 47% to the BMA and hinterland (BMAH) and 53% to the North, South and West of the Region (NSW). The Department sets out the method used to distribute the appropriate 'share' of the regional figure to individual Districts in paragraphs 5.1-5.11 of the Consultation document. The panel requested further information about the process and this is provided in Background Paper 3.
- 5.3 Arising out of the representations received on the Consultation document, the Panel sought views on the methodology and assumptions and whether the proposed allocations were sufficient to provide for an appropriate and deliverable level of growth for each District over the period to 2015. We also asked whether the proposed allocations were consistent with the Spatial Development Strategy (SDS) and met the sustainability objectives of the Regional Development Strategy (RDS).

Methodology and Underlying Assumptions

- 5.4 The Department confirmed the SDS as the primary driver of the allocation. It allocated the additional 40,000 dwellings on a pro-rata basis to each District. It then made adjustments having taken into consideration the factors set out in Appendix 5, Diagram 1 of the Consultation document to reach the likely new dwelling requirement for each District. It confirmed that the detailed allocations were not derived from any statistical formula but were based on professional judgement with the proviso that there should be a minimum of 5 years housing supply remaining in each District, based on current building rates.

Spatial Development Strategy

- 5.5 Details of the Spatial Development Strategy (SDS) for NI are set out in Chapter 5 of the RDS. The SDS is central to the RDS objective of developing a balanced region and sustainable spatial economy.

The Panel endorses the Department's approach that the SDS should drive housing allocations across the Region.

NISRA New Dwelling Requirement

- 5.6 The NISRA figures are set out in Appendix 4a of the Consultation document and provide a breakdown of the Northern Ireland figures to Local Government District level to provide a new dwelling requirement for each District over the period 1998-2015. The total stock requirement for 2015 includes the components of the Northern Ireland figure broken down to District level i.e. projected number of households, second homes, vacant stock and net conversions, closures and demolitions. The total 1998 stock is then subtracted from the projected 2015 total stock to give a new dwelling requirement 1998-2015 by Local Government District (LGD).
- 5.7 We have set out our views in relation to the assumptions and methodology underlying the Regional figure and we now turn to the methodology used to provide the District figures and the extent to which the NISRA figures should be used to inform the allocation.

Migration

- 5.8 Reference has already been made to the lack of reliable information about immigrants and this also holds true for information at the local level. Notwithstanding the best efforts of Councils such as Ballymena, Ballymoney, Omagh and Magherafelt to get to grips with both the scale of in-migration and the characteristics of the migrant populations in their areas, the overall picture is unclear and reinforces the need for more accurate information about numbers, skills, family structure and permanence of migrant workers, and the balance between inward and outward migration.

The Panel considers that there is a need for DRD, in consultation with NISRA and the NIHE, to improve the quality and range of data in order to make an assessment of the spatial distribution of migrant workers and the likely impacts on local housing markets.

- 5.9 It is essential that the results of such work are incorporated into local Housing Needs Assessments (HNAs) in order to highlight particular local circumstances which may need to be addressed by Development plans.
- 5.10 We consider it unwise to make adjustments on the basis of migration to the predicted 2015 LGD household figures in the absence of reliable data.

Second Homes

- 5.11 A number of participants questioned the basis for allocating second homes across LGDs, primarily on the basis of local knowledge of existing levels of second home provision. Without prejudice to the Panel's view that increasing overall second home provision could have the effect of fuelling demand, we recognise that there is a need to make provision in those areas where demand is most likely to arise.
- 5.12 The NIHCS figures are acknowledged to be less robust at local than at Regional level. Nonetheless, the attraction of Coleraine, Ards, Fermanagh and Moyle was not substantively challenged and it seems reasonable to assume that they will continue to be popular destinations for second home owners. Whilst accepting the general principle that provision for second homes at Regional level should reflect a relationship with total housing stock, the distribution to local areas needs to reflect the fact that second homes have, to date, been concentrated in the main tourist areas of Northern Ireland. It is therefore surprising that tourist areas such as Newry and Mourne and Down Districts have a total allocation of only 100 dwellings despite evidence of a growing market in second home ownership. The Panel consider that the NISRA figures under-estimate the requirement for second homes in these Districts while over-estimating the requirement in the BMA.

We consider that the HGIs should make allowance for the attraction of these areas as second home destinations by a re-allocation of the second homes estimate from the BMA to Newry and Mourne and Down Districts.

Role of NISRA figures in relation to HGIs

- 5.13 Participants expressed a wide range of views about the relative weight that should be accorded to the NISRA figures. Some felt that the figures should be the main factor to drive the allocation process and others that little weight should be placed on them for a variety of reasons. Views were also expressed that they should be considered as one of a range of factors to inform the allocation process.
- 5.14 The Panel consider that a continuity of approach between the Regional assessment and the distribution to local level is desirable in principle. The projections are a 'best estimate' of what might happen in the future if past trends continue without policy intervention and without taking account of local needs. NISRA emphasised that LGD level figures are much less robust than NI figures, a view that was reinforced by NIHE. The above comments in relation to migration and second homes reinforce this point. Nonetheless, they provide a useful indication of future dwelling requirements in LGDs if past trends continue. The use of a trend projection already reflects to an extent the impact of previous policy directions and, used in isolation, it has the potential to undermine the new policy direction set by the RDS.

Used in conjunction with the SDS and taking account of local circumstances, however, the Panel consider that NISRA estimates form a rational basis for setting HGIs for the Districts.

- 5.15 The Department agreed that the provision of the figures on the basis of groupings of Council areas would be statistically more reliable and we will return to this matter.

Build Rates

- 5.16 Some of the participants questioned the reliability of the source data as a basis on which to calculate build rates and hence as a basis on which to make future predictions. The Panel is satisfied that the current figures based on housing starts represents an accurate and satisfactory basis for calculating build rates at the local level.
- 5.17 The Department has used build rates to inform the allocation of the Regional figure. We share the concerns expressed, however, that build rates are likely to present a distorted picture of housing needs as a result of factors such as the short time scale over which they are measured, land shortages or overzoning, delays as a result of the planning process, the impact of a single large scale development and in circumstances where new plans identify extensive new housing zonings. Even if build rates were found to be robust, they are a reflection of market performance and demand rather than local housing need or of the SDS. A similar criticism can be leveled at the use of build rates to assess the number of years housing supply in that they assume the continuation of past trends which may in themselves be distorted. We take the view that build rates are too sensitive at local level to factors unrelated to the SDS and are not an appropriate mechanism to determine housing need in the context of the “plan, monitor and manage” approach. The fact that allocations in some Districts do not allow for a continuation of the build rate at historic or recent levels is to be expected in the context of the more directional approach of the RDS. Nonetheless, build rates provide a useful barometer of the housing market where there are no obstacles to land supply, for example, where recently adopted plans are in place.

We endorse the view that build rates should be used to assess the accuracy of the Regional figure. At local level we consider that they should be used with caution to reconcile predicted need with market performance rather than to predict future housing need.

The Allocation Process

- 5.18 A number of criticisms were made of the allocations process. Some felt that it was not sufficiently responsive to local circumstances and that it was essentially a ‘top-down’ exercise. It was suggested that a possible response might be to include two additional factors in the process set out in Appendix 1, Diagram 5. One would relate to *distinctive local issues* which would allow for unforeseen events in the local economy or housing market to be catered for in the HGI. The other factor would be *Area Plans* which would allow information from, for example, local Housing Needs Assessments (HNAs) to be fed into the allocations process. The aim was to produce a more dynamic model that would be better equipped to adjust to changes in local circumstances.

5.19 The Department was keen to emphasise the role of HNAs in addressing local needs. We think that HNAs are an important mechanism to inform the process of allocation within Districts provided sufficient allowances have been made for local circumstances in the overall allocation at District level. We acknowledge that it is important not to exaggerate particular local issues or to double-count elements that are already contained in the household projections but we consider that stakeholder views should be explicitly sought and considered as part of the process. The Department confirmed that it sought the views of such stakeholders as NISRA, NIHE, Department for Social Development and Regional Planning and Transport Division in reaching decisions about HGIs. Other important stakeholders that have a particular body of expertise in relation to local issues are District Councils and Planning Service. District Council input has been sought via the 'Consultation Responses' process but we found it surprising that Planning Service input appeared to be limited to providing housing monitor information. The development plan process is the mechanism for implementing the strategy at local level and the Panel considers that Planning Service input to the identification of particular local circumstances is relevant to the process of determining the allocations to individual areas. Information provided as a result of such input would, of course, be considered in the context of the over-arching SDS and the total housing need figure for the Region in reaching decisions about the distribution of housing.

We recommend that the process in Appendix 5, Diagram 1 should specify 'Stakeholder Input' and that Planning Service should be included in the stakeholders to be consulted as part of the process.

5.20 The Panel support the need for a dynamic model that will be responsive to local needs and unforeseen circumstances. We are not convinced, however, that the *Area Plan* category proposed by some parties is appropriate at this stage in setting the HGIs. PPS 12 sets out clearly the mechanism for allocating housing land through the development plan process in accordance with the RDS and the HNA is only one of many factors that feeds into this process. Provided sufficient account is taken of local circumstances in the general allocation process, we consider that HNAs should form part of the process that informs the allocation within Districts at development plan stage.

5.21 We recognise that some local factors will not be adequately catered for in the HGIs and that unforeseen circumstances can arise between setting the HGIs and the preparation of development plans. We would, however, emphasise the point that HGIs are indicators and not targets. If there are factors that suggest a need for housing provision above the HGI in a particular area, it is a matter for Planning Service to set out those factors and the implications for the relevant development plan. This point was made in the course of the Examination on a number of occasions by DRD. The indicators are not to be seen as set in stone, nor are they to be viewed in isolation from the remainder of the RDS; the requirement is for Development plans as a whole to be in general conformity with the RDS as a whole. We would of course be concerned if the cumulative effect of local demands were to

- lead to the Regional figure being exceeded to any significant degree but we are confident that the Department will guard against this eventuality.
- 5.22 Participants had very different views on the weight that should be accorded to the various elements of the analysis. We would make the general observation that there was a strong correlation in many cases between the figure that provided the most generous allocation to individual Districts and their preferred method of allocation. The Panel considers that a drawback of allocation to individual Districts, regardless of what method is used, is that they perceive themselves to be in a competitive position with their neighbours rather than acknowledging the need to fulfill their role within the SDS. The RDS provides a fixed allocation to Northern Ireland which has to be shared between LGDs on the basis of the SDS and it is inevitable that there will be variation in relative terms between Districts.
- 5.23 The Panel share the criticism of some participants that a straightforward pro-rata adjustment of the additional 40,000 dwellings builds on previously flawed estimates thereby potentially compounding previous under- or over-representation. Although this method reinforces the SDS approach by providing an allocation to each District based on the original HGIs, we think these figures are of limited relevance to the allocation process.
- 5.24 Problems were identified at the Examination about the lack of policy alignment between economic development and the allocation of HGIs, the absence of a proper sub-regional housing market analysis and the difficulty of proper spatial planning in the absence of information about labour and housing markets. Further information is needed on the dynamics of the market and HNAs will go some way to informing this process. An approach centred on individual District HGIs, however, prevents a more strategic approach to achievement of RDS aims and has the potential to compromise the important role envisaged by 'clusters' to provide support for economic development. There were suggestions that it was preferable to provide HGIs on a sub-regional rather than District basis. This approach is already taken in the BMA where a combined HGI for the 6 BMA Districts is provided. The allocation is distributed across the sub-region through the development plan process taking into account both the SDS and other local factors over a broader geographical area. Challenge to relative allocations between Districts can be debated through the development plan Inquiry and determined in the context of the overall Plan and the RDS.
- 5.25 The Panel considers that a more satisfactory approach would be to aggregate Districts for the purpose of HGI allocations. A sub-regional approach would minimise competition between Districts and allow the development of complementarities and inter-dependencies within and between settlements in a more strategic way. This would have the added advantage of a sub-regional scale to research, analyse and plan thereby providing a more robust statistical analysis of new dwelling requirements. Although a number of development plans outside the BMA and in the course of preparation involve a grouping of Districts, each have

individual HGIs and there is no indication that the groupings have been influenced by the strategic direction of the RDS. We do not consider existing development plan groupings to be beneficial to the achievement of a more strategic approach, not least because Plan boundaries and groupings are not consistent with the likely outcome of the current Review of Public Administration (RPA). The RPA will involve a radical change to the geographical areas in which future plans are delivered and the Panel agrees that future RPA Council areas will provide an appropriate sub-regional level for the provision of HGIs. We accept, however, that until decisions are finalized in this regard, the present basis of allocation based on the BMA, the hinterland Districts and remaining Districts provides the only practical approach.

The Panel endorses a more strategic approach to the future provision of HGIs which should be informed by further research on sub-regional housing and labour markets. We recommend that future HGIs should be provided on a sub-regional basis and should align geographically with new local government Districts arising from the Review of Public Administration.

Allocations and the Spatial Development Strategy

- 5.26 The Panel's remit is to determine the adequacy of the allocation of the draft regional figure to District Councils through HGIs. This remit does not involve an assessment of the SDS which was challenged in a number of the written submissions.
- 5.27 The hub, corridor and gateway framework promotes a balanced and equitable pattern of sustainable development across a network of cities, main and small towns and rural hinterlands. The SDS identifies the importance of Belfast and its hinterland as the primary engine of growth in the Region, acknowledges the role of the city of Londonderry as the economic hub of the north west and promotes a vibrant rural area with balanced development spread across a polycentric network of hubs/clusters based on main towns located on the key and link transport corridors. The Strategy aims to guide and manage future growth which involves not only accommodating housing growth but facilitating economic growth, and promoting balanced community development. The HGIs are therefore only one element of the SDS.

Sub-Regional Distribution

- 5.28 Concerns raised by participants about the distribution between the BMAH and the NSW were, on one hand, that the allocation was disproportionately weighted against the BMAH and on the other, that it was disproportionately weighted against the NSW. The Department indicated that any adjustments to the HGIs must accord with the strategic focus of the SDS and that the critical balance between the BMAH and NSW should be maintained. The Department proposes a shift in the distribution which reduces the BMAH share from 48% to 47% and involves the allocation of the additional 40,000 dwellings on the basis of 60% to the NSW and 40% to the BMAH. While the redistribution reflects the assumption that 60% of the overall increase in households will occur in the NSW if past trends continue, the Panel is of the view

that any reduction in pro-rata allocation to BMAH is undesirable in view of its role within the SDS.

Accordingly, we recommend that the previous balance should be maintained. With the additional 8,000 dwellings arising from the GAD 2004 forecasts, this would result in a distribution of 99,800 dwellings to BMAH and 108,200 to NSW.

District Allocations

- 5.29 The majority of participants considered the proposed HGI to their District to be inadequate although some submissions indicated satisfaction with the proposals and others found allocations to be too generous.
- 5.30 The difficulty expressed by some participants related to the fact that they were presented with a number of calculations but were unclear about how the final figure had been decided and what weight had been accorded to the different considerations. The issue was essentially about a lack of transparency in the process. The Department's explanation was that the process is not a hard statistical exercise but involves a number of factors including the statistical analysis provided by NISRA, the use of factors such as build rates as a check and the exercise of professional judgement. While this explanation did not sufficiently de-mystify the process to satisfy all participants, we consider it inevitable that an exercise that is directional in nature rather than demand-led will inevitably involve professional judgement. It is to be expected, however, that having exercised such judgement, the outcome will reflect the strategic objectives of the exercise.
- 5.31 Criticisms that the allocations would not allow achievement of strategic objectives included the following points:-
- Antrim's 7% uplift is considerably less than other settlements with a similar strategic role;
 - Craigavon is the only settlement outside Belfast and Derry identified for high growth and this has not been reflected in its increased allocation;
 - Newry's strategically important gateway position has not been adequately acknowledged;
 - Limavady's proposed HGI is insufficient in view of its role and function in the Family of Settlements Report; and
 - Ballymoney's accelerated growth rate should bring it within the category of main hub and the HGI should be adjusted accordingly.
- 5.32 When the allocations are considered purely in terms of the uplift figures, we agree that they do not reflect the role of many Districts in the SDS. It is important, however, to judge the overall allocation to each area in relation to the SDS rather than becoming preoccupied with its uplift. Each District has individual attributes that contribute to its role within the SDS and the Strategy identifies particular factors that provide a context for future growth across the Region. Although the Department

does not identify a 'hierarchy' of Districts in the SDS, some clearly have priority over others for future growth, based on the factors identified in Key Diagram 4 and Chapter 5 of the RDS. These are summarised in tabular form and are set out in Annex IV. In strategic terms the BMA has the highest priority followed by Londonderry and the northwest. Craigavon is identified for high growth potential reflecting its strategic location and its major role as the main industrial and service centre in mid-Ulster. Below this level, Newry and Mourne's strategic location is important and Newry is identified as having significant growth potential. Antrim, Ards and Down are identified as counter-magnets to the BMA and contain towns planned for significant planned expansion while Ballymena, Omagh and Coleraine contain towns that are identified for significant growth potential. Larne and Banbridge are also identified as counter-magnets to the BMA. The next grouping includes Fermanagh, Dungannon, Limavady and Strabane which contain main hubs whose principal settlement is located on a key transport corridor. The remaining Districts include Armagh and Cookstown which have main hubs on link corridors and Ballymoney, Magherafelt and Moyle which have local hubs on the strategic transport network.

- 5.33 Notwithstanding the objective of strengthening and consolidating the role of main hubs, those hubs located within commuting distance of the main centres of employment and accessible via the key transport corridors, remain attractive as commuter settlements. Specific reference was made during the Examination to the roles of Antrim, Ballymena and Banbridge in this respect, though there may be other examples. Ballymena has been identified as having significant growth potential but we consider its expansion on the basis of providing for mobile housing demand, with increased commuting to Belfast utilising the improved road links, to be unsustainable. Antrim and Banbridge lie within the Belfast travel-to-work area and are identified as counter-magnets to the BMA. In order to achieve balanced growth that will sustain their role as counter-magnets to the economic pull of the BMA, it is important that their growth is aimed at consolidating their role rather than providing primarily for commuter demand. More work is needed in identifying the inter-dependence between specific hubs and their clusters and it is important that economic development strategies are in place to facilitate alignment with housing objectives in order for Districts such as these to fulfil their role as counter-magnets. Without evidence of a realistic prospect of job creation in those areas, we do not believe that significant continued housing expansion can be justified in the medium term in relation to the objectives of the SDS and the conclusions of the Strategic Environmental Appraisal Report (SEA) contained in Annex 2 of the draft EQIA. Accordingly, we conclude that there is no justification for increasing the draft HGIs to these Districts. We accept, however, that the proposed allocations can be justified on the basis of their position in the SDS, the factors set out in the Consultation document and other matters raised during the course of the Examination.

5.34 We are concerned about the Department's acknowledgement that sustainability was not one of the 'headline' features in the allocation of the additional 40,000 dwellings. The Panel consider that the sustainability objectives of the RDS transportation policies will be seriously compromised if the effect of increased allocations in some areas is merely to satisfy commuter demand. Accordingly, it is vital that achievement of more balanced development across the Region, which lies at the heart of the SDS, does not result in any significant extension of travel-to-work patterns. The SEA provides a Sustainability Assessment of RDS policies. It cannot be assumed that because the policies of the RDS score positively against the sustainability objectives of the Strategy that subsequent decisions will also meet those objectives. The Department's response that sustainable development principles will be given greater consideration in the future is not good enough - sustainable development is central to the RDS and, as policies are worked through, there is a need to demonstrate through a rigorous and transparent process how sustainability factors have been taken into consideration.

We recommend, therefore, that the Department undertake a sustainability appraisal of the proposed HGIs which will test the proposals against the sustainability objectives of the RDS. Any required adjustments should be made in accordance with that assessment and the results should be provided as part of the current Review.

5.35 Despite our criticisms of the Department's approach to sustainability issues, when other relevant factors (including the SDS, the NISRA estimates, the District statistics contained in Part 2 of the Consultation document and evidence submitted to the Examination) are taken onto consideration, we find the allocations to individual Districts to be broadly acceptable. We do, however, have a number of reservations:-

- The BMA should benefit most from the redistribution from the NSW to the BMAH in order to reflect its status as the heart of the Region, to make sufficient provision for the 3 towns identified for significant planned expansion and to reinforce the roles of Lisburn and Castlereagh in line with the RDS. An adjustment is needed to reallocate part of its share of second homes to Down and Newry and Mourne Districts;
- Ards and Down should also benefit from the redistribution in recognition of their position within the SDS and their estimated housing need. Allowance should also be made for more second homes in Down District;
- Coleraine should have a slightly higher allocation to alleviate some of the housing pressures arising from second homes and to make provision for its identified 'significant growth potential';
- Craigavon's allocation should be slightly increased to reflect its status in the SDS and estimated housing need;
- Fermanagh should have an increased allocation to reflect its estimated housing need and its position at an inter-regional gateway;

- The Newry and Mourne figure should be increased to reflect its status in the SDS, its position at an inter-regional gateway and to make some additional provision for second homes; and
 - Omagh should have a slightly higher allocation to reflect housing need and trans-regional linkages.
- 5.36 We have already indicated that we think the Regional figure should be increased by an additional 8,000 dwellings with 48% allocated to the BMAH and 52% to the NSW. We consider that that the required adjustments set out above can be achieved through the distribution of the additional 8,000 dwellings to the Districts identified.

We therefore recommend that the proposed District Housing Growth Indicators be adjusted in accordance with Table 1 below.

Table 1 – Adjusted Housing Growth Indicators 2015

	NISRA New Dwelling Requirement 1998-2015	RDS Housing Growth Indicator	Table 2 Draft Housing Growth Indicator (Jan 2005)	Proposed Uplift	Adjusted Housing Growth Indicator 1998-2015	Uplift from RDS HGI
<u>BMA & Hinterland</u>						
BMA	59,200	51,000	62,500	+11,500	66,500	+15,500
Antrim	5,200	7,500	8,000	+500	8,000	+500
Ards	10,800	7,750	9,450	+1,700	10,500	+2,750
Down	8,300	7,750	9,450	+1,700	10,500	+2,750
Larne	2,700	3,500	4,300	+800	4,300	+800
<u>Total</u>	86,200	77,500	93,700	+16,200	99,800	+22,300
<u>North, South and West</u>						
Armagh	7,000	4,800	6,000	+1,200	6,000	+1,200
Ballymena	6,100	5,900	7,000	+1,100	7,000	+1,100
Ballymoney	4,200	2,400	3,800	+1,400	3,800	+1,400
Banbridge	7,500	4,000	6,000	+2,000	6,000	+2,000
Coleraine	7,800	5,800	7,300	+1,500	7,600	+1,800
Cookstown	4,300	3,300	4,100	+800	4,100	+800
Craigavon	13,400	8,500	11,000	+2,500	11,250	+2,750
Derry	11,800	12,700	15,000	+2,300	15,000	+2,300
Dungannon	6,000	4,400	5,500	+1,100	5,500	+1,100
Fermanagh	8,000	5,400	7,000	+1,600	7,400	+2,000
Limavady	5,800	3,100	4,300	+1,200	4,300	+1,200
Magherafelt	5,100	3,600	5,000	+1,400	5,000	+1,400
Moyle	2,400	1,400	2,000	+600	2,000	+600
Newry & Mourne	12,700	8,500	11,500	+3,000	12,250	+3,750
Omagh	6,700	5,200	6,500	+1,300	6,700	+1,500
Strabane	5,000	3,500	4,300	+800	4,300	+800
<u>Total</u>	113,800	82,500	106,300	+23,800	108,200	+25,700
Regional Total	200,000	160,000	200,000	+40,000	208,000	+48,000

6. Managing the Release of Housing Land

- 6.1 Planning Policy Statement 12 (PPS 12) sets out the Department's approach to managing the release of housing land through the development plan process. This process involves allocation of the HGIs across the Plan area on a phased basis but does not allow for the release of Phase 2 land without a formal review of the housing progress and supply position and consideration of future housing needs. Questions arose during the Examination about the relationship of the DRD monitoring process with the development plan process. Essentially the questions posed related to how the regular updates of household forecasts and possible HGI revisions, which the Department intended to produce, were to be fed into the Area Plan process and how any subsequent release of housing land was to be managed to ensure the delivery of housing. We are conscious that an assessment of the 'adequacy' of the HGIs must to an extent address the question of how it is proposed to deliver housing on the ground and it is on this basis that the Panel have approached the issue.
- 6.2 The Department indicated in section 6 of the Consultation document and in other evidence before and during the Examination that it intended that "...annual monitoring and biennial assessment of projections will provide early warning of land shortages which can be addressed at the local level through the development plan process" (6.3). This was seen as the alternative to over-zoning and a way of dealing with any emerging problems of the kind which those advocating over-zoning could foresee. There was, it must be said, a certain lack of detail as to how this process might work in practice. Several parties expressed concern about it and the Panel questioned the Department on the point.
- 6.3 What is clear is that, as indicated above, the Department intends to carry out a biennial reconsideration of the projections – including not just the NISRA projections but the other elements of the forecast. They do not, however, intend that at each two year point they will make adjustments to the HGIs but they would normally expect to modify them every five years. They wish the Development plans to proceed smoothly to completion and do not feel that frequent re-adjustments to the HGIs – "drip-feeding uplifted figures into the process" - would be conducive to this. We agree that a revision of the HGIs every five years is acceptable.
- 6.4 This led to the question of what should be done if it were found, at one of these review stages, that there was a shortage of land in a particular area to meet the

District's needs. The Department referred to the phasing provisions in PPS 12 but felt that land should only be brought forward from later stages subject to a set of very strict and clearly defined criteria. Alternatively there might be a longer term "strategic reserve" of land, which might extend even beyond the 15 year timescale of the Development plans but which could be brought forward, again subject to stringent criteria. A number of other parties at the Examination suggested similar mechanisms.

- 6.5 This is a crucial part of the process and it is clear that District Councils and others need further guidance on the way in which this will operate. The Department indicated to the Panel that they were considering issuing guidance on this in the form of a policy statement of some kind.

We recommend that a Policy Statement is issued with some urgency which explains how the process of monitoring the HGIs is to work and how this will feed into the Area Plan process.

- 6.6 We were invited to consider and comment upon the mechanisms that were discussed at the Examination. We do so on the basis of a somewhat limited discussion and look to the Policy Statement mentioned above to consider the matter in more detail. But it is clear on the one hand that, in the absence of over-zoning, such a mechanism is needed to guard against the possibility of under provision, either because the forecasts are too low or because of deliverability problems. (Some parties would wish us to point out that this mechanism should also be capable of dealing with any problems of over provision which might arise too). But on the other hand it is also clear that any phasing or strategic reserve, unless it is carefully controlled, can lead to the very problems of "cherry picking", the use of greenfield land and so on – in conflict with the objectives of the RDS - which we described in relation to over-zoning.
- 6.7 We have considered the mechanisms which might be used. These fall into three categories, none of them without difficulties.

Strategic Directions of Growth

- 6.8 Firstly, it is possible to identify, in Development plans, policies which indicate strategic directions for future growth but do not identify actual sites. There is a parallel with the new system of "core strategies" which has been introduced in England. Long term directional strategies, related to transport corridors, environmental considerations, and so on – reflecting RDS policies - would be identified. This would have the advantage, if an alteration were needed to a Plan to bring forward additional land, of making the identification of sites relatively simple and limiting the discussion solely to the area(s) which had been identified for growth. It would also mean that the danger of pressure to bring forward sites prematurely would be minimised. But on the other hand the alteration could be more difficult and protracted because of the fact that individual sites had not been tested and allocated.

Strategic Land Reserve

- 6.9 The second option is for a “strategic reserve” of land, which would be identified but not allocated within the development plan but which could be brought forward under certain circumstances. The strategic land reserve has some of the advantages of the previous option in that it would enable a strategic view to be taken of the direction of growth. Any alteration should be easier to handle but, because actual sites would be identified, it would carry the danger of continual pressure being exerted for such land to be brought forward into the Plan even where there was not a strong case for doing so. For this reason it would be essential to manage the release of such land only in accordance with a strictly defined and controlled set of criteria to ensure that the future direction of growth is consistent with the SDS.

Reserve Phasing

- 6.10 The third option is for the use of phasing. Land would be included in the development plan, beyond the need identified in the current HGIs, as a later phase (a “reserve phase”) which could be brought forward without the need for an alteration should the need arise – again according to very strict criteria. This has the great advantage of speed and simplicity, but the great disadvantage that because of this very simplicity it is open to misuse. We believe that, in the context of the arguments which we heard at the Public Examination, there would be constant pressure to bring this land forward, using a whole range of justifications and stratagems; and that there would be insufficient incentive and pressure to make sure that the land which was actually allocated as a result of the HGI was brought forward. There is also the danger that the delivery of brownfield targets could be undermined through this approach. On balance we do not recommend this option.
- 6.11 We offer these options to the Department to consider in preparing the proposed Policy Statement, noting firstly that the same solution might not apply in every area; secondly that progress needs to be made urgently; and thirdly that we believe the future lies in the use of the first and second options (strategic direction and strategic reserve) rather than in the third (reserve phasing) option. There is the danger that failure to devise a satisfactory mechanism to address unforeseen problems of land shortages will result in pressure on the development control process to deliver the additional release of land through the use of Article 31 of the Planning (Northern Ireland) Order 1991. We consider the ad hoc release of housing lands on this basis to be undesirable and to prejudice the achievement of the ‘plan, monitor and manage approach’.

We recommend that the proposals for “strategic directions of growth” or for a “strategic land reserve” be developed and included in the Policy Statement and that the criteria for controlling the release of such land should be clearly defined.

Annex I Abbreviations

BMA	Belfast Metropolitan Area
BMAH	Belfast Metropolitan Area & Hinterland
BMRG	Belfast Metropolitan Residents Group
DCA	Dunadry Community Association
DRD	Department for Regional Development
EQIA	Draft Equality Impact Assessment
GAD	Government Actuary Department
HGIs	Housing Growth Indicators
HNA	Housing Needs Assessment
LGD	Local Government Districts
NIHCS	Northern Ireland House Condition Survey
NIHE	Northern Ireland Housing Executive
NISRA	Northern Ireland Statistics and Research Agency
NSW	North, South & West
PPS 12	Planning Policy Statement 12 – Housing in Settlements
PPS 14	Draft Planning Policy Statement 14 - Sustainable Development in the Countryside
RDS	Regional Development Strategy
RPA	Review of Public Administration
SDS	Spatial Development Strategy
SEA	Strategic Environmental Appraisal Report

Annex II Terms of Reference for the Public Examination

The Panel were asked to examine:-

- The soundness of the methodology used to calculate household projections and regional housing need and the adequacy of the regional housing figure; and
- The adequacy of the allocation of the draft regional need figure to District Council areas through draft Housing Growth Indicators.

In the exercise of its functions, the Panel were asked to:-

1. Work on the basis of the Spatial Development Strategy (of the Regional Development Strategy) for Northern Ireland 2025.
2. Ensure that the allocations broadly maintain the existing Regional Development Strategy allocation between the North, South and West of the Region, and the BMA and its Hinterland.
3. Have regard to the relevant prevailing planning legislation and published planning policy guidance in Northern Ireland.
4. Examine the Northern Ireland Statistical Research Agency (NISRA) recalculation of household projections published for consultation in January 2005.
5. Examine the revised draft allocation of the additional dwellings at District Council level, which takes account of the policy objectives of the RDS. And
6. Examine the Draft Equality Impact Assessment and the factors used to mitigate the negative equality impacts which were identified.

In the organisation of the EIP, the Panel were specifically asked to:-

- Select those matters to be considered in the course of the Public Examination;
- Formulate and publish in advance the questions to be considered and the list of participants at the Public Examination; and
- Invite nominated participants to contribute to the Public Examination and hold at least 4 public hearings.

Annex III List of Matters and Participants

Matter 1 - Population, Household Change and Housing Provision (14th February 2006)

- 1a. Is the use of the NISRA model an appropriate forecasting model as a basis for the review of Housing Growth Indicators?
- 1b. Are the underlying forecasting assumptions robust in relation to population growth, household growth and mean household size?
- 2a. Is the method used to predict future housing need soundly based? For example, should second homes form part of the assessment, are vacancy rates and net conversions/closures/demolitions relevant to the assessment?
- 2b. Are the assumptions about second homes, vacancy rates and net conversions/closures/demolitions soundly based?
- 2c. Are there other factors that should have been considered in predicting future housing need? For example, to what extent should single unimplemented houses in the countryside be offset against the regional figures, how should migration be assessed and provided for?
3. Taking account of all relevant factors, does the review provide for an appropriate and deliverable level of growth for the period to 2015?

Participants:

Department for Regional Development
Northern Ireland Statistics and Research Agency
Northern Ireland Housing Executive
Belfast Metropolitan Residents Group
Dunadry Community Association
Dundonald Green Belt Association
Down District Council
Ward Design
Turley Associates
BDP Planning representing Coleraine Borough Council
Mr J Cleland representing Construction Employers Federation
Farningham McCreadie representing Ballymena and Limavady Borough Councils

Matter 2 - Allocation of Draft Housing Growth Indicators to District Council Areas (15th & 16th February 2006)

1. Is the methodology used to allocate HGIs to District Council Areas sound and are the assumptions underlying the component elements of the assessment robust? For example, should adjustments be made to the housing need calculations, should allocations to District Council areas be based on a proportionate 'share' of the overall allocation, to what extent should factors such as past build rates be used to forecast future housing need?
- 2a. Is the spatial distribution between the BMA and the North, West and South of the Province broadly acceptable in the context of the Spatial Development Strategy?
- 2b. Does the overall allocation generally conform with the Spatial Development Strategy and is it consistent with the sustainable development objectives of the RDS?
- 3a. Does the methodology adequately address the housing needs of the changing population structure?
- 3b. Are the needs of specialist groups such as single people, migrant workers, students and vulnerable groups adequately addressed?
- 3c. Is there a need for greater flexibility in application of the HGIs and how should such flexibility be exercised? For example, is there justification for introducing a higher level of overzoning or for wider use of phasing or policies for affordable housing? How can Development plans be more responsive to the results of monitoring?
4. Should the sequential approach and brownfield targets be more widely applied?
5. Taking account of all relevant factors, do the revised HGIs provide for an appropriate and deliverable level of growth for each District within the context of the Spatial Development Strategy over the period to 2015?

Participants (15th February):

Department for Regional Development
Northern Ireland Statistics and Research Agency
Northern Ireland Housing Executive
Belfast City Council
Castlereagh Borough Council
Fraser Houses (NI) Ltd
Michael Burroughs Associates
Mr S Beattie BL representing Craigavon Borough Council
Colin Buchanan representing Armagh City and District Council
Ferguson McIlveen representing Newry and Mourne District Council and North Down Borough Council
Mono Consultants representing Ards Borough Council
Dr M Murray representing Banbridge District Council
Dr Ken Sterrett representing Down District Council
Turley Associates representing Lisburn City Council and Turley Associates

Participants (16th February)

Department for Regional Development
Northern Ireland Statistics and Research Agency
Northern Ireland Housing Executive
BDP Planning representing Coleraine Borough Council
Antrim Borough Council
Ballymena Borough Council
Ballymoney Borough Council
Derry City Council
Dunadry Community Association
Limavady Borough Council
Magherafelt District Council
Omagh District Council
Ward Design
Mr J Cleland representing Construction Employers Federation

Matter 3 - Equality Issues (17th February 2006)

- 1a. Is the methodology used to redistribute the housing allocation as a result of the assessment of the equality impacts sufficiently robust?
- 1b. Are the adjustments made a valid response to the Equality Impact Assessment?
- 1c. Are the mitigation measures in general conformity with the Spatial Development Strategy and other RDS policies?

Participants:

Department for Regional Development
Northern Ireland Housing Executive
Turley Associates
BDP Planning representing Coleraine Borough Council
Farningham McCreddie representing Ballymena Borough Council, Limavady Borough Council and Magherafelt District Council
Ward Design

Annex IV - The Role of Districts in the Spatial Development Strategy

	Major Regional City	Port	Airport	Inter-Regional Gateway	Trans -Regional Linkages	Main Hub	Local Hub	Key Transport Corridor	Link Corridor	Trunk Road	Rail Link	Significant Planned Expansion Town	BMA Counter-Magnet
BMA	X	X	X	X				X			X	XXX	
Derry	X	X	X	X	X			X			X		
Craigavon						X ²		X			X		X
Newry & Mourne		X		X	X	X ¹	X	X			X		
Antrim			X			X		X			X	X	X
Ards						X			X			X	X
Down						X	X		X			X	X
Ballymena						X ¹		X			X		
Coleraine						X ¹		X			X		
Omagh					X	X ¹		X					
Larne		X		X		X		X			X		X
Banbridge						X		X				X	X
Fermanagh			X	X	X	X		X					
Dungannon						X		X					
Limavady						X		X					
Strabane					X	X		X					
Armagh					X	X			X				
Cookstown						X			X				
Ballymoney							X	X			X		
Magherafelt							X	X					
Moyle		X					X			X			

¹ Significant growth potential (town >20,000 pop.)

² High growth potential