



THE REVISED
METREX PRACTICE BENCHMARK

of effective
METROPOLITAN SPATIAL PLANNING PRACTICE

Benchmark development 2004
Discussion note

Nye Bevan House, 20 India Street, GLASGOW, G2 4PF
T. +44 (0) 1292 317074 F. +44 (0) 1292 317074
secretariat@eurometrex.org <http://www.eurometrex.org>

**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

CONTENTS

INTRODUCTION

- 1 Context - the components of the strategic spatial planning and urban development process**
- 2 Outline of the urban development assessment process**
- 3 Housing assessment process**
- 4 Industry/business assessment process**
- 5 Office assessment process**
- 6 Retailing assessment process**
- 7 Transportation assessment process**
- 8 The inter related action involved in the preparation of an integrated and sustainable regional development strategy**

RR/9/3/2004

**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

INTRODUCTION

1 Purpose of this discussion document

To provide a basis for exploratory discussion between the InterMETREX project partners on the possible development of the Benchmark, as an outcome of the InterMETREX project, at the METREX San Sebastian Meeting (5-8 May 2004). This could take the form of added text and diagrams to the Benchmarks mentioned below or a specific Practice Note on the urban development assessment process and integrated strategies.

2 InterMETREX project context

The InterMETREX Project, under Interreg III C, was approved by the European Commission in April 2003. There are 32 partners who will meet through a series of 10 exploratory Workshops over the period 2003 - 2006 to apply and develop the METREX Practice Benchmark of effective metropolitan spatial planning practice (Version 2, 2003).

The Benchmark contains an integrated package of 28 individual Benchmarks covering aspects of Competence, Capability and Process. It appears from the outcome of the first two InterMETREX Workshops (Stuttgart and Stockholm) that it may be helpful to expand on the following Capability Benchmarks,

15 Scenario formulation

17 Economic development

18 Housing development

19 Retail development

20 Transportation

and also on the issue of the preparation of an integrated and sustainable strategy.

3 Form and content of this discussion document

There is now some debate about the nature of sustainability and spatial planning and the relationships between these concepts and urban development. Section 1 is simply to provide a basis for discussion on these relationships.

Benchmarks 17-20 are all concerned with those aspects of urban development that are directly and significantly affected by market forces. They all require assessment processes to balance demand for development with sources of supply and are based the same social and economic assumptions. Such assessments therefore have many aspects in common, as explained in Section 2. Sections 3 - 7 explore each of them individually.

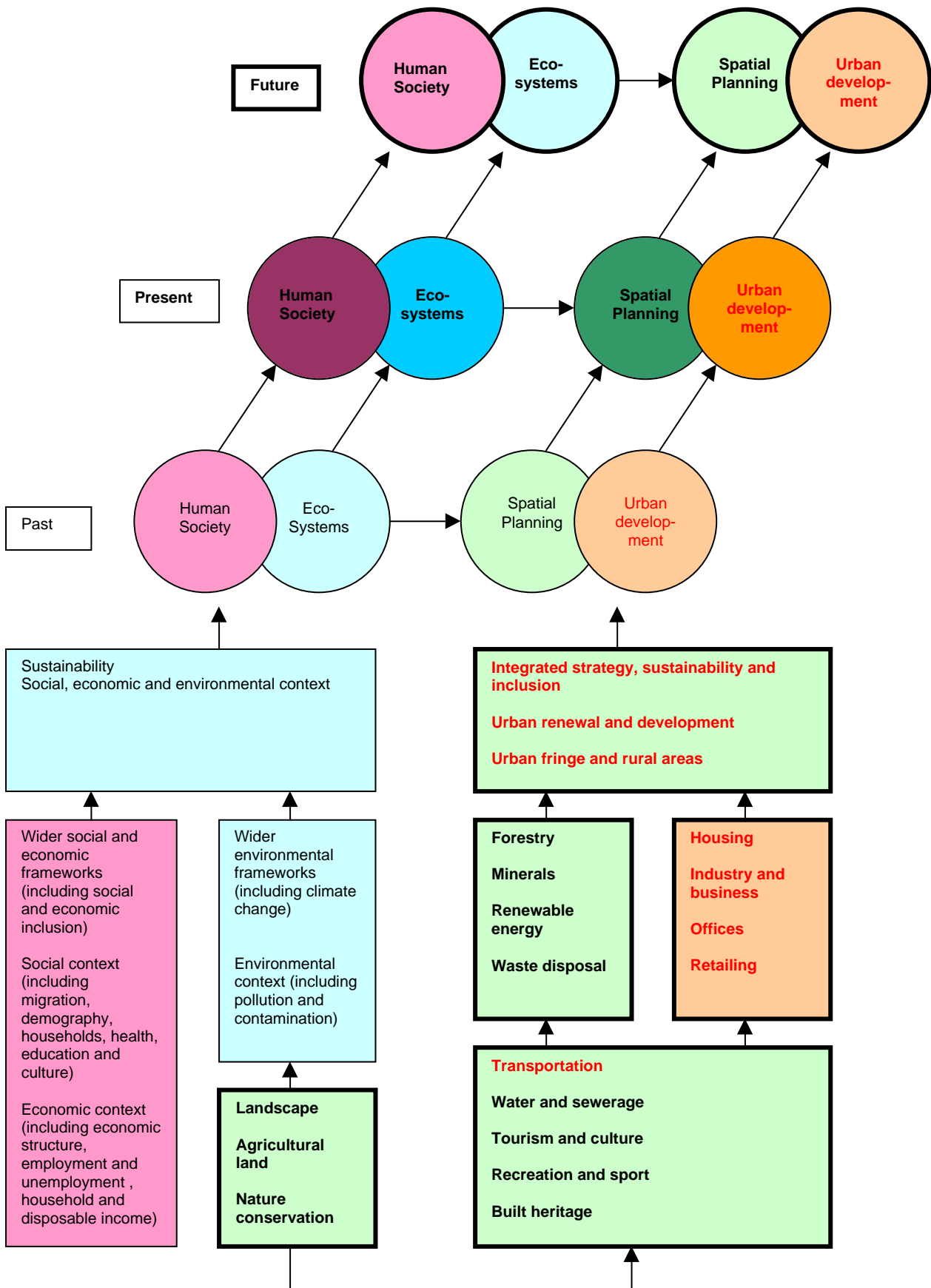
Such assessments are also components of Integrated and Sustainable Regional Strategies that involve action by the full range of social, economic and environmental stakeholders. Section 8 looks at the components of such strategies and how they can be integrated. Benchmark 15 is relevant. The Practice Benchmark does not, as yet, contain a specific benchmark on integrated strategies.

**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

1 Context - the components of the strategic spatial planning and urban development process

Sustainability is concerned about the balance between human society and the world's eco-systems. Human activity is bringing about climate change, which will threaten long established ecological relationships. Spatial planning is seen as a process that can address some of the causes and effects in an integrated way. For example, by promoting urban development which is more socially, economically and environmentally sustainable.

The Diagram overleaf illustrates the component parts of integrated regional strategies and clarifies the key aspects of urban development (in red) that this discussion note addresses.



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

2 Outline of the urban development assessment process

There are a number of aspects of the urban development assessment process that are common to the consideration of industry and business, offices, housing, retailing and transportation.

- **The plan period**

This will usually be the medium to longer term, that is, the 5-15 year period beyond existing commitments. These usually cover the 4-5 years of the political cycle but may involve commitments beyond this.

The plan period for the strategy as a whole will depend on the volatility of the key issues it addresses and may vary for each of the sectoral or spatial issues under consideration. For example, rapidly declining economic circumstances may require a shorter term view that is regularly reviewed but more stable circumstances of steady growth may require, and allow, a longer term approach to be taken. It may also be appropriate, within an overall strategy and plan period, to vary the plan period between various sectoral or spatial issues. For example, to embark on longer term infrastructure projects beyond the plan period or to take a shorter term view where market forces are changing rapidly (as with housing and retailing in the recent past).

The issue of plan periods could be explored further with InterMETREX partners

- **Forecasts of demand**

One approach to forecasting is to take the components of demand, such as population and or household expenditure, and to project these over the plan period for the sectoral or spatial issues under consideration. An alternative, where the necessary data or forecasting methodologies are not available, is to take past trends and the future plans of development sectors, bodies or authorities as a basis for planning scenarios.

The issue of forecasts of demand for development could also be explored

- **Disaggregation of demand**

Within major urban regions demand can be disaggregated into regional demand, which seeks higher level or more wide ranging services, is more mobile and is open to influence by regional strategies, and local demand, which seeks less specialised services, is less mobile and less open to strategic influence. Disaggregation of demand in this way requires the identification of regional and local planning areas such as housing market areas, retail catchment areas, trip generation areas and journey to work areas.

The issue of the disaggregation of demand for strategic planning purposes could similarly be explored

- **Effective supply**

The supply of land and buildings to accommodate future development needs will vary substantially with circumstances. For example, in prosperous and growing urban regions the existing urban fabric may already be intensively used and urban extension may be the issue. In less prosperous or declining urban regions the existing urban fabric may have considerable potential for reuse and the balance between urban renewal and urban extension may be the issue. Urban capacity studies will be required in such circumstances.

However, in both cases the supply of land and buildings may either be readily available and developable in the medium term or only in the longer term after some preparatory investment or action. This recognition that the land supply may have various levels of constraint applying to it has led to the concept of *effectiveness*, that is, the supply of land and buildings that is realistically available for development or redevelopment in any plan period.

The concept of an effective land supply could be explored with InterMETREX partners

- **Comparison of demand and effective supply in relevant planning areas over the plan period**

This comparison may be made on the basis of,

forecasts of the components of demand, disaggregated and applied to relevant planning areas and compared to effective supply over various sectoral or spatial plan periods

or on the basis of a,

trend/future plans view of the demand and an overall view of supply in the plan period,

or on the basis of some combination of the two.

The approach taken by InterMETREX partners to the comparison of supply and demand could be explored further

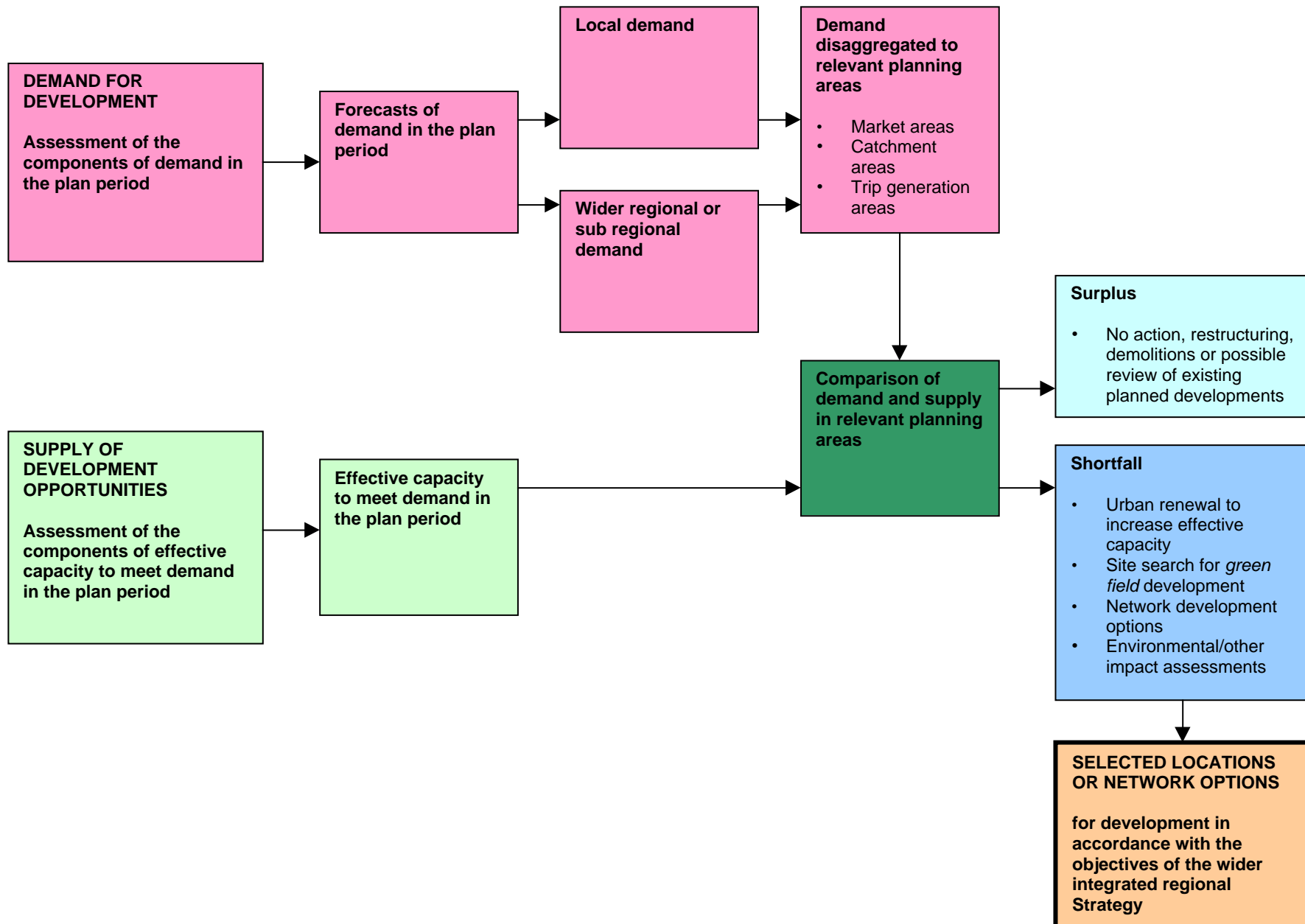
- **Strategic approaches to the outcome of this comparison**

It may be that in certain sectors or planning areas there is a surplus of effective supply and a review of existing planned developments may be an appropriate response. Alternatively, if there is a recognised shortfall, then action to achieve an acceptable balance could include restraint of demand (as for traffic growth), better management of demand (through the more intensive use of existing supply) or accommodation of demand through an increase in the effective supply (through urban extension or expansion/extension of the transportation network).

The environmental impact of such approaches will normally be assessed in some way and locations for development or network options selected for development within an integrated overall strategy. How such a strategy can be produced is considered in Section 8.

The approaches taken by InterMETREX partners to balancing supply and demand, for both urban development and transportation, could be explored.

The following Diagram shows the relationships between these components of the urban development assessment process



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

3 Housing assessment process

There are a number of aspects of the urban development assessment process that are specific to housing.

- **Housing demand**

Housing demand is driven by demographic factors (births and deaths), migration (in, out and within an urban region), household characteristics (single person, family, aged etc), household and disposable income levels and expenditure patterns (housing, retailing, travel, leisure etc.). The housing market in urban regions will have different tenure balances, for example, between the rented and owner occupied sectors and between the public and private rented sectors.

The extent to which these inter related components of demand can be assessed and incorporated into forecasts will depend on the data and methodologies available. However, spatial planning practice will be more effective if such assessments and forecasts can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic housing options.

- **Housing market areas**

There will always be a level of demand that results from movement into and out of an urban region and within it. Such demand often arises from employment led considerations. This *mobile* element of demand is open to influence by spatial planning policy and can be met to an extent in locations that are selected as part of a regional strategy. Local demand often arises from housing led considerations such as trading up or down or meeting changing household needs. It is possible to assess these components of housing demand within *local and sub regional/regional housing market areas*. These can be defined on the basis of information on household origins and destinations when households move and their reasons for moving.

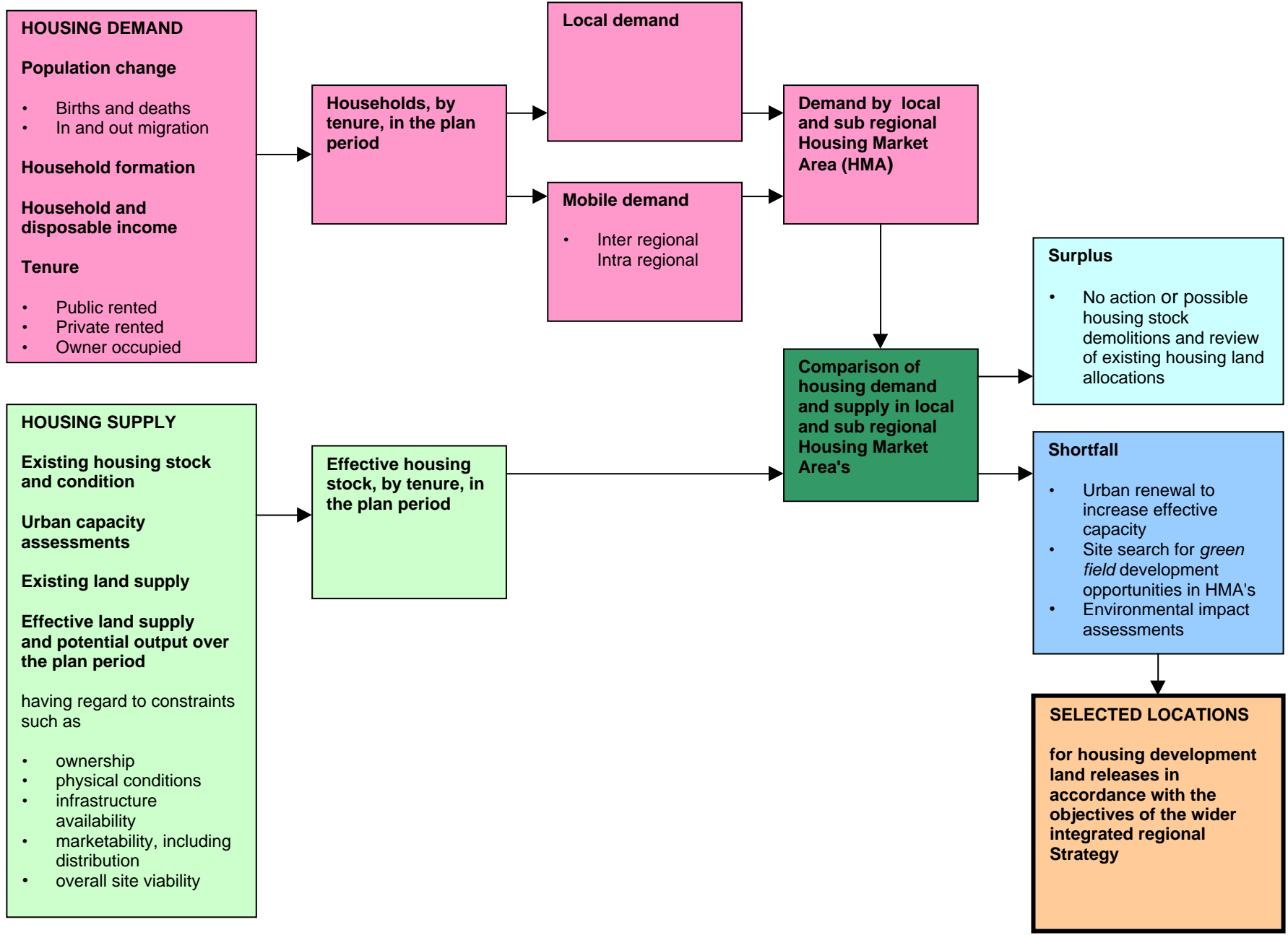
The conclusions above, in relation to housing demand, also apply to the issue of housing market areas.

- **Effective housing supply, by tenure, in the plan period**

The components of housing supply in the plan period will include the existing housing stock (having regard to housing conditions and any prospective demolitions), the existing undeveloped housing land supply and the outcome of urban capacity assessments. The *effective* output from these components can be programmed over the plan period having regard to such constraints as ownership, physical conditions, infrastructure, marketability and, in consequence, overall site viability. An added refinement would be to programme this output by tenure in order to be able to compare it to demand by tenure in housing market areas.

Spatial planning practice will be more effective if such assessments of effective housing supply can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic housing options.

The following Diagram shows the relationships between these components of the housing development assessment process



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

4 Industry/business assessment process

There are a number of aspects of the urban development assessment process that are specific to industry and business.

• **Industry/business demand**

Demand for industry/business development is driven by external factors such as levels of inward investment by internationally mobile investment and by regional or local investment from SME (small and medium sized enterprises) start ups, expansion or restructuring. These components of demand can be foreseen to an extent from trends in world or European trade and the structure of the regional economy and it's economic prospects.

However, the translation of this perception and understanding into demand for land and floorspace is more problematic. Commercial confidentiality may limit the extent to which firms are prepared to share their intentions with the planning authorities. There may be longer term provision for inward investment and shorter term provision for regional/sub regional needs. There may be pressure for sub regional travel to work areas to maintain a competitive portfolio of development opportunities. Technological and trading considerations will be factors and may limit the extent to which urban land and buildings can be adapted and reused. Unlike housing.

In these circumstances it may be necessary to accept a limited degree of overprovision, flexibility and choice in the supply of opportunities for industry and business order to maintain the ability of an urban region to maintain its competitiveness in holding existing employment and attracting mobile investment.

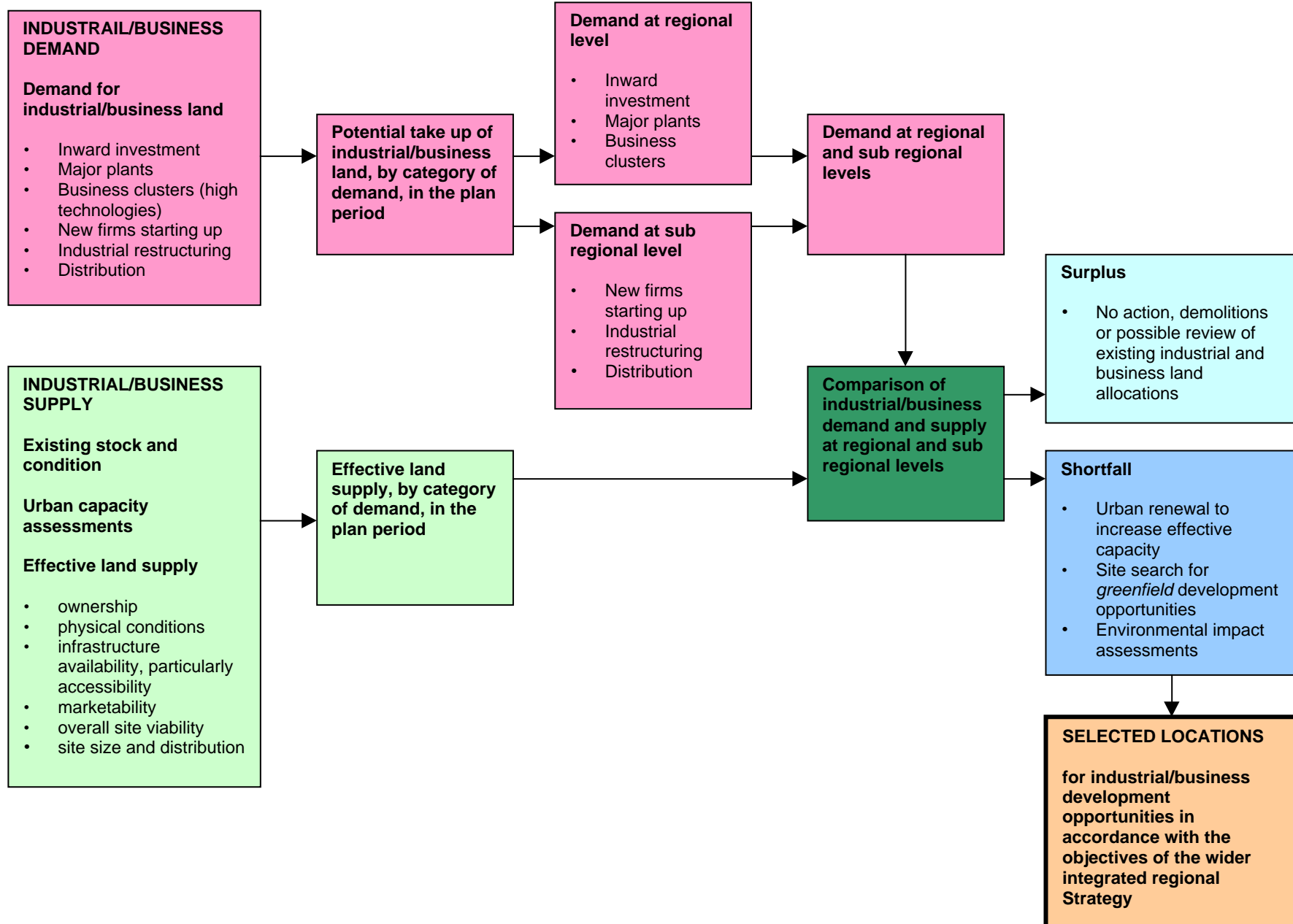
However, a balance will need to be struck to safeguard the function key industrial/business sites from inappropriate sub regional or local needs. Over provision may also result in other alternative land uses having to be accommodated elsewhere (opportunity cost) and perhaps some environmental impact. These effects have be known as planning blight.

• **Effective industrial/business supply**

The components of supply for industrial/business development, as with housing, will include the existing stock of land and buildings, the outcome of urban capacity assessments and the existing undeveloped land supply. The *effectiveness* of these sources of supply will depend on their ownership, physical conditions, infrastructure, and marketability and, in consequence, overall site viability. However, there will also be other considerations including the need for a range and distribution of sites of varying sizes and characteristics.

As with housing, spatial planning practice will be more effective if such assessments of effective industrial/business supply can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic industry and business options.

The following Diagram shows the relationships between these components of the industry/business development assessment process



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

5 Office assessment process

There are a number of aspects of the urban development assessment process that are specific to offices.

- **Office demand**

As with industry and business the demand for office development is driven to an extent by inward investment and by regional and local demand. Technological and service provision requirements, for example, for computer based operations, have affected perceptions of the extent to which existing office floorspace can be modernised or adapted to meet such requirements. Technological advance has therefore generated its own demand for office floorspace.

However, locational factors, such as multi modal accessibility, continue to make city and town centres attractive locations for office development. In industry and business there are now perceived to be advantages in the *clustering* of mutually supportive economic activities such as research and development, production and marketing. Such benefits have long been acknowledged in the service industries which is why city and town centres have remained prime locations for office investment.

There is, therefore, a locational dimension to demand for office development that favours city and town centres. Although there have been pressures for car orientated office parks on urban peripheries it is now recognised that such developments are inconsistent with a sustainable approach to urban development unless they form part of new multi function peripheral centres within planned urban extensions.

In these circumstances office demand in local and sub regional centres is likely to be generated primarily by new and existing local firms and office demand in the regional centre by inward investment and the expansion of existing international/national and regionally orientated firms. As with industry and business, commercial confidentiality may limit the extent to which firms are prepared to share their intentions with the planning authorities.

In these circumstances it may be necessary to accept a limited degree of overprovision, flexibility and choice in the supply of opportunities office based activities order to maintain the ability of an urban region to maintain it's competitiveness in holding existing employment and attracting mobile investment.

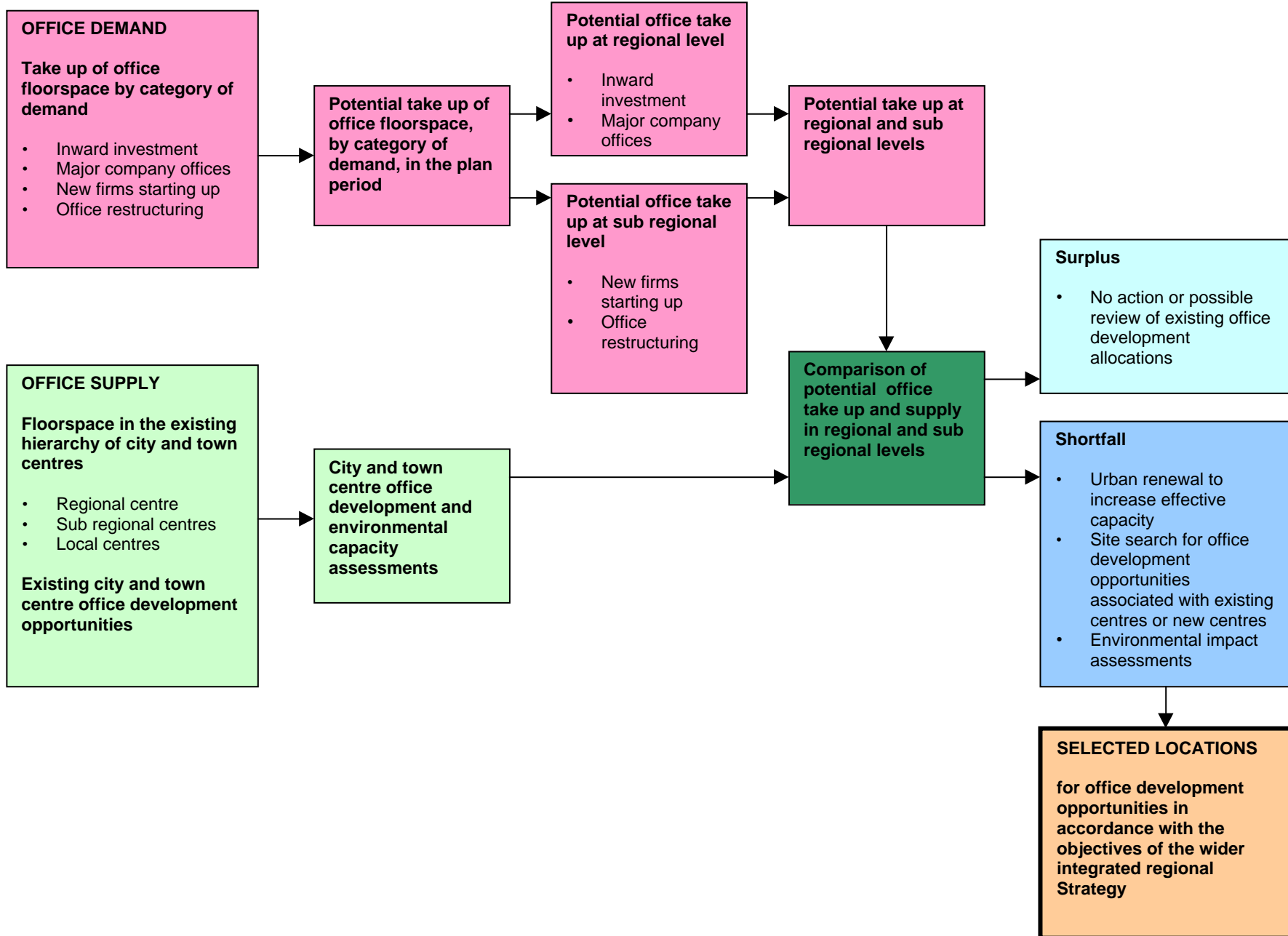
However, a balance will need to be struck to safeguard the function of the regional centre from inappropriate competition from sub regional or local centres..

- **Effective office supply**

The components of supply for office development, as with industry and business, will include the existing stock of floorspace, the outcome of urban capacity assessments and the existing undeveloped land supply. The *effectiveness* of these sources of supply will depend on their ownership, physical conditions, infrastructure, and marketability and, in consequence, overall site viability.

As with industry and business, spatial planning practice will be more effective if such assessments of effective office supply can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic office development options.

The following Diagram shows the relationships between these components of the office development assessment process



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

6 Retailing assessment process

There are a number of aspects of the urban development assessment process that are specific to retailing.

- **Retail demand**

Demand for retail development is driven to an extent by external factors such as changes in the form of retail development, for example, through the introduction of enclosed centres, superstores and retail warehouses, but primarily by population change and changes in the proportion of household and disposable income available for expenditure on *convenience* (primarily food and drink) and *comparison* (primarily household goods and clothing) shopping in the plan period. Prospective annual retail expenditure at the end of the plan period can be assessed in these terms.

The catchment areas of regional, sub regional and local centres can be assessed and annual convenience and comparison retail expenditure disaggregated to them. Forecasts can then be made of quantitative demand within retail catchment areas, and a view taken of qualitative demand for new forms of retailing, at the end of the plan period.

There is a locational dimension to demand for retail development that favours city and town centres. Although there have been pressures for car orientated retail parks on urban peripheries it is now acknowledged that such developments are inconsistent with a sustainable approach to urban development unless they form part of new multi function peripheral centres within planned urban extensions.

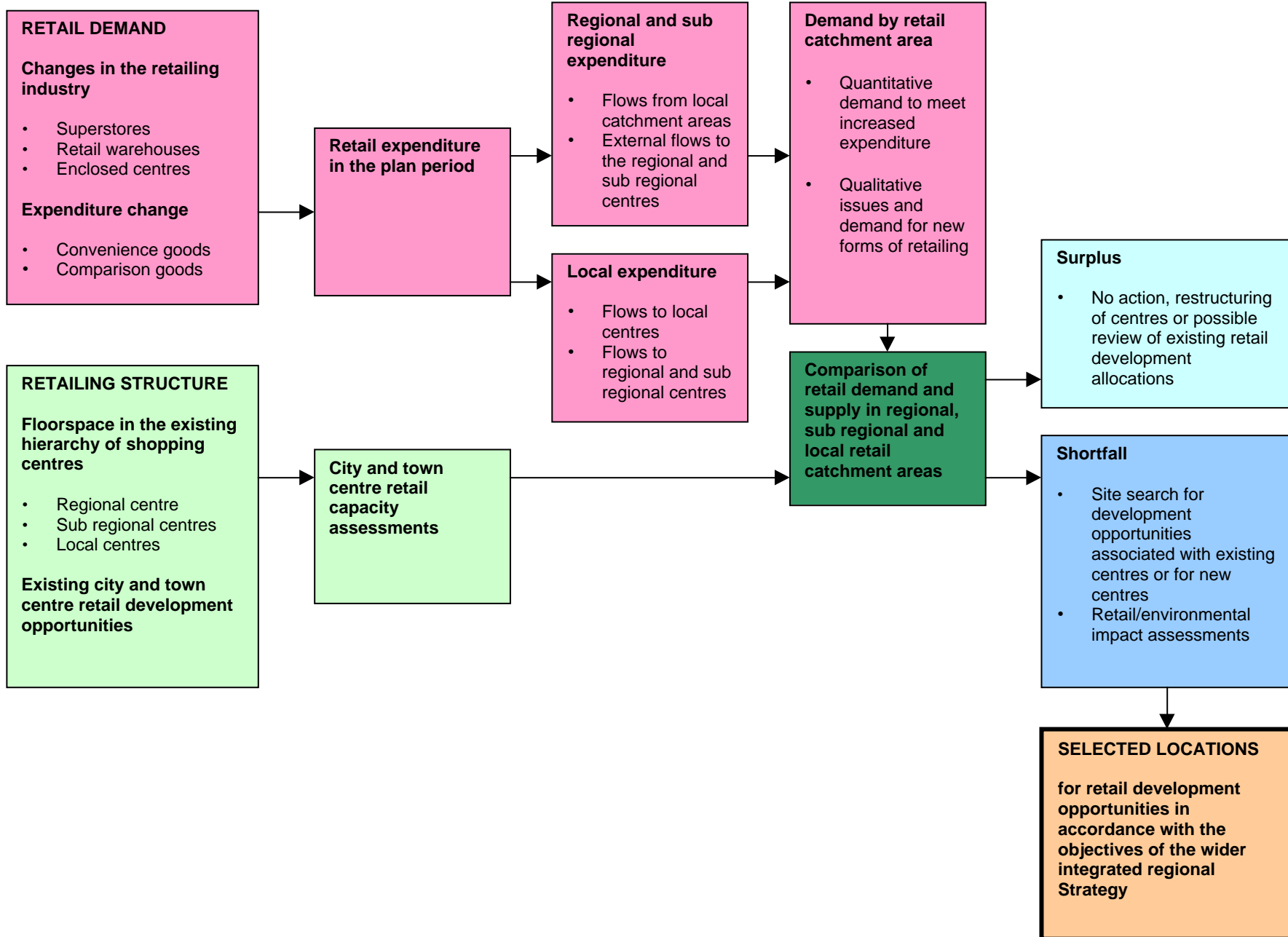
The extent to which these inter related components of demand can be assessed and incorporated into forecasts will depend on the data and methodologies available. However, spatial planning practice will be more effective if such assessments and forecasts can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic retailing options.

- **Retailing structure**

Despite the changes that have been experienced in retailing practice (see above) European urban regions retain a recognisable hierarchy of regional, sub regional and local shopping centres. Regional centres offer specialised shopping, larger stores and a level of consumer choice above that available in sub regional or local centres. The balance between convenience and comparison shopping changes from local to regional centres. Regional centres can offer related cultural and entertainment choices that have much to do with the character and identity of the urban region. All centres need to maintain an overall vitality and viability and there are recognised methodologies to assess these factors.

The components of supply for retail development will vary in accordance with the regional retailing structure. The retail development opportunities that are required in each centre in the regional hierarchy will depend on the quantitative and qualitative levels of demand that have been assessed and forecast for them. For example, there may be demand for food superstores in sub regional and local centres and a demand for larger specialised stores in regional centres.

It will be helpful to have urban development capacity assessments for the regional hierarchy of shopping centres in order to be able to judge the potential to increase the turnover of existing floorspace and capitalise on opportunities for new retail development. It will be especially important to assess the capacity of existing centres to accommodate large stores. It will then be possible to compare the quantitative and qualitative demand for retail floorspace at the end of the plan period with effective development opportunities and retail floorspace turnover capacity. There may or may not be a requirement for new urban shopping centres.



Spatial planning practice will be more effective if such assessments of effective retail capacity within centres can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic retailing options.

The following Diagram shows the relationships between these components of the retailing development assessment process

**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

7 Transportation assessment process

There are a number of aspects of the urban development assessment process that are specific to transportation.

- **Transportation demand**

Demand for movement arises from the economic activities in an urban region and from personal social, educational and employment needs. This demand arises in areas that are connected to the transportation network and have varying social and economic characteristics that affect their propensity to generate and attract trips. Such *trip generation areas* form the basis for interactive land use and transportation computer models. Models of this kind also require the data bases and methodologies to allow population/household forecasts to be disaggregated to trip generation areas. Forecasts of household car ownership levels and modal split for journeys to work can then be made. Journey to work areas will depend on the availability of public transport and accessibility to the primary road network. Journeys will be local or regional.

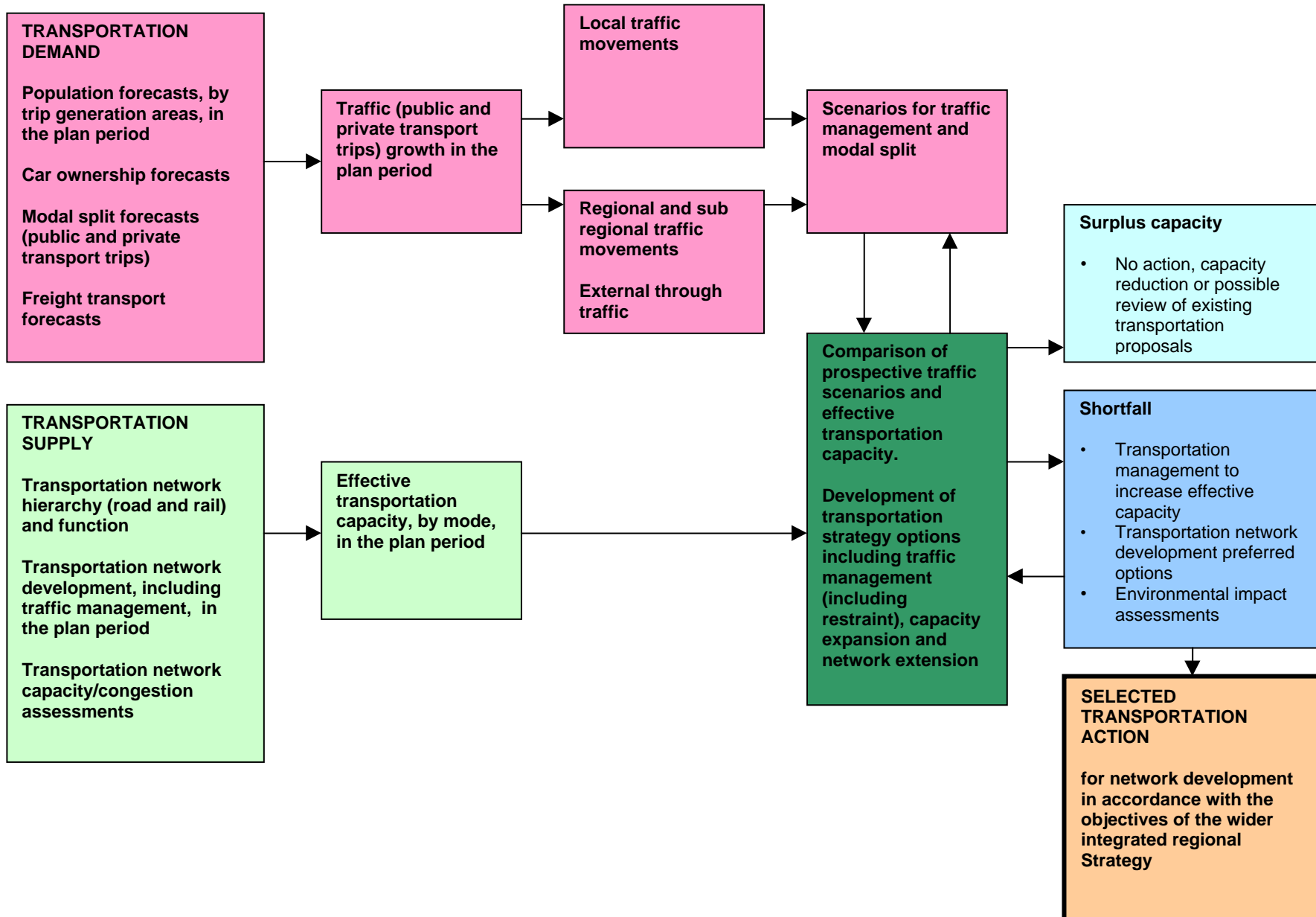
Spatial planning practice will be more effective if interactive land use/transportation computer models are available to enable a more informed and proactive approach to be taken to exploring strategic transportation options. These could include transportation demand restraint and management measures. They could also include measures to promote modal shift from private to public transport.

- **Transportation supply**

European urban regions generally retain a recognisable hierarchy of primary (inter regional), secondary (intra regional) and local transportation networks, terminals and interchanges. These have functional and environmental capacities which are often exceeded leading to congestion and adverse environmental impact. The longer term supply of transportation capacity will have to reflect such existing realities, together with the issue of safety, and the additional demand that can be forecast in the plan period. Where demand and capacity cannot be balanced through restraint or management then consideration can justifiably be given to the expansion of capacity and/or extension of the network.

Spatial planning practice will be more effective if assessments of transportation network capacity can be made, monitored and reviewed regularly to enable a more informed and proactive approach to be taken to exploring strategic transportation options. These could include the expansion of capacity and/or extension of the network..

The following Diagram shows the relationships between these components of the transportation development assessment process



**THE REVISED
METREX PRACTICE BENCHMARK
of effective
METROPOLITAN SPATIAL PLANNING PRACTICE
Benchmark development 2004 - Discussion note**

8 The inter related action involved in the preparation of an integrated and sustainable regional development strategy

- **A sustainability assessment**

The components of a sustainability assessment include,

- the demand for development arising from the individual urban development assessments (housing, industry and business, offices and retailing)
- the opportunities these offer for integrated urban renewal or urban extension

and the implications for

- transportation action including demand management or network extension
- environmental action including the reduction of existing pollution (air, noise), treatment of contamination (land, water), conservation of urban heritage and compensatory action for environmental impact
- social and economic action to address issues of inclusion and deprivation

There will be a process of evaluation to assess and weight all these inter related factors and to select a strategy that offers the best balance between them, having regard to the over riding need for a sustainable approach.

- **An integrated strategy**

The components of an integrated strategy include,

- policies, programmes and proposals for housing, industry and business, offices and retailing development
- opportunities for integrated development, transportation and environmental action areas
- policies, programmes and proposals for social and economic inclusion, including health, welfare, education, training and security
- policies, programmes and proposals for environmental action to remedy eliminate or alleviate existing deficiencies and compensate for the impact of new development where necessary
- policies, programmes and proposals for integrated transportation action

These components will generally contribute to a polycentric strategy which will reflect the following policy directions,

- intensification of urban development where practical, marketable and environmentally acceptable
- mixed use development where possible
- integrated public transport/city and town centres
- integrated public transport/new development
- vitality and viability of city and town centres supported by locational policies for new urban development (particularly offices and retailing)
- environmental action to eliminate or alleviate existing pollution and contamination and compensate for the impact of new development
- safeguarding valued environmental resources

Spatial planning practice will be more effective if regional strategies can be produced that can be seen to consider the main components of demand for urban development in an integrated and sustainable way. The extent to which the above approach can be followed will depend on the collective capability of the stakeholder interests directly involved.

The following Diagram shows the relationships between the components of an integrated strategy for sustainable polycentric regional development

