

VII Meeting of the METREX General Assembly, Berlin

Location

RADIALSYSTEM.V,
Holzmarktstraße 33,
10243 BERLIN.

MINUTES

Friday 17 September, 14.00 - 15.30

1 ATTENDANCE AND APOLOGIES

The Assembly was attended by 49 delegates and guests representing of 22 of the 46 constitutionally recognised Member metropolitan regions and areas of the Network. South Coast Metropole (Bournemouth) and Zaragoza had formally, and in writing, given their voting powers to the President and Madrid respectively, under Article 10 of the AISBL Statutes. This provided more the 50% required by the Statutes to form a quorum. The Sederunt is in Appendix 1.

Apologies were received from the GCVSPJC, GLA, Thessaloniki, Bruxelles, Lisboa, Lombardia, Napoli and Zurich

2 MINUTES OF THE RIGA MANAGING COMMITTEE MEETING AND THE RIGA SPECIAL GA

The Riga Special GA considered the outcome of the METREX electronic GA, held on Friday 21 May, to approve changes to the structure of the METREX Managing Committee (MC). The Special GA agreed arrangements for the election of the President, two Vice Presidents and seven members of the Managing Committee.

The Riga MC approved the Income and Expenditure and Profit and Loss Accounts for the 2009 Financial Year.

The Minutes of the Riga MC and the Riga Special GA were approved

3 METREX ELECTIONS

Within the framework of the new METREX Managing Committee structure, the METREX election procedure was followed and one nomination for President, two for Vice President and six for members of the MC were received.

Subsequently, Hans Hede was not able to proceed with his nomination. Hans is a founder colleague in METREX and will now retire from Stockholm County Council this autumn. The Assembly expressed its great appreciation to Hans for the major contribution that he has made to the growth and development of METREX, over many years, and offered its warm good wishes for the future.

Hans Brattström, from Stockholm County Council, was nominated by Hans Hede as his replacement and a MC candidate. The President nominated Claudio Tolomelli, of the Regione Emilia-Romagna to fill the remaining place on the MC. Although the MC has powers to co-opt replacement members of the MC, under Article 14 of the AISBL Statutes, it was felt to be more appropriate, at the formal establishment of the new MC, that the Berlin GA should formally elect all members of the new MC.

The GA then formally voted, unanimously, to elect the following colleagues to form the new METREX Managing Committee (alphabetical order)

President

Hannu Penttilä, Helsinki

Vice Presidents

Alberto Leboriero, Madrid
Jeanette Wopperer, Stuttgart

Managing Committee members

Hans Brattström, Stockholm
Juliane Kürschner, Amsterdam
Tin Meylemans, Brussels
Kurt Puchinger, Wien
Jakob Richter, Hamburg
Sara Taveira, Porto
Claudio Tolomelli, Emilia-Romagna

Treasurer

To be nominated from the MC

Auditor

Ewa Kurjata, Szczecin

Secretary General

Roger Read

4 FINANCE

4A Financial Statements and audit for 2009

The METREX Financial Statements (Income and Expenditure and Profit and Loss) for the half-year period January to June 2010 were approved

The Auditor reported on the satisfactory probity of METREX financial management over this period

5 METREX MEMBERSHIP AND SUBSCRIPTIONS 2011/2012

The METREX Membership and subscription income for 2011/2012 was modified to include €7000 from the Glasgow and the Clyde Valley Strategic Development and Planning Authority (GCVSDPA).

6 METREX PROGRAMME AND BUDGET 2011/2012

6A EUCO2 80/50 project on Climate change/Urban change

The EUCO2 80/50 project will conclude at the end of 2010 and the outcomes will be finalised at a Synthesis Meeting of the Steering Group (all partners), in Hamburg, in spring 2011. The project will then feature in the Hamburg Green Capital 2011 programme and the METREX autumn 2011 Hamburg Meeting. The Lead Partner presented a progress report to the Berlin Conference (see the published Proceedings on the METREX web site).

METREX has produced a first draft of the METREX Metropolitan Mitigation Practice Benchmark (EU CO₂plus) and the Secretary General presented the early indications to the Berlin Conference (see also the published Proceedings on the METREX web site).

The GA noted the progress being made with the EU CO₂ 80/50 project and the contribution of METREX through the EU CO₂plus Practice Benchmark

6B Expert Groups

The Berlin Conference was structured around the activities of four of the current Expert Groups. Current Groups are,

- Economic development and spatial planning (Industrial location within metropolitan areas)
- Intra metropolitan polycentricity
- Major infrastructure
- Affordable housing

The leaders of the Expert Groups were invited to present their future intentions to the GA.

Economic development and spatial planning

The main objective is an exchange of experience about clusters, innovation and competitiveness, within the spatial planning process. The Group has given particular consideration to the decentralisation of major service sector functions, including major offices, to peripheral locations within metropolitan areas. The consequences for established urban centres and the transport system have been considered and a first report has been published (see the METREX web site) by the lead partner, IAU-Idf.

The Expert Group will meet to produce further findings and conclusions in 2011

Intra Metropolitan Polycentricity (IMP)

Hans Hede, from Stockholm, and Peter Schmidt, from Nordregio, presented the outcome of the work of the Expert Group to the Berlin Conference (see the published Proceedings on the METREX web site). The major observations and conclusions are set out in Appendix 4 under the following headings.

- Preconditions for the application of IMP (Intra-Metropolitan Polycentricity)
- The capacity of the governance system matters!
- IMP can help to combat urban sprawl and thus to respond to climate change in a positive manner!
- IMP can help to promote economic competitiveness and target-oriented labour divisions between centres!

Possible future work

- Deepening of one of the three strands in relation to IMP
- Polycentricity and quality of life within Metropolitan Areas
- How to achieve spatial balance within Metropolitan Areas
- Governance of metropolitan flagship-projects
- Implications of the Economic Crisis on metropolitan planning/governance

The Group will now explore the way in which any such further work is to be progressed

Major infrastructure

Ulrike Assig presented the outcome of the work of the Expert Group. This comprises a full Response to the Commission Working Document "Consultation on the Future Trans-European Transport Network Policy" No COM (2010)212/7, reflecting the METREX response to the Green Paper of February 2009. This can be downloaded from the METREX web site. The Response includes,

- Points of agreement and emphasis and recommendations
- Methodology and recommendations
- TEN-T and recommendations
- Legal and institutional framework and recommendations

The Response was supplemented by specific detailed responses from the Municipality of Szczecin and the Federal States of Berlin and Brandenburg.

The GA supported the Response made by the Expert Group and supplemented by colleagues from Szczecin and Berlin-Brandenburg. The Group intends to remain engaged with the TEN-T review process

Affordable Housing

The Affordable Housing Group was set up with membership from Glasgow (GCVSDPA), Stockholm, Bournemouth, Ile-de-France (IAU-Idf), Emilia-Romagna and Helsinki. Scoping papers, prepared on a comparative basis, have been exchanged and can be downloaded from the METREX web site. The Affordable Housing Expert Group met in Glasgow, in February 2010, for an exploratory meeting and the outcome can also be downloaded from the METREX web site.

The Group has so far considered, primarily, aspects of affordable housing supply. The GCVSDPA has commissioned a major consultancy study that also investigates issues of demand in more detail. This is summarised in Appendix 5 and was the subject of discussion during the Berlin Conference (Excursion 4). It was referred to by Jim Parke, of the METREX Secretariat, representing the GCVSDPA, who facilitated the Conference Excursion and a related meeting of the Expert Group in Berlin.

The Expert Group will now meet again in 2011, probably in Glasgow, to review progress and consider the next steps. It is clear that the housing situation as a whole, including Affordable Housing, across Europe is now giving cause for concern, having regard to the balance of future public and private finance now in prospect following the global financial crisis. This emerging situation is likely to raise major strategic issues for most metropolitan areas. The Expert Group will have regard to this in its future work.

The Group will welcome participation from other colleagues in this further work

Urban/rural relationships in metropolitan areas of influence

Colleagues from the Metropolregion Hamburg explained that they would be initiating a new Expert Group to explore this issue. METREX already has contact with the PURPLE, the peri-urban areas network, through colleagues in the Planungsverband Frankfurt. The Secretariat can assist with a Call for Expressions of Interest to METREX Members.

The GA welcomed this initiative

6C IOER project

The Leibniz Institute of Ecological and Regional Development (IOER - Markus Egermann and Marc Wolfram) is currently involved in the preparation of an FP7 ENV project proposal. It addresses "sustainable and resilient green cities", and in particular methods to enable adaptive governance, collaborative decision-making and behavioural change in relation to major environmental challenges, such as climate change, resource shortage, and urbanisation.

Having heard a presentation from Markus Egermann, the GA agreed to circulate the IOER project proposal to METREX Members to seek Expressions of Interest

6D METREX 2011/2012 Programme

The following METREX 2011/2012 Programme of Meetings and Conference has been confirmed in principle with the hosting authorities. Arrangements for the Istanbul and St. Petersburg Study Visits are being progressed and should be clarified in the near future

2011

- Athens spring Meeting
- Study Visit to Istanbul - being progressed by the President
- Hamburg autumn Meeting - Conclusions from the EU CO2 80/50 project and their dissemination as part of the European Green Capital programme

2012

- Marseille spring Meeting
- Study Visit to St. Petersburg - being progressed by the President
- Wien autumn Conference

6E METREX Budget for 2011/2012

The Riga MC approved a METREX Budget for 2011/2012 and agreed that it should be submitted to the Berlin General Assembly for adoption.

Item 5, above, referred to an annual subscription income from the GCVSDPA of €7000. This income will enable up to €7000 of expenditure to be made under Miscellaneous expenses for METREX office support services in Glasgow.

The Secretary General recommended that the Budget should be modified to transfer €7000 from Miscellaneous expenses to Printing, promotion and exhibitions, given the expenditure in 2011 that can be anticipated, for example, for the EU CO2 80/50 project on Climate change/Urban change (see item 6A).

The Berlin GA approve the revised METREX Budget for 2011/2012 and this is attached as Appendix 3

7 INTERNATIONAL AFFAIRS

7A European Neighbourhood Policy

The following neighbouring metropolitan areas were invited to the Berlin-Brandenburg Conference in order to explore possible future networking and the exchange of effective practice but were unable to attend..

- Alexandria
- St. Petersburg
- Minsk
- Lviv
- Chisinau

- Odessa
- Rabat

The new MC will now consider how to progress neighbour relations in the future

7B International relations

Colleagues from the Moscow, US, China and South America were invited to attend the Berlin-Brandenburg Conference to explore issues of common interest. Such interest has focused on the issue of climate change/urban change and the EUCO2 80/50 project to date and this is expected to continue. The Secretary General mentioned the work of Dr. Sebastian Carney, METREX Climate Change Adviser, in promoting the piloting of the Greenhouse Gas Regional Inventory Protocol (GRIP,) being used in the EUCO2 80/50 project, in China and North and South America.

Mark Gibb, Executive Director of the Northern Virginia Regional Commission (NVRC) attended the Berlin Conference. METREX signed a Declaration of Cooperation between Metropolitan Regions and Areas of the United States and Europe in Alexandria, Virginia, in 2008 (see METREX web site). This Declaration contained four Articles that provide a basis for ongoing cooperation.

The new MC will give consideration to how the intentions of the Declaration can be progressed

METREX has been invited to attend and contribute to the annual Congress of the US National Association of Regional Councils (NARC) in San Diego in 2011. This will give an opportunity to confirm the joint action that can be taken.

8 EUROPEAN AFFAIRS

8A European relations

The Network's capability to be represented in Brussels has been increased through the support of the METREX Brussels "antenna" from the Brussels offices of Stuttgart, Hanse, Helsinki and Ile-de-France. Other Member representatives would be welcome.

Sylvia Schreiber, Head of the Stuttgart office in Brussels, reported to the GA on European current affairs of relevance to METREX and those issues in which METREX might take an interest.

New Community Initiative on Urban-Rural relations

- There is an opportunity for dialogue with DG Regio on governance models for metropolitan areas and their wider rural area of influence.

Pilot Actions within the Cohesion Policy

- The new EU 2020 Strategy offers opportunities for metropolitan regions to become involved as recognised drivers of growth. The MC will be able to consider appropriate recommendations to DG Regio. There could be a Framework Regional Programme comparable to the Framework Research Programme.

The MC will consider these possibilities and develop and progress them with the assistance of the Brussels antenna

8B Bernd Steinacher Fellowship

The first Fellowship was awarded to Dipl. -Ing. Judith Bornhorst of the HafenCity University of Hamburg, by Dr. Tatjana Geddert-Steinacher at the Berlin-Brandenburg Conference Reception on Thursday 16 September. Metropolitan visioning is a new field for metropolitan planning and governance and this will be the theme for her Fellowship.

Judith Bornhorst will make a presentation to the 2012 METREX GA in Wien, when the Fellowship ends, and make the results of her work available to METREX Members

9 ANY OTHER BUSINESS

9A IAU-Idf mini Questionnaire

Devices and process of follow-up /assessment/ evaluation of metropolitan strategies or planning documents

METREX colleagues in the Institut d'Aménagement et d'Urbanisme - Ile-de-France (IAU-Idf) have taken a welcome initiative to explore the ways in which European metropolitan regions and areas organise and progress the implementation of their longer term metropolitan strategies. A short Questionnaire (in FR and EN) was circulated in April for responses in May.

Colleagues from IAU-Idf will report to the MC on the outcome of this initiative and the possibility of forming an Expert Group to progress the issues raised by the Questionnaire responses

9B London/Paris booklet

The Paris Meeting in 2009, after the 2008 London Conference, was arranged in order to be able to compare and contrast the approach to common issues in both of Europe's global cities. Colleagues in IAU-Idf summarised and translated their Schema Directeur (SDRIF) for this purpose and METREX produced a summary of the Plan for London. IAU-Idf would like to arrange an informal workshop or seminar with the GLA to identify and explore issues of common interest arising from this comparative work. The documents can be downloaded from the METREX web site and may well be of interest to other Members.

The appropriate arrangements are being explored with the IAU-Idf and the GLA

9C Athens Meeting invitation

Damae Amtomatou, Vice President of the Organisation of Athens, invited METREX Members to Athens for the spring 2011 Meeting and this kind invitation was warmly accepted by the GA

Appendix 1

Sederunt

Martin	Aarts	1	City Region Rotterdam/de Haag
Jerzy	Adamski		Institute of Urban Development, Krakow
Damae	Amtomatou	2	Organisation of Athens
Ulrike	Assig	3	Capitalregion Berlin-Brandenburg
Silke	Böhringer	4	Verband Region Rhein-Neckar
Judith	Bornhorst		Bernd Steinacher Fellow
Cecile	Bost	5	Marseille Provence
Hans	Brattström	6	Stockholm County Council
John	Brown		METREX Accountant
Sebastian	Carney		University of Manchester/EUCO2 80/50
Genevieve	Danchin		IAU-Idf/METREX
Markus	Egermann		Leibniz Institute
Jesus Maria	Erquicia Olaciregui	7	Gobierno Pais-Vasco
Gianfranco	Fiora	8	Provincia di Torino
Francesca	Franzin	9	Regione Veneto
Otto	Frey		City of Vienna
Kleito	Geradi		METREX Ambassador
Anne-Marie	Gobert		Marseille Provence
Douglas	Gordan		City of Helsinki
Hans	Hede		Stockholm County Council
Reinhard	Henke	10	Planungsverband Frankfurt
Irma	Karjalainen		Helsinki Region Environmental Services
Thomas	Kiwitt		Verband Region Stuttgart
Ewa	Kurjata	11	METREX Auditor, Szczecin Municipality
Juliane	Kürschner	12	City of Amsterdam
Olli	Lahtinen		Helsinki City Economic and Planning Centre
Alberto	Leboreiro Amaro	13/14	Comunidad de Madrid (Zaragoza)
Martine	Liotard	15	IAU-Idf
Richard	Manninen		City of Helsinki
Gerald	McGrath	16	Honorary President, METREX, Glasgow
Alberto	Miotto		Regione Veneto
Kurt	Mittringer		Magistrat der Stadt Wien
Tim	Page		Head of Communications, METREX
Jim	Parke		Head of Projects, METREX
Hannu	Penttilä	17/18	METREX President, City of Helsinki (SCM)
Kurt	Puchinger	19	City of Vienna
Roger	Read		Secretary General, METREX
Jakob	Richter	20	Metropolregion Hamburg
Miliza	Ryöti		City of Helsinki
Alfonso	Sanz Araujo		Gobierno Pais-Vasco
Rainer	Scheppelmann		City of Hamburg
Silvia	Schreiber		Verband Region Stuttgart
Wilhelm	Schulte		City of Hamburg
Albert	Serratos	21	Generalitat de Catalunya (IET), METREX
Hans	Smit		City of Amsterdam
Sara	Taviera	22	Metropolitan Area of Porto
Claudio	Tolomelli	23	Regione Emilia-Romagna
Olavi	Veltheim		Helsinki City Planning Department
Jussi	Vuorinen		METREX Ambassador
Jeannette	Wopperer	24	Verband Region Stuttgart

Totals	49	24	
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Appendix 2

METREX Members and Observers - Subscription income 2011/2012

	Metropolitan area	Member	Subs €
1	Amsterdam	1 Stad Amsterdam	7000
2	Athens	2 Oranisation of Athens	7000
3	Barcelona	3 Prefecture of Catalunya	7000
4	Berlin	4 Capitalregion Berlin and Brandenburg	7000
5	Bilbao	5 Gobierno del Pais-Vasco	7000
6	Bologna	6 Regione Emilia-Romagna	7000
7	Bruxelles	7 Ville de Bruxelles	7000
8	Bucharest	8 Municipality of Bucarest (UMPCB)	2100
9	Rotterdam/den Haag	9 Rotterdam City Council	4500
	Metropolitan Area	10 Municipality of The Hague	4500
10	Eurociudad Vasca	11 Eurociudad Vasca/Bayonne/St Sebastian	7000
11	Firenze	12 Regione Toscana	7000
12	Frankfurt	13 Planungsverband Frankfurt	7000
13	Glasgow	14 GCVSDPA (1)	7000
14	Hamburg	15 Hamburg Metropolitan Region	7000
15	Hannover	16 Metropolregion Hannover	
		Braunschweig Göttingen	7000
16	Helsinki	17 Helsinki City Council	3000
		18 HSY (2)	3000
		19 Uusimaa Regional Council	3000
17	Lisboa	20 Area Metropolitana de Lisboa	7000
18	Madrid	21 Comunidad de Madrid	7000
19	Marseille	22 agAM (3)	9000
20	Milano	23 Regione Lombardia	7000
21	Moscow	24 Institute for the General Plan of Moscow	3500
		25 Cities Globaly United	3500
22	Mitteldeutschland	26 Metropolregion Mitteldeutschland	7000
23	Napoli	27 Provincia di Napoli	7000
24	Napoli	28 Regione Campania	7000
25	Nürnberg	29 Verien die Region Nürnberg	7000
26	Oradea	30 Oradea Metropolitan Area Association	2100
27	Paris	31 IAURIF (4)	7000
28	Porto	32 Area Metropolitana do Porto	7000
29	Prague	33 City of Prague	
30	Rhein-Neckar	34 Verband Region Rhein-Neckar	7000
31	Riga	35 City of Riga Council	2100
32	Sevilla	36 Junta de Andalucia	7000
33	Sofia	37 Municiplaity of Sofia	2100
34	Stockholm	38 Stockholm County Council	4500
		39 Stockholm City Council	4500
35	Stuttgart	40 Verband Region Stuttgart	7000
36	Szczecin	41 Municipality of Szczecin	2100
37	Thessaloniki	42 Organisation of Thessaloniki	7000
38	Torino	43 Regione Piemonte	4500
		44 Provincia di Torino	4500
39	Veneto	45 Regione del Veneto	7000
40	Vilnius	46 Vilnius City Municipal Government	2100
41	Wien	47 Stadt Wien	7000
42	Wroclaw	48 Municipality of Wroclaw	2100
43	Zaragoza	49 Diputación Provincial de Zaragoza	4500
		50 Ayuntamiento de Zaragoza	4500
44	Zurich	51 RZU(5)	7000

Appendix 2

METREX Members and Observers - Subscription income 2011/2012

	Metropolitan area		Observers
45	Krakow	52	Municipality of Krakow
46	Budapest	53	Central Hungarian Development Agency
47	München	54	Regionaler Planungsverband München
48	Granada	55	Centro Internacional de Estudios Urbanos

Subscription income

€27870

- (1) Glasgow and the Clyde Valley Strategic Development and Planning Authority
- (2) Helsinki Region Environmental Services Authority
- (3) Agence d'Urbanisme de l'Agglomération Marseillaise
- (4) Institut d'Aménagement et d'Urbanisme de la région d'Ile-de-France
- (5) Regionalplanung Zürich und Umgebung

Appendix 3

METREX Budget 2011/2012

	€
Income	278700
Subscriptions	278700
Interest received	0
Expenditure	250000
Service Provider costs	182000
1 Secretary General	50000
2 Communications and management	30000
3 Projects (networking) and productions (graphics)	60000
4 Interpretation and translation	35000
5 Accountancy	7000
Expenses costs	68000
6 Travel, accommodation and subsistence	30000
7 Printing, promotion and exhibitions	19000
8 Postage, telephone and office supplies	5000
9 Miscellaneous expenses	14000
Surplus/deficit	28700
10 METREX 2011 Reserve/Contingency and 2012 Conference	25,000
Surplus	3700

Expert Group on Intra-metropolitan Polycentricity - Major observations and conclusions for the Berlin Conference GA

Major observations and conclusions

- 1 Preconditions for the application of IMP (Intra-Metropolitan Polycentricity)**
 - Patience - it is a long--term strategy!
 - To understand market mechanisms better and their potential territorial impacts
 - Need to develop commonly shared mindsets on key terms on and concepts and better tools to communicate our intentions
 - Mental maps have to be enlarged (from the municipal level (to the level of (larger) polycentric metropolitan areas (MAs)
- 2 The capacity of the governance system matters!**
 - Clear strategies and instruments to manage the different interests/agendas/territorial logics of actors/institutions...
 -since IMP is not only a spatial concept - it also entails a specific governance capacity and response
 - IMP claims cooperation and mutual understanding, coordination at different levels ...
 -to make sure that the entire metropolitan area develops consistently according to "one single IMP concept "
- 3 IMP can help to combat urban sprawl and thus to respond to climate change in a positive manner!**
 - "Densifying" certain centres in accordance with the development and protection of some green belts development belts ("polycentric compactness")
 - Higher densities must be linked with higher centralities and to develop better urban amenities
 - IMP helpful in developing transport axes/nodes and a reliable and efficient transport system.
- 4 IMP can help to promote economic competitiveness and target-oriented labour divisions between centres!**
 - Helpful to reconcile competitiveness and territorial cohesion
 - Helpful to minimise agglomeration disadvantages
 - BUT - If political and organisational coordination is lacking, IMP can lead to increasing transaction costs and to a duplication of institutions
- 5 Future work?**
 - Deepening of one of the three strands in relation to IMP (2,3,4 above)
 - Polycentricity and quality of life within Metropolitan Areas
 - How to achieve spatial balance within Metropolitan Areas
 - Governance of metropolitan flagship-projects
 - Implications of the Economic Crisis on metropolitan planning/governance

Appendix 5

Expert Group on Affordable Housing - GCVSDPA update for the Berlin Conference GA

New Planning Context

- The Housing (Scotland) Act 2001 requires local authorities to carry out an assessment of current provision and a need and demand assessment.
- In 2008 guidance was issued on the preparation of Housing Need and Demand Assessments (HNDA) and Local Housing Strategies (LHS)
- Scottish Planning Policy (2010) – introduced the concept of Housing Market Partnerships to produce the input to the strategic development plan.
- The Centre for Housing Market Analysis was established by the Scottish Government to ensure that assessments provide “robust and credible” evidence.

New Approach to Strategic Planning of Housing

- There is a requirement to integrate the planning and housing perspectives via the guidance in the Good Practice Guide, but different cultures are making it difficult.
- The assessment guidance requires a multiple tenure approach including owner occupied, private rental, social rental and “intermediate”. There is some confusion over the definition of “intermediate”
- The guidance seeks a long-term view, which is natural for planners but less easy for housing managers and providers.
- There is a requirement for stakeholder dialogue. This is easier at the local level, but very complex over the strategic housing market area due to the wide range of housing interests involved.

Strategic Issues

- There is no general shortage of affordable housing, but there are imbalances in spatial distribution.
- There are local issues in some suburban districts in the north and south of the city.
- In a few districts there are proposals for major restructuring of the social rented stock. These proposals involve a reduction of stock which is sensitive to findings on future requirements.
- Structure Plan already makes provision for 19,000 additional dwellings and so supply of owner-occupied housing should be adequate.

Population and Household Projections

- The demographic approach has been retained from the earlier Structure Plan approach.
- An optimistic scenario has been adopted, which should ensure more flexibility in terms of the demand and supply assessment.
- Economic advice supports a less optimistic approach

Housing Market Areas

- A tiered approach has been adopted for the reconciliation of private sector supply and demand.
- The social rented sector is considered at local authority level with 31 local authority sub-areas

Backlog Need Analysis

- HNDA Guidance requires consideration of backlog need.
- Some stakeholders argued that backlog components were already allowed for in the

- demographic/household formation rates.
- Nevertheless a range of backlog need was set using judgments on the proportion of the waiting list which could afford market rates.
- At the lower end of the range the difference between applying backlog or excluding it amounted to 300 dwellings per annum for the private sector.
- In terms of the affordable housing sector estimates the higher estimate of backlog need will be included.

Affordability

- The house price/income ratio was rejected on the grounds that it over-simplified the market.
- Analysis suggested the use of a straightforward home ownership/income relationship.
- A range of affordability has been adopted for most areas of 25% - 33% of income.
- In Glasgow and its northern suburb a range of 33% - 40% has been applied because of evidence on house buying behaviour.
- The strategic demand data is being fed into Housing Need Assessments by local authorities. These Assessments have as yet to be completed.
- In the past the Structure Plan only had to ensure sufficient allocation of land for private housing, but now all sectors must be included.
- On the assumption of high affordability levels the social rented sector stabilises – a decline of 3,000 units 2009-2025
- Assuming lower levels of affordability social rented requirements increase by 22,000 units 2009-2025.

Intermediate Housing

- The Scottish Government identifies the range of need as the 30%, 40% and 50% percentiles of household income.
- It is assumed that this sector relates to housing with an element of subsidy, but there is very little data available as the supply is constrained
- Could subsidised owner occupation in a declining market lead to negative equity problems and repossession issues?

Tenure Trends

- Applying the tenure trends approach adopted in previous Structure Plan methodology the private sector, including rental, would increase from 70% to 78% and social rented would decline from 30% to 22%
- Using the high affordability levels the private sector would increase to 74% and the social rented sector would decline to 26%
- Using the low affordability levels the private sector would only increase to 72% and the social rented sector would only decline to 28%
- It should be noted that the owner occupation percentage in the USA has changed from 64% in 1993 to a peak in 2005 of 69% and is now at 67%.
- “The big question is what the correct percentage should be”. – Bill Gross of the worlds largest bond fund.

Housing after the Recession?

- The recession has created economic uncertainty, fiscal austerity, credit constraints and housing market instability.
- It is possible that private sector completions in the Greater Glasgow area in 2009-2010 will only amount to about 4,000 units compared to 7500+ in 2007-2008
- The Scottish Government has a goal to increase the rate of house building to 35,000 pa by around 2015
- At a 5% growth rate (above the historical average for the industry) it would take until 2031 to achieve 35,000 new homes per annum