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Y Gweinidog Cyfoeth Naturiol
Minister for Natural Resources



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref

Ein cyf/Our ref SF/CS/1370/15

Alun Ffred Jones AM
Chair – Environment and Sustainability Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

30th May 2015

Dear Alun,

Thank you for your letter dated 1 May requesting an update regarding the Environment and Sustainability Committee's Report into the use of population and household forecasts in the preparation of Local Development Plans (LDPs). I am pleased to provide information in respect of the two specific recommendations you raise, namely:

Recommendation 1: How the Government proposed to address concerns related to the extent to which LPAs are able to produce their own 'robust and credible' forecasts;

Recommendation 2: The outcome of the technical analysis on whether a longer time frame for projections would enhance their robustness.

In response to recommendation 1 there are currently 16 adopted LDPs with a further 2 nearing the end of their examination, potentially resulting in 18 adopted LDPs by the end of the year. This would result in 75% LDP coverage across Wales. This is an encouraging and positive position which demonstrates Local Planning Authorities (LPAs) ability to produce and justify robust and credible housing forecasts through the examination process.

My officials have been working closely with local authorities, both individually and in regional groups, providing advice and support to add robustness to the process. Collaboration between local authorities has grown considerably, alongside the sharing of expertise. Local authorities have utilised both in-house demographers/expertise (for example Caerphilly Council) or engaged private consultants to undertake the necessary work (for example Cardiff and Newport Council's). Both approaches have been deemed 'robust' at examination.

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In addition, Conwy Council's demographer assisted Denbighshire Council in the preparation and examination of their LDP housing provision; Swansea and Neath Port Talbot Council have undertaken a joint economic and housing evidence base using external consultants which has driven the formulation of a housing provision in their respective LDPs.

In light of the issues raised previously by the committee, and in order to further support and develop the skills and capacity within local authorities, I approved a bid for training on specialist demographic software (PopGoup) from the South East Wales Strategic Planning Group (10 local planning authorities in South East Wales, February 2014). The PopGroup software is recognised as the industry standard and is used by the majority of LPAs in Wales including Welsh Government Knowledge and Analytical Services (KAS). This training was attended by 26 local authority officers and has been successful in improving the knowledge and capacity of local authorities. In-house expertise supported by technical training, combined with access to the Welsh Government projection modelling and data, has enabled local authorities to undertake their own in house projection modelling, if they consider it appropriate.

A combination of additional training, collaboration, identifying best practice, access to the modelling and data and advice from officials has enabled local authorities to achieve adopted LDPs. This has placed authorities in a strong position when preparing a plan, culminating in a much improved situation.

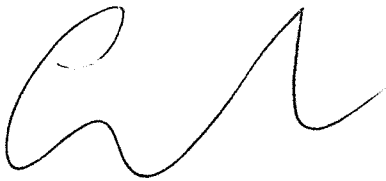
In addition, a strategic planning approach is set out in the Planning (Wales) Bill which will enable cross boundary planning issues such as housing provision to be dealt with through a Strategic Development Plan (SDP), if appropriate. Such an approach will further facilitate the sharing of resources, avoid duplication, reduce repetition and improve efficiency. SDPs will address issues at the larger than local scale, such as housing provision, in a more integrated and comprehensive way.

Recommendation 2 raises issues beyond my portfolio. Jane Hutt AM, Minister for Finance, has responsibility for publication of population and household projections for Wales. Welsh Government, Knowledge and Analytical Services (KAS) published 2011-based household projections in February 2014. The 2011 projections were developed in close collaboration with LPAs and key users in Wales through the Wales Sub-national Projections working group (WASP). This group provided a forum for discussing and agreeing the methodology and base data of both the population projections and the household projections. Members of the WASP working group included local authority representatives with knowledge of and/or experience of demographic data and population and household projections.

A key outcome of this technical group was the conclusion that a further migration variant for population projections based on a longer time frame (10 years) to accompany the existing suite of projections would enhance their robustness. I am pleased to report that the 2011-based population projections and the household projections (which use the population projections as their base) did include this additional new variant in respect of a 10 year migration projection. All LPAs have access to the projection model and the assumptions underpinning it, as well as a raft of additional evidence. LPAs can therefore undertake further modelling, taking account of local circumstances, if appropriate, to produce alternative outputs. Critically, the quality of the evidence will be central to demonstrate that an LDP can be found 'sound'; and adopted after examination, this not only relates to technical assumptions to support housing growth, but all aspects of the plan, the linkages and direction of travel of the plan as a whole.

I hope you are encouraged as am I, with the continuing progress, knowledge and capacity of LPAs to undertake their own credible and robust projections which is confirmed by the number of LDPs adopted in Wales to date.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a series of loops and a final upward stroke.

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