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Development of Options for the West Midlands RSS in Response to the NHPAU Report

Government Office for the West Midlands

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Main Report

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1.0 Executive Summary

Introduction

1.1 This study considers how the housing supply range for the West Midlands identified by the National Housing and Planning Advice Unit Report (NHPAU) could be delivered in the West Midlands. It considers a range of options and presents three potential growth scenarios proposing between 417,100 and 445,600 housing units up to 2026. These represent housing allocations which build on and are between 51,500 and 80,000 higher than the draft West Midlands Phase 2 Regional Spatial Strategy Revision.

1.2 The study has involved:

i) The development of nine initial options;

ii) Testing these nine options in terms of their physical impacts, delivery risks and performance against RSS, PPS3, and the Housing Green Paper;

iii) A Sustainability Appraisal (SA) and appropriate assessment in line with the Habitats Regulations;

iv) Engagement with stakeholders through meetings with local authority representatives, other agencies, developers and infrastructure providers; and

v) Formulation of three potential scenarios derived from analysis and feedback in relation to the nine options.

1.3 The status of this report and associated assessments and appendices is the output of independent consultants working to a brief set by Government Office for the West Midlands (GOWM). The report does not represent the formal position of Government, which will put forward its own evidence in due course, taking account of the material within this document, and other material considerations.

1.4 This Executive Summary is presented under the following headings:

- Key Findings and Potential Scenarios;
- Background and Approach;
- Generating Options;
- Appraisal of Options.

Key Findings and Potential Scenarios

i. There is scope to identify additional land for housing in the region;

ii. Additional housing need not harm achievement of Urban Renaissance;

iii. There is no evidence that increased housing supply outside the Major Urban Areas (MUAs) will reduce housing supply within them;

iv. There is no evidence that increasing housing supply outside the MUAs increases out-migration;

v. There may be limits on how far it is possible to increase housing supply with the MUAs;

vi In some locations there are increased risks that additional supply could harm fragile markets and undermine housing market renewal, but could be overcome by careful phasing;

vii Additional housing can support economic growth;

viii. Birmingham needs more good quality housing in the City and its immediate hinterland to support its global role;

ix. Additional housing growth can help address genuine affordability problems and meet housing needs;

x. Additional housing growth can support rural renaissance and support RSS objectives through regeneration;

xi. Additional housing growth is likely to require the review of Green Belt but this is consistent with RSS objectives if it results in sustainable development and regeneration. There are also opportunities to increase coverage of Green Belt;

xii. New settlements are a potential form of development that could meet requirements in the right locations and if the delivery capability is put in place;

xiii. Transport issues are not a fundamental barrier to delivering more housing although investment in public transport alongside highway improvements will be needed in some locations;

xiv. Although there are localised hydrology and other issues to resolve there is no evidence that these cannot be addressed through investment in additional capacity or consideration of specific locations in Core Strategies;

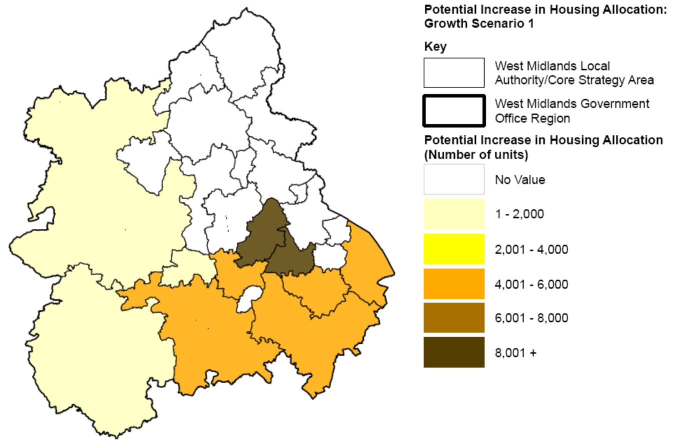
xv. The market downturn means the currently envisaged trajectory of housing will change but there is no fundamental market barrier to increasing supply provided there is sufficient suitable and available land;

xvi. The phased release of land needs to focus on managing the risks for fragile markets, whilst also ensuring that supply increases as quickly as possible out of the downturn.

1.5 The report evidences these key findings and outlines how the evidence and analysis pointed to the three potential growth scenarios outlined below. The scenarios emerged from considering the potential for each local authority/core strategy area to accommodate additional housing growth, within the broader context of how additional growth sits within the objectives of RSS and need to minimise risks of non-delivery.

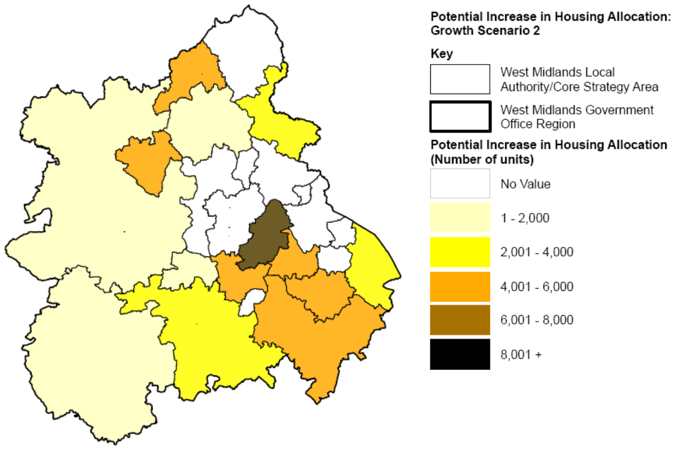
1.6 These scenarios are presented as potential scenarios, none should be considered as the 'preferred' option for the Region or as the optimum outcome. This will depend on the choices made on a wide range of issues. However, they do represent NLP's view on choices that could be a good fit with existing policy, aligned to reducing the risks of non-deliverability.

Scenario 1: South East Focus



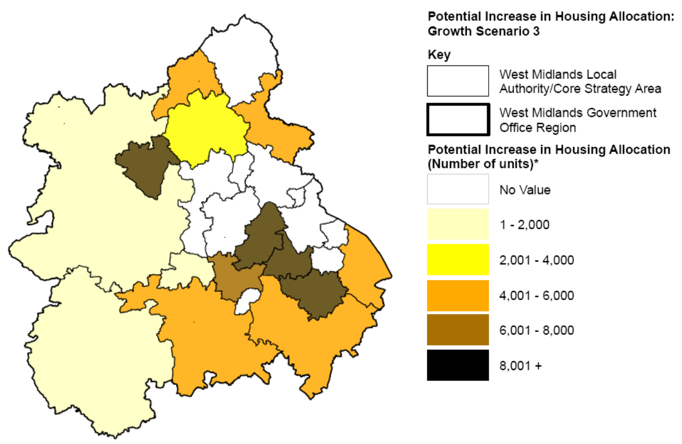
- Additional growth focused in the south east of the region and in the rural west
- 51,500 additional units
- 417,100 net additional dwellings up to 2026
- New settlement in Solihull District
- Links housing growth to economic growth

Scenario 2: Spreading Growth



- 54,000 additional units
- 419,600 net additional dwellings up to 2026
- South East focus but also capitalising on capacity for growth in North Staffordshire (which sits in a separate sub-regional market) and Telford and in the rural west
- Links housing growth to economic growth and areas of additional capacity and regeneration, with a spread across housing market areas.

Scenario 3: Maximising Growth



- 80,000 additional units
- 445,600 net additional dwellings up to 2026
- Additional growth across a range of locations including around the Metropolitan MUA, Staffordshire, Telford and in the rural west to address affordability issues.
- Focuses growth in areas of economic growth, affordability, capacity and regeneration, across a range of housing market areas.

1.7 The main body of the report provides further detail on how these scenarios were arrived at, alongside the testing of the nine options and analysis of some of the key issues and scenarios. Table 1.1 below shows how the three potential scenarios compare in terms of housing numbers.

Local Authority / Core Strategy Area	RSS Phase 2 Revision Preferred Option (Net 2006-2026)	Scenario 1: South East Focus		Scenario 2: Spreading Growth		Scenario 3: Maximising Growth	
		Potential Increase	Total Housing Allocation for RSS	Potential Increase	Total Housing Allocation for RSS	Potential Increase	Total Housing Allocation for RSS
Birmingham	50,600	10,000	60,600	10,000	60,600	10,000	60,600
Coventry	33,500	0	33,500	0	33,500	0	33,500
Black Country	61,200	0	61,200	0	61,200	0	61,200
Solihull	7,600	13,000	20,600	5,000	12,600	10,000	17,600
Metropolitan Area Total	**152,900**	**23,000**	**175,900**	**15,000**	**167,900**	**20,000**	**172,900**
Shropshire	**25,700**	**1,900**	**27,600**	**1,900**	**27,600**	**1,900**	**27,600**
Telford and Wrekin	26,500	0	26,500	5,000	31,500	10,000	36,500
Staffordshire (excl. North Staffs)	**49,200**	**0**	**49,200**	**4,000**	**53,200**	**8,000**	**57,200**
Cannock Chase	5,800	0	5,800	0	5,800	0	5,800
East Staffordshire	12,900	0	12,900	2,500	15,400	5,000	17,900
Lichfield	8,000	0	8,000	0	8,000	0	8,000
North Staffordshire	17,100	0	17,100	6,000	23,100	6,000	23,100
South Staffordshire	3,500	0	3,500	0	3,500	0	3,500
Stafford	10,100	0	10,100	1,500	11,600	3,000	13,100
Staffordshire Moorlands	6,000	0	6,000	0	6,000	0	6,000
Tamworth	2,900	0	2,900	0	2,900	0	2,900
Warwickshire	**41,000**	**14,500**	**55,500**	**12,500**	**53,500**	**19,500**	**60,500**
North Warwickshire	3,000	0	3,000	0	3,000	0	3,000
Nuneaton and Bedworth	10,800	0	10,800	0	10,800	0	10,800
Rugby	10,800	5,000	15,800	3,000	13,800	5,000	15,800
Stratford-on-Avon	5,600	4,500	10,100	4,500	10,100	4,500	10,100
Warwick	10,800	5,000	15,800	5,000	15,800	10,000	20,800
Worcestershire	**36,600**	**10,900**	**47,500**	**8,400**	**45,000**	**13,400**	**50,000**
Bromsgrove	2,100	5,000	7,100	5,000	7,100	7,500	9,600
Redditch	6,600	0	6,600	0	6,600	0	6,600
South Worcestershire	24,500	5,500	30,000	3,000	27,500	5,500	30,000
Wyre Forest	3,400	400	3,800	400	3,800	400	3,800
Herefordshire	16,600	1,200	17,800	1,200	17,800	1,200	17,800
MUAs	**169,100**[1]	**23,000**	**193,000**	**21,000**	**191,000**	**26,000**	**196,000**
Non-MUAs	**196,500**	**28,500**	**224,100**	**33,000**	**228,600**	**54,000**	**249,600**
HMAs							
North	46,100	0	46,100	10,000	56,100	14,000	60,100
South	53,000	20,400	73,400	17,900	70,900	27,900	80,900
Central C1	69,100	23,000	92,100	15,000	84,100	20,000	89,100
Central C2	58,100	5,000	63,100	3,000	61,100	5,000	63,100
Central C3	97,000	0	97,000	5,000	102,000	10,000	107,000
West	42,300	3,100	45,400	3,100	45,400	3,100	45,400
West Midlands Region	**365,600**	**51,500**	**417,100**	**54,000**	**419,600**	**80,000**	**445,600**

Table 1.1: Potential Scenarios – Housing Distribution

Source: WMRA / NLP

[1] Figures for MUAs total differ between RSS Preferred Option and scenarios due to definition of Newcastle under Lyme urban area figure within district and North Staffordshire totals.

Background and Approach

1.8 The study flows from the need to meet housing needs and manage the impacts of new development in the West Midlands region. The West Midlands Regional Assembly (WMRA), in arriving at the Preferred Option for delivering 365,600 net additional homes by 2026, concluded that this level of provision struck the right balance between housing need and the overall objectives of the RSS, notably the need to achieve urban renaissance. Baroness Andrews, in her letter (7 January 2008), expressed concern that the RSS Phase 2 Revision was not making provision for sufficient housing, because of the challenge set down in the Housing Green Paper and the level of housing indicated for the region in the initial advice from the NHPAU.

1.9 The NHPAU Supply Range, published on 26 June 2008, provides the parameters for housing need to be tested through the study – it indicates the potential need for between circa 377,000 and 447,000 new dwellings in the RSS period (with some uncertainty due to the base date of RSS and the NHPAU being different). On this basis, the options tested as part of the Study look at how it might be possible to deliver between circa 12,300 to 80,700 more dwellings than are proposed by the RSS Phase 2 Revision Preferred Option.

1.10 The purpose of the Study is therefore to develop and then test the options to explore the potential for increasing the supply of housing in the West Midlands, and what kinds of impacts, risks, and policy implications are associated with this.

1.11 This study does not set out to establish the level of housing need and demand in the region or to test the appropriateness of the NHPAU's supply range as a measure of the housing requirement for the region. Rather, it seeks to explore whether it is possible to increase housing provision over the Preferred Option in light of the NHPAU supply range.

Generating the Options

1.12 Nine options were generated, combining a mixture of spatial options (ie where new development might be located) and levels of housing growth (ie how much more housing). The starting point for generating these options was:

1. The RSS Preferred Option, which flowed from an initial identification of physical capacity for 340,000 units, meaning any additional growth would need to be either greenfield or through a fundamental shift in land use emphasis within urban areas;
2. The analysis of how the housing requirement for each local authority in the RSS Preferred Option compared with CLG 2004-based local Household Projections and past build rates;
3. The NHPAU Supply Range, which indicates the need for between circa 12,300 - 80,700 additional dwellings;
4. The overall strategy of the RSS with its identification of Major Urban Areas (MUAs) and Settlements of Significant Development (SSD) and other policy priorities;
5. The recognition, for example in the Eco Towns Prospectus, that major developments of circa 5,000 units represent sustainable building blocks for investment in infrastructure; and
6. The shortlisted Eco Town locations at Middle Quinton and Curborough.

1.13 The options, which took the RSS Preferred Option as a starting point, looked at how *additional* growth could be distributed across the region in the form of:

- Additional urban-based growth within the Major Urban Areas (MUAs);
- Urban extensions;
- New settlements; and
- Additional rural housing provision.

1.14 The nine options comprised a mix of:

- Two options at the bottom end of the NHPAU Supply Range (circa 12,300 additional units on top of the RSS Phase 2 Revision Preferred Option);
- Five options at a mid point of the NHPAU Supply Range (circa 46,500 additional units on top of the RSS Phase 2 Revision Preferred Option) ranging from focusing growth principally as urban extensions in the south east of the Region (Option 3), New Settlements (Option 4), growth on urban sites in the MUAs (Option 5), principally as urban extensions in the north of the Region (Option 6), and as smaller urban extensions distributed across the Region (Option 7);
- Two options at the upper end of the NHPAU Supply Range (circa 80,700 additional units on top of the RSS Phase 2 Revision Preferred Option) with a mix of urban extensions and New Settlements (Option 8) and through urban extensions and rural housing provision (Option 9).

1.15 The purpose of the nine options was to test a series of high level strategic approaches to delivering the additional levels of development. They are deliberately focused around key settlements and in some cases span administrative boundaries, resulting in allocations which are sometimes split across local authorities.

Appraisal of Options

1.16 In order to arrive at a series of potential ways forward for the region, the nine options were appraised against a range of factors:

- Impacts
  - Transport
  - Community and Social Infrastructure
  - Hydrology
  - Landscape
  - Housing Market
  - Economy
- Delivery Risks
  - Infrastructure Provision
  - Transport Infrastructure
  - Market Delivery
  - Planning
  - Public Sector Delivery

1.17 The Options were also considered against the RSS Policy Objectives and Government policy for housing in PPS3 and the Housing Green Paper. Alongside this, the options were appraised in terms of the Sustainability Appraisal (SA) (taking as its starting point the SA for the RSS Preferred Option), and a Habitats Regulations Assessment.

1.18 The focus of the study, in terms of assessing impacts and risks was to identify the potential 'showstoppers' or fundamental barriers that might prevent development from being able to proceed, rather than identifying every impact or risk. It is clearly recognised that additional development gives rise to localised impacts and that whilst these can often be avoided or mitigated through appropriate local planning, it is not always possible to eradicate all impacts. In this context, if higher levels of housing growth are pursued to address affordability or support economic growth, mitigation will need to be addressed.

1.19 The appraisal considered the nine options in the context of the various broad locations for additional growth. The appraisal considered a wide range of issues, and in all options there are potential barriers to additional growth in some broad locations, whether these relate to infrastructure, market capacity, environmental or other impacts. These impacts should be capable of being mitigated and therefore not pose a fundamental constraint on additional growth. However the phasing of growth of some options and locations may depend on the timing of mitigation action.

1.20 The SA of Housing Options follows the relevant Government guidance in PPS11 and the ODPM guidance on "Sustainability Appraisal of Regional Spatial Strategies and Local Development Documents" (Office of the Deputy Prime Minister (November 2005). The SA considers each of the options for additional housing growth, using the SA of Policy CF3 carried out for the RSS Preferred Option as the starting point. It identifies to what extent the cumulative effects of each Option and the Preferred Option would differ to the effects of the Preferred Option in isolation and whether this would lead to a different conclusion being reached by the SA and accordingly the need for further or different recommendations.

1.21 In this regard, the SA work for this study takes forward the logic applied by the WMRA's consultants in considering policy CF3. In a small number of cases this logic is not consistent with the conclusions that NLP has reached in other aspects of the appraisal (and this is generally highlighted in the SA), but it has been considered important for the SA to have consistency with the previous work. The SA provides information to support the study and to enable easy comparison with the preferred option. If any of the options or scenarios are taken forward through the RSS revision, these would be subject to further SA at the proposed changes stage. A similar principle applies to the Habitats Regulations Assessment (HRA).

1.22 The options were assessed in the context of being net additions to the housing provision proposed by the RSS Phase 2 Revision Preferred Option, which then impact on the Objectives as a whole. There was no explicit RSS policy objective directly relating to the requirement for housing provision to match 'regional' housing needs, and the options were therefore assessed against Government policy in PPS3 and the Housing Green Paper.

Implications for Local Authority / Core Strategy Areas

1.23 Table 1.2 below provides a summary of how the appraisal relates to each of the Local Authority/Core Strategy areas, and shaped the emergence of the three scenarios.

1.24 The process of filtering nine options down to three scenarios takes account of:

1. What NLP considers to be the de-minimis nature of the additional c.12,300 units to reach the bottom of the supply range – there are a number of alternative approaches to delivering this (including Birmingham's own proposals in its Core Strategy Issues and Options report, the Eco Town locations, making additional rural provision) – about which there is little real doubt over its impacts or deliverability at a regional level;
2. The limitations of New Settlements as a means of delivering a significant proportion of the additional units for the NHPAU supply range, which means the potential for Options 4 and 8 to make a substantial contribution in this RSS period are limited;
3. The constraints of certain locations (e.g. Cannock and Redditch) to accommodate additional growth (over RSS Preferred Option) given particular restrictions and impacts;
4. The finite capacity of the market to bring forward major urban-based growth to accommodate the middle or upper end of the NHPAU supply range, and, in particular the challenge of securing additional growth in the Black Country, where build rates have been significantly lower even than the RSS Preferred Option;
5. The differing perceptions on the scale of growth that can be accommodated in different broad locations. The evidence does not point to the existence of precise 'tipping points' above which additional growth is not possible – it is a matter of judgement, taking account of the scale, impact and deliverability in different broad locations. Analysis and feedback suggests that, with the exception of the areas identified for rural provision:
    i. additional growth, if it was deemed appropriate, would be in the form of major urban extensions, which if possible and deliverable within the market, should be of sufficient scale and critical mass to form a sustainable urban extension supporting its own infrastructure provision (Warwick, Solihull and Telford provide good examples of this principle);

ii. some additional levels of growth could be accommodated on urban sites, meaning the capacity of 340,000 originally identified in RSS is an under-estimate (Birmingham and North Staffordshire are good examples of this);

iii. in the case of Solihull, one of the scenarios takes forward the concept of a new settlement, recognising that this form of development should be tested through the RSS process.

1.25 This summary is not intended to be a comprehensive review of every factor of relevance to taking forward development in any of the broad locations identified. And it is of course open for stakeholders to adopt different views on what and how particular localised issues and impacts might influence the approach of the RSS. However, if there is a policy focus on increasing housing supply, and if the appropriate choices or trade-offs are made, the conclusions of this study are that the locations identified could in principle accommodate growth above the Preferred Options level.

Local Authority / Core Strategy Area	Key Issues, Impacts and infrastructure Issues	Included in Scenarios?	Approach adopted in Scenarios
Locations Tested within Nine Options			
Birmingham	Scenarios that increased the rate of growth within Birmingham will address the underlying need expressed by projections and the growth ambitions of the City, expressed most recently in the Core Strategy Issues and Options Report. The infrastructure issues of this growth can be addressed, but there are undoubtedly risks in terms of market build rates and securing appropriate sites for new development in the short term. Annual SHLAA work will need to ensure that appropriate and available sites are brought forward to ensure the overall number of units can be delivered. At the level of 10,000 additional growth, the Council's Core Strategy Issues and Options report indicates that this can be achieved without necessitating Green Belt amendments. However, this is dependent on suitable and available sites being capable of achieving the necessary rates of development. If this is not the case, there could be a requirement to review the Green Belt at this level of provision.	Yes	10,000 additional units are identified in each Scenario. The Council's Issues and Options Report might suggest that this increase is feasible but must be regarded as carrying some delivery risk.
Solihull	RSS under-provides against both past build rates and CLG Projections, so net additional growth could address underlying need. There is also an underlying ability to deliver in market terms. Additional growth would necessitate Green Belt review. There are landscape issues in some locations but these can be avoided through appropriate site selection and masterplanning. There is good accessibility but increasing rail and road capacity may be required on some rail routes into Birmingham and in relation to M42 J4 and J6 depending on the location of development – there is no reason to assume it cannot be delivered. There are clearly delivery and market capacity risks for a new settlement option but in principle they can be overcome.	Yes	The Scenarios range from major urban extensions or linked new settlements of circa 5,000-10,000 units (Scenarios 1 and 3) to a potential free-standing New Settlement accommodating 13,000 new units in the period to 2026, with development potentially continuing beyond the RSS period.
Shropshire	The appraisal process indicates that there is widespread scope for increasing the level of housing provision in the rural parts of Shropshire, without giving rise to major issues.	Yes	Growth of circa 1,900 additional units across all three potential scenarios

Local Authority / Core Strategy Area	Key Issues, Impacts and infrastructure Issues	Included in Scenarios?	Approach adopted in Scenarios
Telford and Wrekin	Although the RSS allocates Telford significantly more housing than envisaged by the CLG projections and past build rates, there is underlying potential for additional development both within the settlement boundary and on land owned by English Partnerships. Further growth could support further investment in the town's retail and other services and benefit regeneration. Not all additional growth is likely to require greenfield extension. Increased rail and road capacity is likely to be required to address localised congestion. Some water supply and treatment investment is required. There is no evidence that additional growth would harm the urban renaissance agenda. There are no infrastructure barriers to delivery of housing. There are potential land and market capacity issues (particularly for a 10,000 unit increase) which would need to be overcome by coordinated HCA/new asset based vehicle interventions. There is a need to control phased release of sites for housing to maximise output with delivery plan coordinating investment in infrastructure. As in other locations phasing of development may need to await market recovery to fund infrastructure.	Yes	Growth ranging from nil (Scenario 1) through to an additional 5,000 (Scenario 2) allocation and 10,000 units (Scenario 3). The upper end should be regarded as ambitious given the scale of development uplift required. Phasing will need to have regard to land release, infrastructure and supporting regeneration.
East Staffordshire	Additional physical capacity is identified in Burton-upon-Trent SSD and growth associated with supporting regeneration and economic development activity aligned to the Growth Point. Potential flood risk issues need to be managed but there is no indication that this is a fundamental barrier for further development. There are localised congestion issues, and need to improve public transport accessibility into both East and West Midlands regions. Higher rates of growth (e.g. in Scenario 3) may trigger market capacity issues, but ultimately phasing allows for the additional growth to be delivered later in the plan period.	Yes	Growth from nil (Scenario 1) through to 5,000 additional units, phased later in the RSS period.
North Staffordshire	There is identified additional capacity, and scope to increase growth to reflect underlying demand and potential link to economic development objectives, particularly in Newcastle under Lyme, focused around the Keele University. Further growth could also be aligned to wider regeneration across the MUA, with appropriate phasing to ensure additional supply does not undermine fragile markets. There is a need for some infrastructure investment, including investment in bus services, and water supply/treatment measures. However, there are no major risks to delivery.	Yes	Nil growth in Scenario 1. Growth up to 6,000 units in Scenarios 2 and 3. Phasing will be important in terms of providing the time/'breathing space' for regeneration to create the platform for further growth.
Stafford	Some scope to increase growth in SSD, although location would need to focus more towards the south given need to minimise risk of any impact on North Staffordshire market. Some local transport impacts could require mitigation, including scope to lengthen trains to enhance public transport capacity. Hydrology investment will be required. Although infrastructure investment will be required, no major delivery risks identified.	Yes	Nil growth in Scenario 1. Increasing to 1,500 in Scenario 2 and 3,000 in Scenario 3.

Local Authority / Core Strategy Area	Key Issues, Impacts and infrastructure Issues	Included in Scenarios?	Approach adopted in Scenarios
Rugby	Capable of accommodating additional growth and identified as SSD. Potential highway and public transport capacity infrastructure works/investment required. May require significant hydrology investment but not identified as a fundamental barrier to development. No evidence that infrastructure required cannot be delivered, although rates of delivery will require market capacity increase at the 5,000 level of increase. Although it is not likely that a Green Belt review would be needed to accommodate growth, it might be that extension of the Green Belt to establish the boundaries of Rugby could be considered.	Yes	Growth of 5,000 units identified in Scenarios 1 and 3. Lower growth (3,000 units) in Scenario 2.
Stratford-upon-Avon	Stratford-upon-Avon is a district with significant affordability issues, and where the RSS Preferred Option 'under-supplies' against CLG Projections. The market has also delivered more than the RSS Preferred Option over the past five years indicating market capacity to increase supply beyond the RSS Preferred Option. The Middle Quinton Eco Town was shortlisted in May 2008. High level analysis indicates the scheme may have major transport issues to resolve, but if these are capable of being resolved either through the Eco Town or some other form of development, it will address the underlying need and scope for additional development in Stratford-upon-Avon to address affordability. Development will require range of infrastructure, but key is transport mitigation (guided rail/bus link) and alternatives to Eco Town might present alternatives more capable of being served if Eco Town bid not taken forward. Social infrastructure may present timing issues as with any new settlement. Water supply may be an issue but no reason to assume it cannot be overcome. Growth might provide the opportunity to review the Green Belt and consider its extension, including around Stratford-upon-Avon.	Yes	Growth identified in all three Scenarios (plus 1,500 in Wychavon– South Worcestershire Core Strategy Area)
Warwick	Additional development to address significant affordability issues, under-provision against CLG Projections, and market ability to deliver more than RSS (evidenced by build rates) with provision of infrastructure funded by development in one of the more successful market locations in the region. Transport issues differ between locations in and around Warwick. Transport infrastructure improvements associated with rail, alongside bus service improvements, are likely to be required. Social infrastructure investment required. Water supply and flood risk issues but not identified as insurmountable barrier to further growth. Delivery risks flow from the necessary costs of infrastructure works, which will depend on location of development. Almost doubling the RSS requirement might have market capacity issues, but the underlying strength of the market and positive feedback from the development industry gives confidence on delivery. Additional growth would necessitate a review of the Green Belt to include consideration of how it might be extended to allocate Green Belt around all of Warwick.	Yes	Growth of 5,000 units (equivalent to one sustainable urban extension) identified in Scenarios 1 and 2. Higher levels of growth (10,000) identified in Scenario 3 (equivalent to two sustainable urban extensions). Phasing measures would be needed to address this.

Local Authority / Core Strategy Area	Key Issues, Impacts and infrastructure Issues	Included in Scenarios?	Approach adopted in Scenarios
Bromsgrove	Combination of proposals in Options for Birmingham South and Redditch, alongside underlying under-provision of RSS Phase 2 against CLG Projections, past build rates, and major affordability threshold indicate potential for further development in Bromsgrove. It will be for LDF to identify most appropriate location for accommodating growth. A review of the Green Belt would be necessary. Both Redditch and urban extensions to the Metropolitan area provide opportunities for using existing public transport infrastructure, alongside potential investment to upgrade. Investment in water supply/treatment will be needed, depending on location of development. Some developer concern at market capacity for development related to Redditch. Investment in infrastructure needed, and risk of non-delivery could hinder development but not considered a major issue, although market delivery could be an issue for higher output. Phasing would need to be dictated by timescales for transportation (e.g. train lengthening) and water supply/treatment improvements where necessary to support development, this might mean phasing to 2012+	Yes	Identified for 5,000 units (Scenarios 1 and 2) or 7,500 (Scenario 3) through significant additional growth as extensions to either or both Redditch and Birmingham.
South Worcestershire	Joint Core Strategy across three districts provides mechanisms for identifying how additional rural housing provision and growth focused around city of Worcester can be accommodated. In addition, Wychavon would accommodate c.1,500 units of the 6,000 unit eco town proposal at Middle Quinton, if it proceeded. Analysis of options reveals that there are no reasons why growth cannot be accommodated beyond hydrology (water extraction) issues associated with the Wye Valley which equally apply to the RSS Phase 2 Preferred Option and should be capable of being resolved. Equally, although Worcester is a strong market, some suggestion from developers that the local market might be able to accommodate just 2,500 units around the city itself. The scope to extend the Green Belt around Worcester could be considered in tandem with other reviews necessary to accommodate additional growth.	Yes	Growth of 5,500 and 3,000 identified based on 1,500 of rural housing provision, 1,500 for the Middle Quinton eco town location, and up to 2,500 (in terms of Scenarios 1 and 3) for growth to Worcester.
Wyre Forest	The appraisal process indicates that there is widespread scope for increasing the level of housing provision associated with rural areas (to improve rural affordability), without giving rise to major issues.	Yes	400 units for additional rural provision identified in all scenarios.
Herefordshire	Additional Rural Provision – to improve rural affordability. There could be localised hydrology infrastructure requirements but there is no reason why these could not be accommodated. No major delivery risks identified.	Yes	Additional growth of 1,200 units identified in all three scenarios.

Table 1.2: Key Issues, Impacts and Infrastructure Issues for Local Authority/Core Strategy Areas

Source: NLP Analysis

1.26 This is an independent report prepared as evidence to inform GOWM's response to the RSS Phase 2 Preferred Option. It also provides a resource for other stakeholders and sits as just one input among a range of other pieces of evidence that will need to be considered in the remainder of the RSS process.