

# Development of Housing Options for the West Midlands

## Nathaniel Lichfield and Partners

### Introduction

The new planning system introduced by the Planning and Compulsory Purchase Act on the 13<sup>th</sup> September 2004 changed the status of what was Regional Planning Guidance, to new Regional Spatial Strategies (RSS) which now form part of the Development plan for Local Planning Authorities.

The Regional Spatial Strategy was published in June 2004. At that time, the Secretary of State supported the principles of the strategy but suggested several issues that needed to be developed further. The Revision process is being undertaken by the West Midlands Regional Assembly (WMRA) in three phases.

Phase 1 – the Black Country study, this phase was formally adopted in January 2008.

Phase 2 – Covers housing figures, employment land, town and city centres, transport, and waste, the preferred option of this phase has been submitted.

Phase 3 – covers critical rural services, culture/recreational provision, various regionally significant environmental issues and the provision of a framework for Gypsy and Traveller sites, and was launched on 27<sup>th</sup> November 2007.

The RSS phase 2 revision was formally submitted to the Secretary of State on 21<sup>st</sup> December 2007.

Following this formal submission, the West Midlands Regional Assembly received a letter from Baroness Andrews, Parliamentary Under-Secretary of State in the Department for Communities and Local Government. In her letter, dated 7<sup>th</sup> January 2008 (attached as appendix 1), the Minister expressed concern about the housing proposals put forward by the Assembly in light of the Government's agenda to increase house building across the country. In view of this, the Minister has asked the Government Office for the West Midlands to commission further work to look at options which could deliver higher housing numbers and this will be considered as part of the Examination in Public.

Consultants Nathaniel Lichfield have been appointed to carry out this study and the aim is for the work to be completed by 7<sup>th</sup> October, 2008. The study will be undertaken in a number of stages, the first stage focussed on data gathering leading up to an initial seminar with stakeholders which took place on 20<sup>th</sup> May 2008. The Government Office has indicated that it intends that the study should be undertaken in an open and transparent way, and the purpose of the first seminar was to explain to stakeholders further details, including the methodology being adopted. It was anticipated that this would include reference to any formal advice to Government on housing provision emerging from the National Housing and Planning Unit (NHPAU) should this become available, this information has now been published and form the basis for the scale of the housing options generated.

The second regional seminar took place on the 8<sup>th</sup> of July where 9 different options for growth were identified in order to meet the range of potential new development that has been identified by the NHPAU.

### National Housing and Planning Advice Unit

NHPAU published another report on 2<sup>nd</sup> July 2008 called Affordability Still Matters. This report contained revised projections for the level of house building required nationwide to help tackle the current issues of affordability. The range of new development the NHPAU recommends for the West Midlands are shown in the table below.

NHPAU Range	Annual Rate	Revisions Provision by 2026	Additional to RSS Phase 2
Bottom	19,000	377,300	12,300
Upper	22,600	445,700	80,700

Due to the considerable differences in the upper and lower thresholds over the period up to 2026 NLP have generated a third mid range figure in order to offer alternatives for testing. This third mid range is shown in the table below

NHPAU Range	Annual Rate	Revisions Provision by 2026	Additional to RSS Phase 2
Middle (NLP)	20,800	411,500	46,500

### The Options

NLP have generated 9 different development options to meet the three ranges above, options 1-2 the lower range, Options 3 - 7 the mid range, and options 8-9 the upper range.

It has also been stressed that these strategic options **are**

- Prepared independently, by NLP, as the basis for discussion and debate and to test within the Study
- There to reflect, and where necessary, test:
  - Impact on underlying objectives
  - Key constraints
  - The range of policy choices, their impacts, and trade-offs
  - Deliverability
- The basis for informing the GOWM evidence to RSS
- Providing a 'menu' of potential ways in which growth could be delivered, that can then be interpreted, tested, and translated into a form appropriate for RSS
- Capable of being stretched or contracted, and disaggregated into their component parts:
  - if the levels of growth changed; or
  - if a 'hybrid' preferred option emerged

And that they are **not**

- Exhaustive or intended to be exhaustive – there are clearly other choices
- Proposals of government
- Intended to be taken forward by rote into RSS
- Formally associated with any other tandem appraisal processes for proposals of any sort









NLP were also keen to point out that the strategic options

- are **not** site specific
- The locations on plans are **indicative** and **not to scale**
- The locations shown for additional growth under each option are **strategic** 'areas of search' to inform discussion
- the **number of units associated with each location is indicative**, to test the general scale of growth in different parts of the region
- The plans/options are **not** how any future RSS would represent its proposals, which would be a matter considered by the Panel and Government
- As currently, it would be **for LDFs to determine the most appropriate location and way to deliver the housing requirements set by RSS**

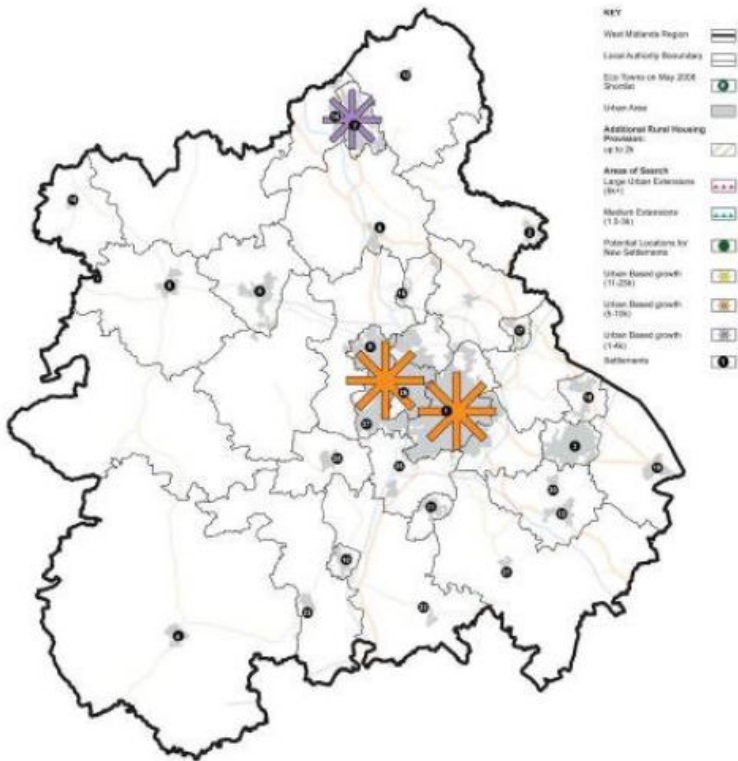
The nine strategic options are

- 1 - Increased Major Urban Supply
- 2 - Eco Towns
- 3 - South and Eastern Urban Focus with Rural Provision
- 4 - New Settlements
- 5 - Major Urban Area Supply Focus
- 6 - Northern Urban Focus with Rural Provision
- 7 - Distributed Urban Growth
- 8 - Major Urban Growth and New Settlements
- 9 - Major Urban Extensions and Rural Provision

Below is a summary of each option with some of the potential implications for Bromsgrove District, the key below can be used for all various plans.

<b>Areas of Search</b>			
Large Urban Extensions (5k+)		}	<ul style="list-style-type: none"> <li>• Extensions to the urban area. Residential, but scope for mixed uses, including retail, employment, services, schools, health care etc.</li> </ul>
Medium Extensions (1.5-3k)			
Potential Locations for New Settlements		}	<ul style="list-style-type: none"> <li>• Free-standing new settlements, probably with scope for development to c.20,000 dwellings either within the RSS period, or more likely beyond.</li> </ul>
Eco Towns on May 2008 Shortlist			
Urban Based growth (11-25k)		}	<ul style="list-style-type: none"> <li>• Development within the urban area, on previously-developed and other land that is suitable for housing, including within mixed use developments. Potentially part of regeneration proposals.</li> </ul>
Urban Based growth (5-10k)			
Urban Based growth (1-4k)			
<b>Additional Rural Housing Provision:</b> up to 2k		}	<ul style="list-style-type: none"> <li>• Additional housing to be developed in rural areas, including market towns and villages, to address affordability</li> </ul>

## Option 1 - Increased Major Urban Supply



Location/Area of Search	Local Authorities in Area of Search	Indicative Number of additional Units
North Staffs	Newcastle/ Stoke on Trent	c.1,750
Black Country	Black Country authorities	c.5,500
Birmingham	Birmingham	c.5,000
<b>TOTAL NHPAU MID</b>		<b>12,300</b>

Focussing more development into the MUA than currently identified by the current RSS revision, this option would only meet the lower levels of development identified by the NHPAU, the broad justification for this approach is

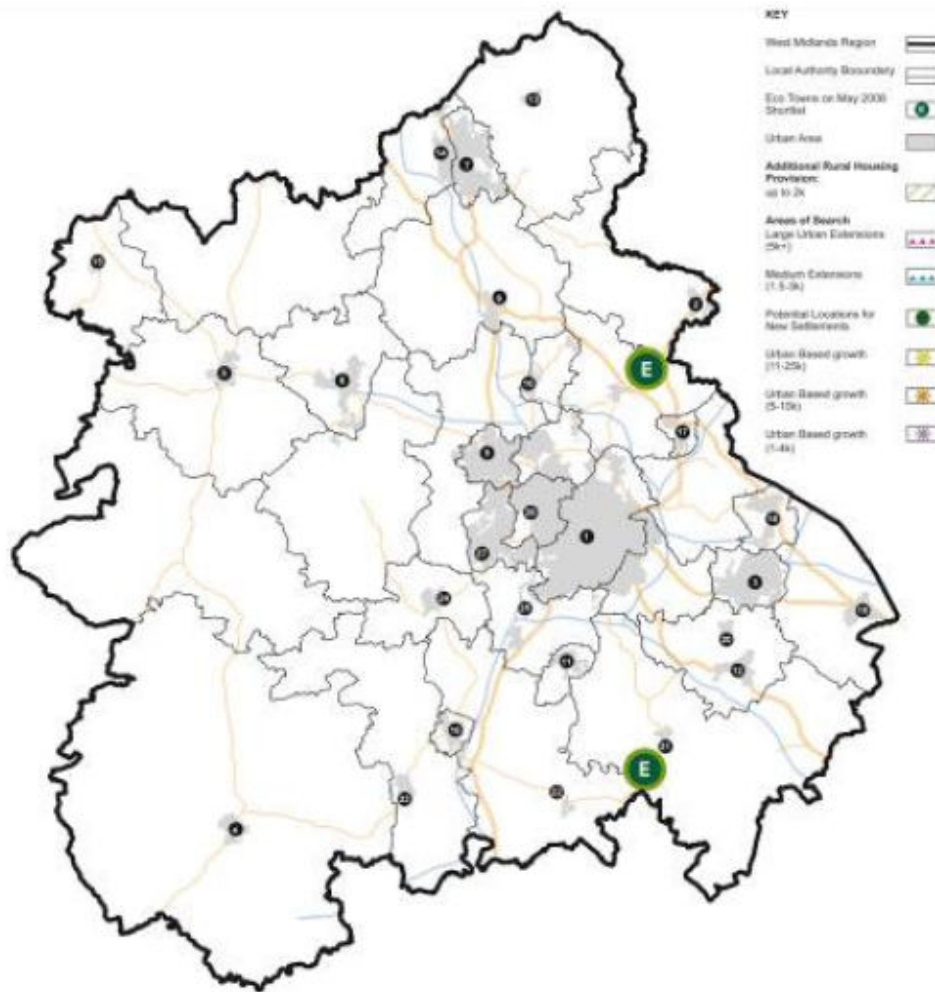
- Maintains existing RSS policy approach
- Urban renaissance focused
- May be further 'brownfield' capacity in MUAs
- Maximising use of existing infrastructure.

### Implications for Bromsgrove

No further land than currently identified would need to be released around Bromsgrove or Redditch

Only meets lower levels of development could place pressure on district to find land to meet higher projections should they prove to be true.

## Option 2 Eco Towns



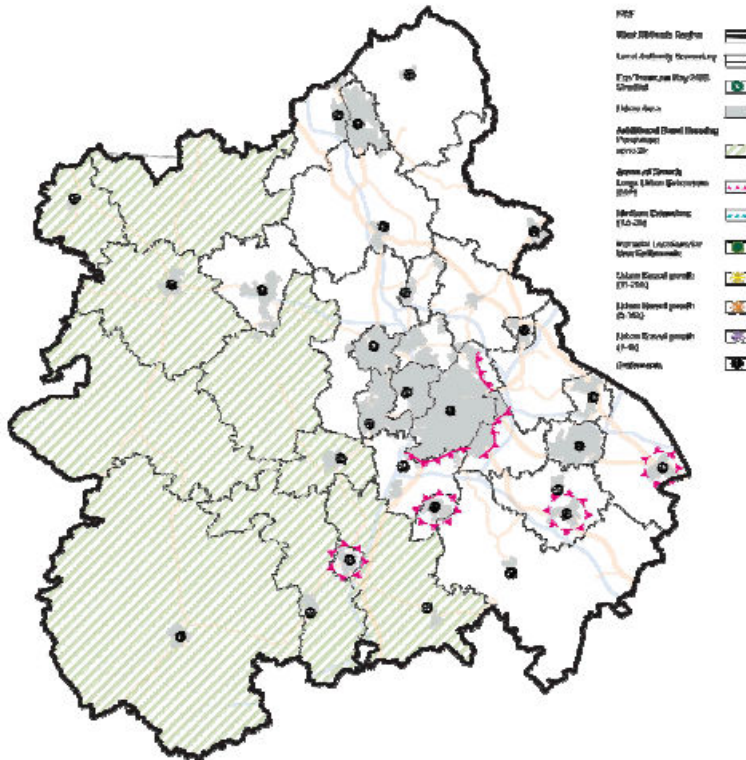
This option mirrors the governments Eco town proposals, although they have met with considerable criticism from many areas of the planning profession due to the remote locations and also the lack of clarity on how they are to be delivered. There has also been considerable opposition locally to the proposals. This option required both bids in the West Midlands to be chosen for development, the developers responsible for the ECO town bid at Fradley Airfield near Lichfield withdrew their bid last week which obviously has implications for this option and all other options where the Eco towns form part of the capacity.

### Implications for Bromsgrove

A present no further land would be required in Bromsgrove to meet regional targets

The withdrawal of one of the Eco Town Bids obviously means this option will not generate the required number of new dwellings to meet the lower targets putting further pressure on other areas of the West Midlands to find the capacity.

## Option 3 South and Eastern Urban Focus with Rural Provision



Location	Local Authorities in Area of Search	Indicative Number of additional Units
<b>Large Urban Extensions</b>		
Birmingham South	Birmingham / Broms	c.5,000
Birmingham East	Birmingham	c.5,000
Birmingham/Solihull	Birmingham/ Solihull	c.10,000
Warwick	Warwick	c.10,000
Redditch	Redditch/ Bromsgrove/ Stratford	c.5,000
Rugby	Rugby	c.5,000
Worcester	Worcester/ Wychavon/ Malvern Hills	c.5,000
<b>Additional Rural Provision</b>		
Shropshire	All	c.1,900
Herefordshire	All	c.1,200
Worcestershire	Malvern, Wychavon, Wyre Forest	c.1,900
<b>TOTAL NHPAU Mid</b>		<b>46,500</b>

Focuses development towards the south east of the midlands and south Birmingham, identifies substantial new capacity in Greenfield and Greenbelt locations first of the 5 options to meet the mid range target for new development

- Focus growth in locations aligned to areas of greatest economic growth
- Current build rates and market indicators suggest a greater risk of delivering additional growth within urban areas
- Larger urban extensions (c. 5,000) units provide a more sustainable critical mass of development
- There is a need for additional housing in rural locations with most affordability pressures

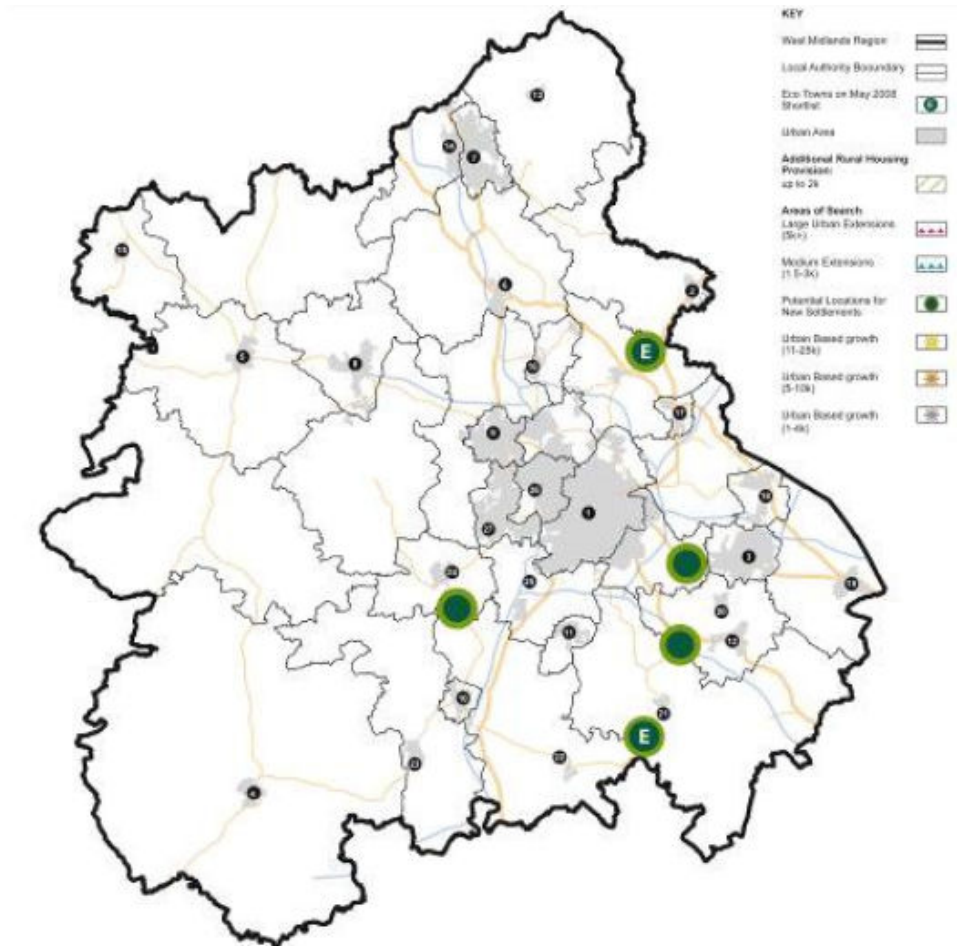
### Implications for Bromsgrove

Option 3 identifies growth in the range of 5000 new dwellings could be provided as urban extensions to both south Birmingham in Bromsgrove, and Redditch in Bromsgrove and or Stratford. These further allocations would be additional to the

- 750+ at Longbridge for Birmingham's needs in the north of the district,
- and the 3300 potentially adjacent to Redditch in the south of the district.

This level of development would not only remove huge amounts of land in the Green belt but would also put pressure on all the physical and social infrastructure in the district.

## Option 4 New Settlements



This option has looked across the Midlands for potential new settlements to meet the growth needs as well as considering the Eco Town bids, the likely scale of these new developments is 20,000 new dwellings in each. Broad justification for this approach is

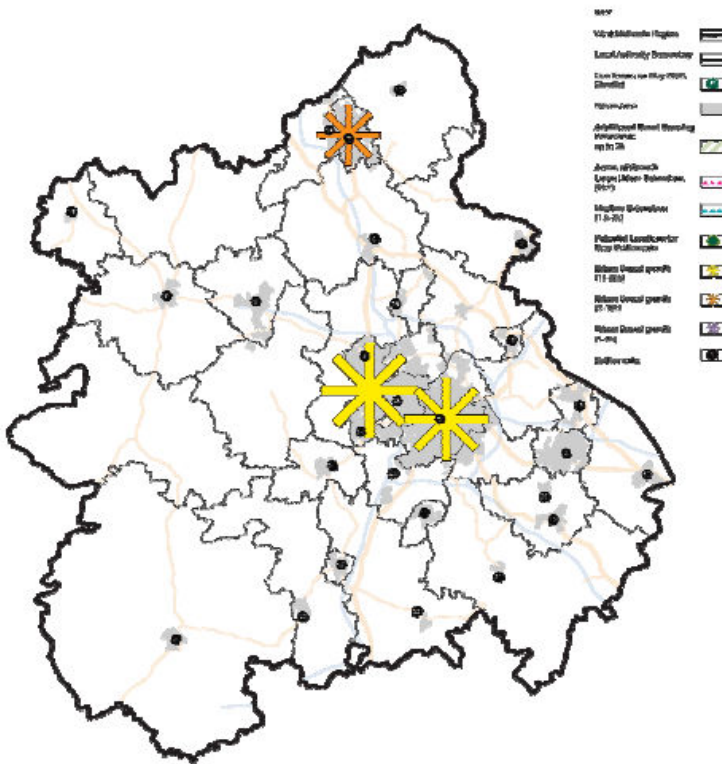
- New Settlements provide an alternative to urban extensions as a means of delivering growth outside the urban area
- A basis for larger and longer term growth poles for development through and beyond RSS
- Scope to align to potential need for economic development
- Taking advantage of underused transport infrastructure and/or sites
- Scale and critical mass for self containment

### Implications for Bromsgrove

Whilst this option does not suggest any new settlements in Bromsgrove at the moment, if more work is done in order to justify this approach then the locations of the current new settlements may change although I think this is unlikely. As with all these options any

development in or near to Bromsgrove District could put extra pressure on existing infrastructure, this option does identify locations in adjoining districts where new settlements could be located. Depending on how quickly and easily deliverable these new settlements are significant pressure could be placed on other districts in the short term as developers cherry pick the easier to develop urban extension sites.

### Option 5 Major Urban Area Supply Focus



Urban-based growth	Local Authorities in Area of Search	Indicative Number of additional Units
North Staffs	Newcastle/ Stoke on Trent	c.6,000
Black Country	Black Country authorities	c.22,000
Birmingham	Birmingham	c.18,500
<b>Total NHPAU Mid</b>		<b>46,500</b>

This option mirrors option 1 although requires the major urban areas (Birmingham, the Black Country and Stoke) to find even more capacity on brownfield sites. this increased demand for capacity could effect the type and quality of the developments in the MUAs, broad justification is

- That the additional growth should be focused on available ‘brownfield’ capacity rather than in Greenfield locations
- That the MUAs should provide the principal focus for this in line with the RSS
- Work underpinning RSS and Core Strategies has identified capacity for development within core areas of regeneration, but is there potentially scope to identify further development beyond these foci?

#### Implications for Bromsgrove

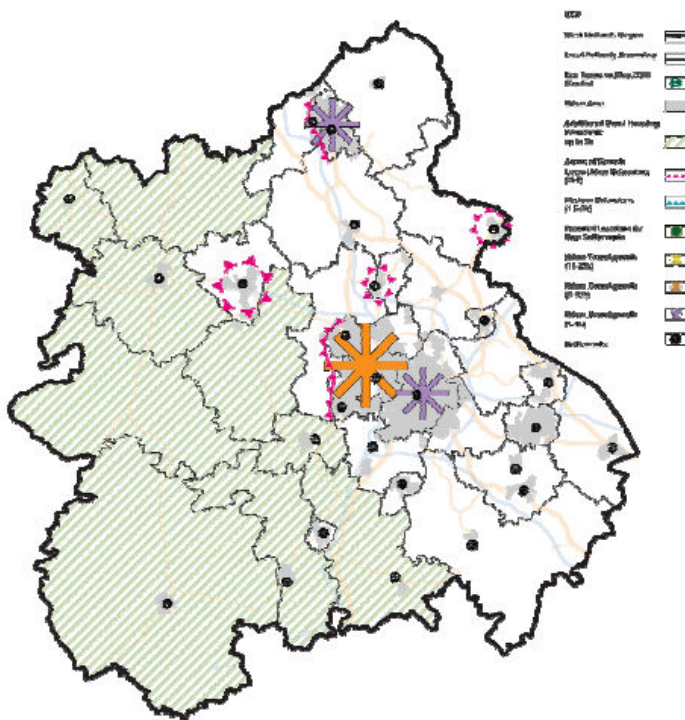
No further land than currently identified would need to be released around Bromsgrove or Redditch

Significant growth focussed on Birmingham and the Black Country could place pressure on existing infrastructure particularly the motorway network.



Developers may focus on easy to develop greenfield sites in Bromsgrove early on in the plan period rather than harder to develop brownfield sites in the MUAs, core strategy policies would need to be very strong in order to resist development early on to ensure it is phased over the whole period of the plan.

## Option 6 Northern Urban Focus with Rural Provision



Location	Local Authorities in Area of Search	Indicative Number of additional Units
<b>Large Urban Extensions</b>		
Telford	Telford & Wrekin	c.10,000
Black Country	Black Country/ South Staffordshire/ Bromsgrove	c.10,000
Burton on Trent	East Staffordshire	c.5,000
North Staffs MUA	Newcastle / Stoke	c.5,000
Cannock	Cannock Chase/ South Staffordshire	c.5,000
<b>Urban-based growth</b>		
North Staffs	Newcastle/ Stoke	c.1,250
Black Country	Black Country	c.4,750
Birmingham	Birmingham	c.3,750
<b>Additional Rural Provision</b>		
Shropshire	All	c.1,900
Herefordshire	All	c.1,200
Worcestershire	Malvern, Whychavon, Wyre Forest	c.1,900
<b>TOTAL NHPAU MID</b>		<b>46,500</b>

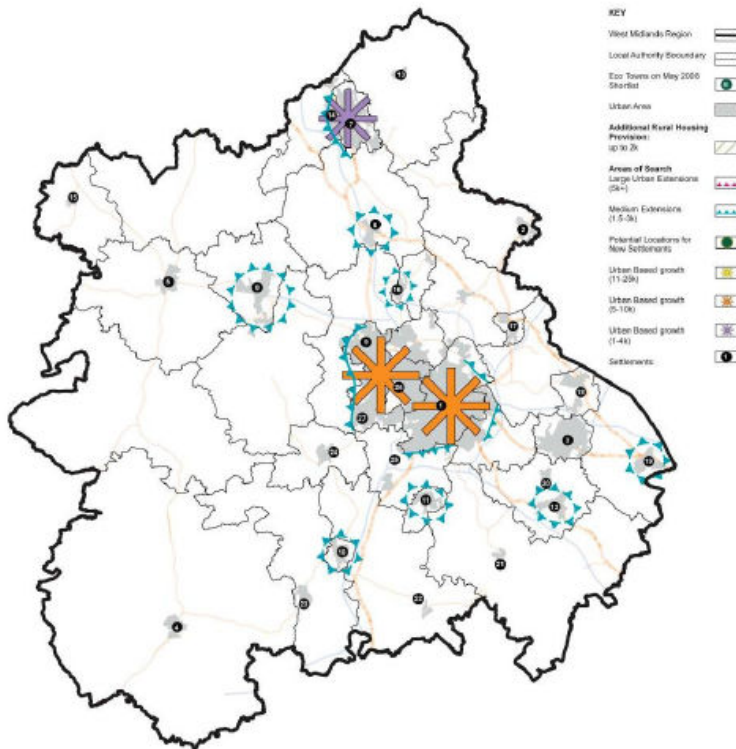
Similar to option 3 although with growth focussed in the north of the region

- An alternative to focusing growth in the more congested south and east of the region should be considered
- There are opportunities to extend urban areas in less congested parts of the region
- There is scope for further modest increases in brownfield output
- That rural areas should receive increased provision to address specific rural affordability challenges

### Implications for Bromsgrove

This option has no additional impact on the district in terms of releasing land for new development although focussing development entirely in the north of the region could have longer term negative social, and economic effects on areas to the south.

## Option 7 Distributed Urban Growth



Location	Local Authorities in Area of Search	Indicative Number of additional Units
<b>Medium Urban Extensions</b>		
Birmingham South	Birmingham	c.2,500
Birmingham East	Birmingham	c.2,500
Birmingham/Solihull	Birmingham/Solihull	c.2,500
Warwick	Warwick	c.2,500
Redditch	Redditch/ Bromsgrove/ Stratford	c.3,000
Black Country	Black Country authorities	c.2,000
Worcester	Worcester/ Wychavon/ Malvern Hills	c.3,000
North Staffs	Newcastle/ Stoke	c.2,000
Cannock	Cannock Chase/ South Staffordshire	c.2,000
Stafford	Stafford/South Stafford	c.3,000
Telford	Telford & Wrekin	c.3,000
Rugby	Rugby	c.3,000
<b>Urban-based growth</b>		
North Staffs	Newcastle/ Stoke	c.2,200
Black Country	Black Country authorities	c.8,360
Birmingham	Birmingham	c.6,600
<b>TOTAL NHPAU MID</b>		<b>46,500</b>

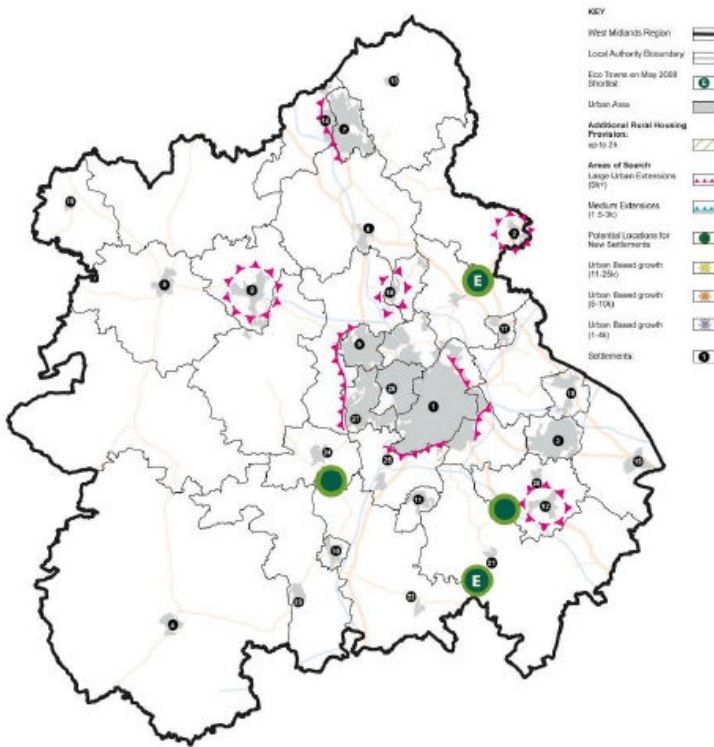
This option is the last of the options targeted at meeting the Mid range Figure of the NHPAU projections. This approach spreads the growth across the region.

- Growth should be distributed across a wide range of different locations in medium rather than large scale urban extensions that may be easier/quicker to deliver
- there is scope to deliver some increased brownfield growth in the MUAs

### Implications for Bromsgrove

This option identifies urban extensions in line with those identified in option three, south Birmingham and Redditch although due to the more distributed growth pattern in other locations the actual number of units is less in the region of 2-3000.

## Option 8 Major Urban Growth and New Settlements



Location	Local Authorities in Area of Search	Indicative Number of additional Units
<b>Major Urban Extensions</b>		
Birmingham South	Birmingham	c.5,000
Birmingham East	Birmingham	c.5,000
Birmingham/Solihull	Birmingham/ Solihull	c.5,000
Warwick	Warwick	c.5,000
Telford	Telford & Wrekin	c.5,000
Black Country	Black Country/ South Staffordshire/ Bromsgrove	c.5,000
Burton on Trent	East Staffordshire	c.5,000
North Staffs Conurbation	Newcastle/ Stoke	c.5,000
Cannock	Cannock Chase/ South Staffordshire	c.5,000
<b>New Settlements</b>		
Middle Quinton	Stratford	c.9,000
Curborough	Lichfield	c.9,000
One or two further Settlements	To be Determined	c.18,000
<b>TOTAL NHPAU HIGH</b>		<b>80,700</b>

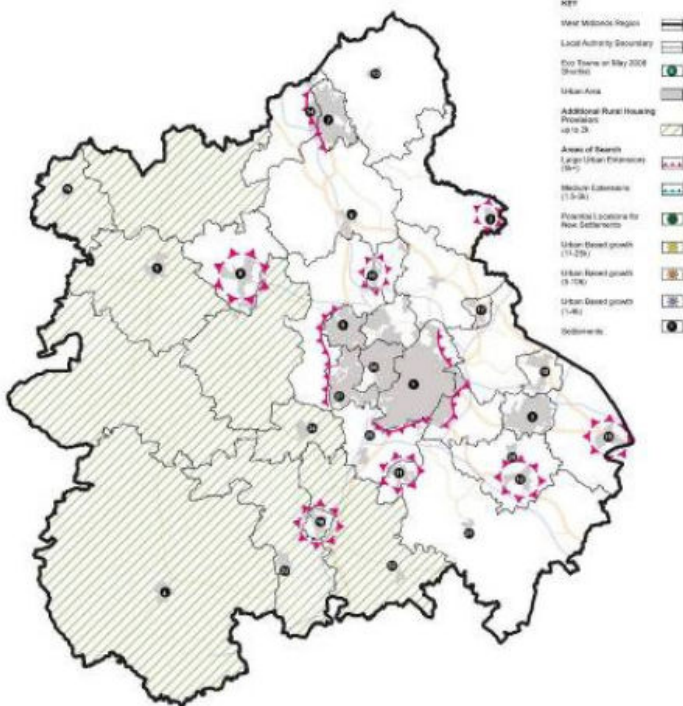
Option designed to deliver the upper range of growth by targeting urban extensions on the larger settlements across the Midlands and new Settlements.

- To deliver the upper range NHPAU
- That growth is best accommodated by delivering it in a smaller number of larger developments capable of supporting services
- New Settlements provide an alternative to urban extensions as a means of delivering growth outside the urban area
- That growth should be focused around the MUAs and locations where there may be a latent supply of land for development

### Implications for Bromsgrove

Urban extension in the region of 5000 dwellings identified for South Birmingham, no further expansion of Redditch

## Option 9 Major Urban Extensions and Rural Provision



Location	Local Authorities in Area of Search	Indicative Number of additional Units
<b>Major Urban Extensions</b>		
Birmingham South	Birmingham	c.5,000
Birmingham East	Birmingham	c.5,000
Birmingham/Solihull	Birmingham/ Solihull	c.10,000
Warwick	Warwick	c.10,000
Redditch	Redditch/ Bromsgrove/ Stratford	c.5,000
Telford	Telford & Wrekin	c.10,000
Black Country	Black Country/ South Staffordshire/ Bromsgrove	c.5,000
Burton on Trent	East Staffordshire	c.5,000
North Staffs	Newcastle/ Stoke	c.5,000
Rugby	Rugby	c.5,000
Worcester	Worcester/ Whychavon/ Malvern Hills	c.5,000
Cannock	Cannock Chase/ South Staffordshire	c.5,000
<b>Additional Rural Provision for Affordability</b>		
Shropshire	All	c.1,900
Herefordshire	All	c.1,200
Worcestershire	Malvern, Whychavon, Wyre Forest	c.1,900
<b>TOTAL NHPAU HIGH</b>		<b>80,700</b>

Option distributes growth across the region in the form of major urban extensions and increased rural provision.

- To deliver the upper range NHPAU
- Given the need to deliver much higher growth, current build rates and market indicators suggest a greater risk of delivering additional growth within urban areas
- Larger urban extensions (c. 5,000) units provide a more sustainable critical mass of development
- There is a need for additional housing in rural locations with most affordability pressures

### Implications for Bromsgrove

Major urban extensions identified at both South Birmingham and Redditch both in the region of 5000 dwellings along with all the other potential implications associated with the others options which focus growth in the Bromsgrove District.

## Key Questions

The following are some of the more relevant questions NLP are asking about the options they have produced. As you can see from the number and type of questions these options are very much work in progress and many significant issues need to be addressed before any validity can be associated with them.

- Completions in these locations (MUA) are undershooting current RSS targets by some margin – does adding to the target in these areas make it more deliverable?
- Are there potential urban displacement issues?
- What form of development is most likely to result if it is deliverable?
- Are the underlying support (regeneration, funding and market etc) mechanisms in place to deliver?
- Are these the right areas of search for major urban extensions?
- Can the infrastructure adequately serve the developments: Transport? Utilities? Other?
- What about landscape/ ecology/ Green Belt?
- How would additional rural provision be delivered? And is it needed?
- Are there potential suitable locations for new Settlements within the broad areas of search?
- Is the underused infrastructure capable of accommodating growth? Does growth support investment in infrastructure?
- Is this form of development preferable to growth extending outwards from the urban area?
- What impact would identifying additional capacity have on the ability of public sector partners to focus on bringing forward growth in priority locations?
- Build rates are already well below current RSS. Can the market deliver more? Does simply increasing the target further make it more likely?
- What type of units would be provided?
- What about landscape / Green Belt?
- Can additional brownfield output be delivered?
- How well does it link with economic pressures and market deliverability?
- Does it really focus housing where it is most needed?
- Is this the most sustainable pattern development?
- Will medium sized developments support necessary social community, transport and other infrastructure required?
- Will a higher brownfield requirement for the MUAs deliver increased output given current under performance?

## Next Steps

<b>July and August</b>	Appraisal and identification of risks for each option Sustainability appraisal Implications of Options for RSS
<b>September</b>	Regional Seminar 3
<b>October</b>	Final Report