

BROMSGROVE DISTRICT COUNCIL

CABINET

3RD DECEMBER 2008

BROMSGROVE DISTRICT COUNCIL RESPONSE TO THE NATHANIEL LICHFIELD PARTNERSHIP ADDITIONAL HOUSING GROWTH STUDY

Responsible Portfolio Holder	Cllr Jill Dyer
Responsible Head of Service	Dave Hammond
Non-Key Decision	

1. SUMMARY

- 1.1 The report below highlights Bromsgrove District Councils response to the study prepared by Nathaniel Lichfield and Partners (NLP) commissioned by the Government Office for the West Midlands (GOWM). This was in response to concerns expressed by Baroness Andrews, that the submitted preferred option Regional Spatial Strategy (RSS) review did not deliver the required amounts of housing as reported by the National Housing and Planning Advice Unit (NHPAU).

2. RECOMMENDATION

- 2.1 That the attached report (appendix 1) is submitted as Bromsgrove District Councils formal response to the NLP Study.

3. BACKGROUND

- 3.1 Following the formal submission of the West Midlands RSS, 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 7th January 2008, the Minister expressed concern about the housing proposals put forward by the Assembly in light of the Government's agenda to increase housing building across the country. In view of this, the Minister asked the Government Office for the West Midlands to commission further work to look at options which could deliver higher housing numbers, this work would then be considered as part of the Examination in Public on the phase 2 revision of the RSS. The commissioning and completion of the additional work has caused a significant delay in the process with the consultation period extended to the 8th December 2008 in order for this work to be completed and for stakeholder to be able to express their views on it alongside responses to the RSS. Consultants Nathaniel Lichfield Partnership has now completed this further work, and appendix 1 attached to this report is the councils response to this study.

- 3.2 Members of the Local Development Framework Working Party have already been briefed on the content of the Study and associated report is attached as appendix 2.

The findings of the study are wide ranging and varied and have different impacts on Bromsgrove District. The study identifies three potential growth scenarios which if taken forward could deliver higher levels of housing growth across the region. These three scenarios have been outlined below

3.3 Scenario 1 - South East Focus

This scenario focuses growth in the South East corner of the region, and with some provision in the rural west, which identified scope for some 51,500 additional dwellings (an extra 2,575 per annum), providing a total of 417,100 dwellings by 2026. The ratio of provision between MUAs and non-MUAs as a whole, would move from 46:54 to 47:53. Provision would be focused on parts of the region, with some of the greatest levels of unmet need and affordability, with principal increases in the south and central C1 Housing Market Areas. This option would involve a new settlement in Solihull. This scenario would see growth arguably supporting parts of the region where economic growth is potentially being hampered by a lack of housing. This scenario indicates an additional 5,000 dwellings in Bromsgrove, although NLP recommend they are provided through urban extensions to south Birmingham (2500 units) and Redditch (2500 units).

3.4 Scenario 2 - Spreading Growth

This scenario, delivering circa 54,000 additional dwellings (419,600 in total and an extra 2,700 pa) makes provision in the south east of the region where economic growth is strongest (although less than in the previous scenario). This also includes growth in North Staffordshire, Telford and Wrekin, and East Staffordshire, where there is additional capacity for development, and with appropriate phasing, funding and delivery mechanisms to support delivery. This spreads the development and market risk across a wider area. The ratio of MUA to non-MUA for housing distribution would be 47:53, with the focus of growth in both the south east and in part of the north of the region, with identified capacity and/or scope for additional growth, supporting affordability; economic and regeneration objectives. Again this scenario indicates an additional 5,000 dwellings in Bromsgrove, although NLP recommend they are provided through urban extensions to south Birmingham (2500 units) and Redditch (2500 units).

3.5 Scenario 3 - Maximising Growth

This potential scenario, which delivers 80,000 additional dwellings (445,600 in total and 4,000 extra per annum), makes higher levels of provision across a range of locations in the region. This includes in and around the southern side of the Metropolitan MUA, in Telford and Wrekin, North Staffordshire, East Staffordshire, and Stafford, alongside rural housing provision in the west of the Region. It is undoubtedly the case that this higher level of provision, whilst not necessarily unachievable, provided sufficient available and developable land is released, would be a higher risk, given the level of

build rates required. The ratio of MUA to non-MUA for housing distribution would be 46:54, with significant levels of growth in the key locations identified in the preceding scenarios, focusing on affordability, economic, regeneration and additional capacity opportunities. This scenario indicates an additional 7,500 dwellings in Bromsgrove, although NLP recommend they are provided through urban extensions to south Birmingham (5000 units) and Redditch (2500 units).

3.6 in addition to presenting these 3 growth scenarios NLP also made other findings which informed the content of the 3 scenarios above; these findings have been used as a basis for responding to the RSS and have been reproduced below

- 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.

3.7 Where necessary specific comments have been prepared in relation to these findings, and the potential impacts on Bromsgrove District. Further general comments have also been included on specific elements of the NLP study where Bromsgrove is considered, these comments can all be viewed in the full response in appendix 1.

3.8 **Status of the NLP Study**

It is stressed the study is *“intended to provide a transparent and objective analysis of a series of options for delivering additional housing”* the GOWM will be using the report as a basis for their formal response to the RSS revision. NLP also make it clear that the results of their study are not formal policy or proposals of Government, but purely independent evidence which sets alternative choices for how the region *might* deliver additional housing to inform the Examination in Public on the Phase 2 RSS revision.

The response of the GOWM is unknown and whether or not they endorse or reject the findings of NLP is unlikely to be known until after the 8th December deadline for comments. It is important for members to be aware this study is a piece of evidence and does replace or supersede any of the policies in the RSS preferred option.

4. **FINANCIAL IMPLICATIONS**

4.1 None

5. **LEGAL IMPLICATIONS**

5.1 None

6. **COUNCIL OBJECTIVES**

- 6.1 The implications of the NLP study should they been included in the adopted RSS could have significant effects on the ability of the Council to deliver its housing and regeneration priorities, although the full extent will not be known until the process is complete. Representations and participation in the Examination in Public could influence the final RSS to include policy elements which better meet the needs of the district than those currently being proposed.

7. RISK MANAGEMENT

- 7.1 The main risks associated with the details included in this report are:

- Inability to influence the RSS to such an extent that, proposals in the adopted RSS effect the ability of the District Council to prepare Spatial Planning Documents which adequately address the identified needs, and opportunities the district possesses.

- 7.2 These risks are being managed as follows:

Risk Register: Planning and Environment

Key Objective Ref No: 6

Key Objective: Effective, efficient, and legally compliant Strategic planning Service

- 7.3 The District Council as the local planning authority has to prepare a development plan in the form of the Development Plan Documents (DPD) contained in the Local Development Framework. The planning system requires that all DPDs are in general conformity with those documents which are at a higher level in the cascade of planning policy. The highest level of policy being national Planning Policy Guidance and Planning Policy statements. The RSS is the plan which guides development across the whole of the West Midlands region, and as such the policies in the Bromsgrove District Core Strategy have to be in general conformity with those in the RSS. The weight afforded to the suggestions of the NLP in the process of finalising the revised RSS could have significant impacts on the district although currently unknown. The process of formally responding to both the NLP study and the Phase 2 revision increases the ability of the District to influence the final outcome.

8. CUSTOMER IMPLICATIONS

- 8.1 None

9. EQUALITIES AND DIVERSITY IMPLICATIONS

- 9.1 None

10. VALUE FOR MONEY IMPLICATIONS

10.1 None

11. OTHER IMPLICATIONS

Procurement Issues	None
Personnel Implications	None
Governance/Performance Management	None
Community Safety including Section 17 of Crime and Disorder Act 1998	None
Policy	The outcome of the RSS review will effect the content of future planning policies in the district
Environmental	The environmental implications of providing significant levels of new housing, potentially on green field sites are difficult to quantify at the moment although they will have to be fully considered through preparation of the various LDF documents.

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director - Partnerships and Projects	Yes
Executive Director - Services	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	No
Corporate Procurement Team	No

13. WARDS AFFECTED

All Wards are potentially affected by the RSS

14. APPENDICES

14.1 Appendix 1

Bromsgrove District Council's formal response to the Nathaniel Lichfield and Partners (NLP) Report into Development of Options for the West Midlands RSS in Response to the NHPAU

14.2 Appendix 2

Summary of study prepared by Nathaniel Lichfield and Partners - Development of Options for the West Midlands Regional Spatial Strategy in Response to the National Housing and Planning Advice Unit report.

Officer Report to the Local Development Framework Working Party 23rd October 2008.

15. BACKGROUND PAPERS

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

- A main report setting out the results of the study
- A volume of Appendices
- A background review summarising evidence
- A Sustainability Appraisal of the options considered in the Study
- An assessment of the options in terms of the Habitats Directive

All these reports can be downloaded from
www.nlplanning.com/wmrsshousingoptions

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