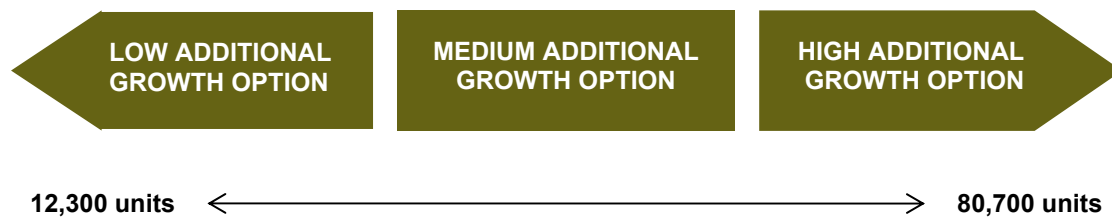


5.0 Housing Growth Scenarios

- 5.1 Volume 1 contains a detailed analysis of the evolution and form of the housing options that have formed the basis of this evidence and a summary of the key points is set out below to identify the basis on which the SA has been carried out. Volume 1 also sets out further details on the background to the approach of the NHPAU to identify the growth required to meet needs in the region.
- 5.2 The options generated are the result of an independent study of the key issues relevant to the West Midlands region and the delivery of additional housing as identified in the NHPAU report. They have been prepared to provide an evidence base to assist the Government in forming its response to the Phase 2 Preferred Option capable of being stretched or contracted or disaggregated if the levels of growth ultimately identified are different. They are not formal proposals of the Government and are not intended to be taken forward into the Phase 2 Preferred Option without discussion or review. They are also not formally associated with any other processes that may be moving forward in parallel to the WMRSS review process.
- 5.3 The options are not site specific and any locations shown are indicative and not to scale – rather they are intended to identify possible broad locations of search to inform future discussion on the potential for additional growth. It will be for Local Development Frameworks to determine the most appropriate location and way to deliver the housing requirements identified ultimately in the WMRSS.



The Nine Initial Options

- 5.4 Nine initial options were presented at a regional seminar on 8 July 2008. These were generated to provide a menu of possible ways in which growth could be developed (e.g. new settlements of different forms, urban extensions, additional urban growth, additional rural provision, etc) and allowed initial testing and review of the affect of additional growth on the objectives of the WMRSS; initial analysis of any key constraints; and an assessment of whether the growth would be deliverable in the lifetime of the plan.
- 5.5 In generating the nine initial options, it was recognised that this process was not intended to be exhaustive and it was recognised that a potentially myriad of different options for delivery of the growth at different scales is available.
- 5.6 The nine initial options are described in greater detail at Appendix 2 to this SA, but can be briefly summarised as follows: -
- Option 1 – Increased Major Urban Area Supply
 - Option 2 – ‘Eco Town Proposed Locations’
 - Option 3 – South & Eastern Urban Focus with Rural Provision
 - Option 4 – New Settlements

- Option 5 – Major Urban Area Supply Focus
- Option 6 – Northern Urban Focus with Rural Provision
- Option 7 – Distributed Urban Growth
- Option 8 – Major Urban Growth & New Settlements
- Option 9 – Major Urban Extensions & Rural Provision

5.7 Table 5.1 below provides a summary of the distribution of housing numbers on a local authority basis that was established as a result of the initial nine options.

5.8 All of the figures shown are indicative and were established to allow initial assessment only. As the figures identified were approximate levels, the totals for the region as a whole under each option may not have equated exactly to the numbers attributed to each local authority. The category that is labelled as 'New Settlements (not assigned to LAs)' relates to locations for the provision of new settlements where the indicative areas of search that have been identified do not allow numbers to be prescribed on a local authority basis. Finally, as all of the figures shown for each option are being assessed as additional to that identified in the Phase 2 Preferred Option, the figures identified in this document have also been set out below for ease of reference.

Local Authority		RSS P2	Option											
			1	2	3	4	5	6	7	8	9			
Solihull		7,600												
Birmingham		50,600	5000		20000			18500	3750			15000		
Bromsgrove		2,100										16600		
Redditch		6,600			5000									25000
Stratford on Avon		5,600		4,500								9000		
Coventry		33,500												
Black Country		61,200	5500					22000	14750	10360	5000	5000		
South Staffordshire		3,500												
Shropshire		25,700			1900				1900					1900
Telford & Wrekin		26,500							10000	3000	5000	10000		
Cannock Chase		5,800							5000	2000	5000	5000		
East Staffordshire		12,900							5000		5000	5000		
Lichfield		8,000		5,000								9000		
North Staffordshire		17,100	1750					6000	6250	4200	5000	5000		
Stafford		10,100									3000			
Staffordshire Moorlands		6,000												
Tamworth		2,900												
North Warwickshire		3,000												
Nuneaton & Bedworth		10,800												
Rugby		10,800			5000						3000			5000
Warwick		10,800			10000						2500	5000		10000
South Worcestershire	Worcester City	10,500			5000						2000			5000
	Malvern Hills	4,900			1900									1900
	Wychavon	9,100		1,500					1900					
Wyre Forest		3,400												
Herefordshire		16600			1200				1200					1200
New Settlements (not assigned to LAs)						45000						18000		
WEST MIDLANDS REGION		365,600	Bottom of the range circa 12,300			Middle of the range circa 46,500				Upper end of the range circa 80,700				

Table 5.1 – Summary of Housing distribution in respect of the nine initial options
Source: NLP

- 5.9 An initial SA of the nine options was carried out and the resultant analysis is provided at Appendix 2 for reference only. This process fed into the refinement and generation of the options that are identified in Volume 1.

How the SA was considered in finalising the Options

- 5.10 Paragraph 1.10 explains that SA is an iterative process. This section describes the key influencing factors from both the SA and also HRA in respect of refining the work of the Options team in generating the scenarios for the delivery of additional housing growth in the West Midlands. It does not attempt to define all issues that have affected the refinement but only those key issues of particular relevance.

Key conclusions of the SA informing refinement of the housing options

- SA issue:** the nine initial options identify clear policy and development choices in delivering additional growth. The most significant/mixed adverse effects are those which provide the development in currently undeveloped locations outside of the urban areas e.g. urban extensions or new settlements. Development in existing urban areas has a more positive effect on the principles of sustainable development. However, this conclusion cannot pick up the effect of local conditions which could result in an alternative conclusion e.g. improvement to local environments on the urban fringe through urban extensions or the effect of over-development and congestion in a deprived urban community. Nor does it capture the deliverability challenges of additional growth in urban areas.

Influence: The scenarios identify that for most authorities several alternatives for the delivery of the growth – with sites coming forward via the Local Development Framework (LDF) process. This will allow local circumstances to be taken into account for the delivery of additional housing growth; if the Panel is so minded to propose the additional growth.
- SA issue:** The relationship between housing growth and the economy is complex. Theoretically, housing growth may result in a narrowing of the GVA gap between different parts of region but only for medium/upper levels of growth. Options which propose growth in worst performing areas could be expected to narrow the GVA gap with more a concentrated form of development. Options which concentrate growth in best performing areas (e.g. the South East corner of the region) could be expected to have no/mixed effect or result in the gap widening, although evidence suggests these could contribute most to regional economic performance.

Influence: The three scenarios propose both distributed growth and also growth concentrated in the south east. The potential that concentrating the delivery of the growth in the south east may have on the GVA gap is noted.
- SA issue:** Options that include development in Cannock and around Middle Quinton are likely to have a potential negative effect on nearby European sites and high growth options 8 and 9 could have significant negative effects on natural environmental assets without appropriate mitigation. Options 1 and 5 which focus development in the urban area have a lesser effect on sensitive environmental assets. Limited growth proposed in the west where the majority of high agricultural land is located

Influence: No growth is proposed in areas that could affect Cannock Chase. Various options for delivering the growth identified for most authorities allowing local circumstances to be identified via LDFs. Limited growth in the rural districts of the west remains.
- SA issue:** SA (2007) identified that heritage assets at Worcester, Hereford, Shrewsbury and Lichfield could be further at risk from additional growth. Options 3, 7 and 9 could put Worcester at further risk and growth in Warwick could affect townscape character without high design quality. High growth options 8 and 9 which propose large urban extensions have the potential to give rise to a loss in character for smaller villages currently beyond the urban area.

Influence: More limited growth planned in sensitive locations. Rural growth is identified following consultation with relevant authorities who indicated capacity to accommodate without significant effects. Various options for delivery the growth identified for most authorities allowing local conditions to be taken into account in identifying sites.

5. **SA issue:** Additional growth away from existing public transport corridors (e.g. the two EcoTown locations in Option 2) means that future residents may be reliant on the private car without investment in alternative modes of transportation. Increased congestion arising from growth in the region can also have an effect on emissions and water and air quality, although it is noted that the Highways Agency modelling work indicates that the increase between the Phase 2 Preferred Option and the Options is limited at a regional level.
- Influence:** All the scenarios propose development with regard to existing public transport corridors although exact sites will be brought forward via LDFs.
6. **SA issue:** The initial SA found that Options which include either new settlements in the countryside or significant urban extensions are likely to have the greatest impact on surrounding areas of countryside in terms of noise/light pollution. Options 3, 6 and 9 which propose additional growth in rural areas are also likely to have an effect on noise/light pollution levels due to existing less densely populated character, although policies designed to seek to ensure that noise/light pollution is minimised from new development may reduce overall effects.
- Influence:** Various options for delivering the growth identified for most authorities allowing local circumstances to be identified and mitigated if required via LDFs and the planning process.
7. **SA issue:** The initial SA concluded that on the basis that it must be assumed that the numbers identified by the NHPAU in respect of the West Midlands will have a positive effect on the provision of decent and affordable housing; it follows that, at a regional level, the supply range put forward by the NHPAU will have a positive effect. This is likely to particularly positive for the higher growth options.
- Influence:** The scenarios propose only medium to high levels of growth as identified by the NHPAU supply range.
8. **SA issue:** The SA (2007) concluded that housing growth in rural areas could lead to increased pressure on declining services. However, evidence from the recent Taylor Report (2008)⁷ on rural services indicates that growth could reinvigorate declining services.
- Influence:** Rural growth is proposed in all scenarios.
9. **SA issue:** Water supply issues will arise as a result of the options that will need to be addressed via investment in new infrastructure.
- Influence:** Noted. Will need to be addressed by water companies.
10. **SA issue:** Options including large scale urban extensions or new settlements were found less likely to achieve a significant increase in developing previously developed sites. Phasing is considered key as developers may prefer development on 'easier' greenfield sites before developing potentially contaminated previously developed land, although the evidence for 'cherry picking' is not clear.
- Influence:** The potential effect of large scale extensions on reuse of previously developed land and the indication that phasing could mitigate 'easy' sites coming forward first are noted (although phasing does not directly feed into the generation of scenarios). Various options for delivering the growth identified for most authorities allowing local circumstances and availability of previously developed sites to be identified and mitigated if required via LDFs and the planning process.
- 5.11 In a number of instances the cumulative effects on a given objective were similar across the options, particularly where the SA of the WMRSS P2 Preferred Option had identified a strong positive or negative impact, as additional housing numbers are less likely to change the predicted effect on an objective already found to be significantly affected.
- 5.12 Where it was found that all options significantly negatively or positively affected an objective the options were disaggregated in order to establish whether an element of the options that is consistent through a number of options was accentuating the impact (e.g. locating near a sensitive site), but this was very rarely found to be the case. These outcomes of the initial SA were noted in

⁷ Living Working Countryside: The Taylor Review of Rural Economy and Affordable Housing, 23 July 2008, Department for Communities and Local Government

the generation of the scenarios, but did not significantly assist the process (see the results of the initial SA at Appendix 2 of Volume 4 for the objectives that are similarly positively or negatively affected by all options).

Key issues from the HRA informing refinement of the housing options

- 5.13 An assessment ('HRA') of the effect of the additional housing growth on European sites in accordance with the Habitats Regulations has been taken place and consideration should be given to this document to understand its influences on the generation of the scenarios. Some of the key issues that have been identified above are of relevance to the conclusions of the HRA including effects on air quality, nutrient loadings associated with sewerage discharges, water pollution, impacts on water supply, disturbance by tourism and recreation and land use change/fragmentation and loss of supporting habitat. The key influence of the HRA has been to avoid particularly sensitive locations for development in the scenarios. Other effects will need to be assessed and mitigated at a local level via the LDF process.

The Potential Growth Scenarios

- 5.14 The three potential scenarios have emerged from the iterative process of appraisal and review of the potential options to increase housing supply. It is recognised that these are not the only solutions to deliver growth and the level and distribution of growth is a matter for consideration at the forthcoming EIP into the WMRSS. In addition, and whilst numbers are attributed to local authority areas in relation to each of the scenarios, it would fall to local planning authorities to determine how housing numbers would be delivered through LDFs and to plan for infrastructure and other mitigation to be delivered as appropriate.
- 5.15 Whilst the nine initial options considered growth across the full range of the NHPAU supply range, the scenarios relate only to the middle to upper end of the range. This is because NLP considered that growth at the lower end of the range could potentially be delivered in individual authority areas now without detailed consideration in this appraisal. This is considered further in Volume 1.
- 5.16 The three potential scenarios can be summarised as follows:-

Scenario 1: Focusing Growth in the South East of the Region

- 5.17 This scenario includes the provision of 51,500 additional dwellings, the majority to be accommodated in the SE of the Region with some within the rural west. Assumptions about how growth might be accommodated in under Scenario 1 are set out in table 5.2 below.

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ⁸
Solihull	13,000	This scenario proposes the growth be accommodated via a new settlement within a location to be determined through the LDF process. This could also provide the potential for further growth beyond the period of the RSS. Approach to be defined by the LDF process.
Birmingham	10,000	Additional growth to be accommodated within Birmingham for example (as identified in the Birmingham Plan Core Strategy - Issues and Options document issued for consultation in September 2008), but potentially requiring an urban extension.
Bromsgrove	5,000	Additional growth might be accommodated as urban extension(s) e.g. to Birmingham South or Redditch. Approach to be defined by the LDF process.
Stratford on Avon	4,500	Could comprise part of the proposed Ecotown at Middle Quinton (if this goes ahead) or alternatively an urban extension to Stratford to be defined by the LDF process

⁸ All site allocations to be defined and brought forward through the LDF process for each authority

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ⁸
Shropshire	1,900	Low levels of provision in rural authorities where it can be accommodated with low/no impact. Approach to be defined by the LDF process.
Rugby	5,000	Additional growth might be accommodated through an urban extension. Approach to be defined by the LDF process.
Warwick	5,000	Additional growth might be accommodated through an urban extension. Approach to be defined by the LDF process.
South Worcestershire	5,500	Assumed to be for development in or across Worcester and as part of the proposed Ecotown at Middle Quinton (if this goes ahead). The remainder to be accommodated as rural provision where it can be accommodated with low/no impact
Wyre Forest	400	Low level of provision in rural areas where it can be accommodated with low/no impact. Approach to be defined by the LDF process.
Herefordshire	1,200	Low levels of provision in rural authorities where it can be accommodated with low/no impact. Approach to be defined by the LDF process.

Table 5.2 – assumptions on how the growth might be accommodated for Scenario 1: Focusing Growth in the SE

Source: NLP

- 5.18 The scenario seeks to accommodate growth in areas where additional housing could arguably support those parts of the region where economic growth is potentially being hampered by a lack of housing.

Scenario 2 - Spreading Growth

- 5.19 This potential scenario delivers approximately 54,000 additional units but spread both in the south east (where economic growth is strongest) and also identifies locations in North Staffordshire, Telford and Wrekin and East Staffordshire where there is additional capacity for development and also the potential for phasing, funding and delivery mechanisms to support delivery. Assumptions about how growth might be accommodated in under Scenario 2 are set out in table 5.3 below.

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ⁹
Solihull	5,000	Additional growth might be accommodated via an urban extension(s). Approach to be defined by the LDF process.
Birmingham	10,000	Additional growth to be accommodated within Birmingham for example (as identified in the Birmingham Plan Core Strategy - Issues and Options document issued for consultation in September 2008), but potentially requiring an urban extension.
Bromsgrove	5,000	Additional growth might be accommodated as urban extension(s) e.g. to Birmingham South or Redditch. Approach to be defined by the LDF process
Stratford on Avon	4,500	Could comprise part of the proposed Ecotown at Middle Quinton (if this goes ahead) or alternatively an urban extension to Stratford to be defined by the LDF process
Shropshire	1,900	Low levels of provision in rural authorities where it can be accommodated with low/no impact
Telford & Wrekin	5,000	Additional growth might be accommodated within the urban area and/or via an urban extension(s). Approach to be defined by the LDF process.

⁹ All site allocations to be defined and brought forward through the LDF process for each authority

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ⁹
East Staffordshire	2,500	Additional growth might be accommodated within the urban area and/or via urban extension(s) to existing towns within the district. Approach to be defined by the LDF process.
North Staffordshire	6,000	Additional growth might be accommodated within the urban area and/or for an urban extension to Newcastle under Lyme. Approach to be defined by the LDF process.
Stafford	1,500	Additional growth might be accommodated within the urban area and/or via an urban extension(s). Approach to be defined by the LDF process.
Rugby	3,000	Additional growth might be accommodated through an urban extension(s). Approach to be defined by the LDF process.
Warwick	5,000	Additional growth might be accommodated through urban extension(s). Approach to be defined by the LDF process.
South Worcestershire	3,000	Low level of provision in rural areas where it can be accommodated with low/no impact alongside part of the Ecotown at Middle Quinton
Wyre Forest	400	Low level of provision in rural areas where it can be accommodated with low/no impact
Herefordshire	1,200	Low levels of provision in rural authorities where it can be accommodated with low/no impact

Table 5.3 – assumptions on how the growth could be accommodated for Scenario 2: Spreading Growth
Source: NLP

- 5.20 Potential scenario 2 seeks to spread the growth broadly across the region and therefore, potentially, the risk of delivery of the additional housing across a range of locations and markets. Growth could support various objectives including economic growth (in the south east) and regeneration initiatives (in the north-east).

Scenario 3 - Maximising Growth

- 5.21 The third scenario seeks to provide growth at the higher end of the NHPA range comprising the delivery of approximately 80,000 additional units across a range of locations, including 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. Assumptions about how growth might be accommodated in under Scenario 1 are set out in table 5.4 below.

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ¹⁰
Solihull	10,000	Additional growth might be accommodated within the urban area or via an urban extension(s). Approach to be defined by the LDF process.
Birmingham	10,000	Additional growth to be accommodated within Birmingham for example (as identified in the Birmingham Plan Core Strategy - Issues and Options document issued for consultation in September 2008), but potentially requiring an urban extension.
Bromsgrove	7,500	Additional growth might be accommodated through urban extension(s) e.g. to Birmingham South and Redditch. Approach to be defined by the LDF process.

¹⁰ All site allocations to be defined and brought forward through the LDF process for each authority

Local Authority	Additional Growth	Assumptions on how the Growth might be Accommodated ¹⁰
Stratford on Avon	4,500	Could comprise the proposed Ecotown at Middle Quinton (if this goes ahead) or alternatively via an urban extension(s) to Stratford. Approach to be defined by the LDF process.
Shropshire	1,900	Low levels of provision in rural authorities where it can be accommodated with low/no impact
Telford & Wrekin	10,000	Additional growth to be accommodated within the urban area and via an urban extension(s). Approach to be defined by the LDF process.
East Staffordshire	5,000	Additional growth to be accommodated within the urban area and/or via urban extension(s) to existing towns within the district. Approach to be defined by the LDF process.
North Staffordshire	6,000	Additional growth might be accommodated within the urban area and/or via an urban extension(s) to Newcastle under Lyme. Approach to be defined by the LDF process.
Stafford	3,000	Additional growth might be accommodated within the urban area or via an urban extension(s). Approach to be defined by the LDF process.
Rugby	5,000	Additional growth might be through an urban extension(s)
Warwick	10,000	Additional growth could potentially be accommodated within the existing urban area or alternatively through an urban extension(s). Approach to be defined by the LDF process.
South Worcestershire	5,500	Assumed to be for development in or across Worcester or as part of the proposed Ecotown at Middle Quinton (if this goes ahead). The remainder to be accommodated as rural provision where it can be accommodated with low/no impact
Wyre Forest	400	Low level of provision in rural areas where it can be accommodated with low/no impact
Herefordshire	1,200	Low levels of provision in rural authorities where it can be accommodated with low/no impact

Table 5.4 – assumptions on how the growth could be accommodated for Scenario 3: Maximising Growth
Source: NLP

- 5.22 The growth identified in Scenario 3 relies on the delivery of sufficient available and developable land being released as well as the development industry being able to deliver the levels of additional housing envisaged by the upper end of the NHPAU supply range.

Summary of Housing Distribution and Implications for RSS

Local Authority	RSS P2	Potential Scenario					
		1		2		3	
		Potential Increase	Total allocation for RSS	Potential Increase	Total allocation for RSS	Potential Increase	Total allocation for RSS
<i>Solihull</i>	7,600	13,000	20,600	5,000	12,600	10,000	17,600
<i>Birmingham</i>	50,600	10,000	60,600	10,000	60,600	10,000	60,600
<i>Bromsgrove</i>	2,100	5,000	7,100	5,000	7,100	7,500	9,600
<i>Redditch</i>	6,600	0	6,600	0	6,600	0	6,600
<i>Stratford on Avon</i>	5,600	4,500	10,100	4,500	10,100	4,500	10,100

Local Authority	RSS P2	Potential Scenario					
		1		2		3	
		Potential Increase	Total allocation for RSS	Potential Increase	Total allocation for RSS	Potential Increase	Total allocation for RSS
<i>Coventry</i>	33,500	0	33,500	0	33,500	0	33,500
<i>Black Country</i>	61,200	0	61,200	0	61,200	0	61,200
<i>South Staffordshire</i>	3,500	0	3,500	0	3,500	0	3,500
<i>Shropshire</i>	25,700	1,900	27,600	1,900	27,600	1,900	27,600
<i>Telford & Wrekin</i>	26,500	0	26,500	5,000	31,500	10,000	36,500
<i>Cannock Chase</i>	5,800	0	5,800	0	5,800	0	5,800
<i>East Staffordshire</i>	12,900	0	12,900	2,500	15,400	5,000	17,900
<i>Lichfield</i>	8,000	0	8,000	0	8,000	0	8,000
<i>North Staffordshire</i>	17,100	0	17,100	6,000	23,100	6,000	23,100
<i>Stafford</i>	10,100	0	10,100	1,500	11,600	3,000	13,100
<i>Staffordshire Moorlands</i>	6,000	0	6,000	0	6,000	0	6,000
<i>Tamworth</i>	2,900	0	2,900	0	2,900	0	2,900
<i>North Warwickshire</i>	3,000	0	3,000	0	3,000	0	3,000
<i>Nuneaton & Bedworth</i>	10,800	0	10,800	0	10,800	0	10,800
<i>Rugby</i>	10,800	5,000	15,800	3,000	13,800	5,000	15,800
<i>Warwick</i>	10,800	5,000	15,800	5,000	15,800	10,000	20,800
<i>South Worcestershire</i>	24,500	5,500	30,000	3,000	27,500	5,500	30,000
<i>Wyre Forest</i>	3,400	400	3,800	400	3,800	400	3,800
<i>Herefordshire</i>	16,600	1,200	17,800	1,200	17,800	1,200	17,800
WEST MIDLANDS REGION	365,600	51,500	417,100	54,000	419,600	80,000	445,600
<i>MUAs</i>	169,100	23,000	193,000	21,000	191,000	23,500	196,000
	46%	45%	46%	39%	46%	29%	44%
<i>Non-MUAs</i>	196,500	28,500	224,100	33,000	228,600	56,500	249,600
	54%	55%	54%	61%	54%	71%	56%

Table 5.5 – Summary of housing distribution in respect of the three scenarios
Source: NLP