

9th September 2005

Alex Lessware
ODPM Planning Policies Division
Zone 4/J5
Eland House
Bressenden Place
London
SW1E 5DU

Dear Mr Lessware,

**West Midlands Regional Assembly response to ODPM consultation:
Planning for Housing Provision**

In forming this response the West Midlands Regional Assembly (WMRA) Secretariat have sought the views of the Regional Planning Officers Group, Regional Advisory Group, Regional Housing Partnership and also held a stakeholders seminar discussion.

WMRA have responded to the previous consultation exercise on elements of the Barker Review in November 2004 when the WMRA expressed real concern about the potentially negative effects of a Barker style approach to additional housebuilding in the high demand areas of the West Midlands and the implementation of the Regional Spatial Strategy.

Unfortunately this subsequent consultation paper on 'Planning for Housing Provision' does little to allay our fears.

The ODPM document gives a set of principles and proposals which pave the way for fundamental change to the approach to determining housing land release through the planning system. This is noted with grave concern as to the anticipated consequences for the West Midlands Region, the Regional Spatial Strategy and Regional Housing Strategy.

Below are set out a few of the main policy concerns, on which further detail can be seen in our full response.

1. There is a concern that these proposals have been devised to address South East of England growth pressures but are to be applied out of context in the rest of the UK including the West Midlands. The West Midlands too is concerned about high price / high demand pressures and has a confirmed RSS set of policies to address this within long run sustainability principles. The oversimplified market led approach to addressing high demand could be very damaging to the West Midlands regional economy and implementation of its Regional Spatial Strategy.
2. There is concern that the proposal could reverse our recently approved Regional Spatial Strategy (RSS). The West Midlands RSS is seeking to halt the decentralisation of people/housing development from the Major Urban Areas. The proposed approach is market led with the potential for increased development on greenfield sites in areas of high demand. The West Midlands Regional Spatial Strategy may be ambitious but is realistic and there is now good evidence of the Strategy beginning to work. Housing Land supply is being increased in the Major Urban Areas and private developers have shown increased interest in working within the Metropolitan areas.
3. The Regional Planning Body must retain discretion in determining regionally significant planning issues and in interpreting national policy to regional circumstances. WMRA does not want a solely administrative relationship with the proposed National Advice Unit. There must not be a 'one size' fits all approach to regional and sub-regional housing supply and policy.
4. The degree of over reliance on planning gain to deliver affordable housing and social housing is another concern as planning gain will not deliver enough affordable housing, nor will it all be in the right place.
5. WMRA supports local planning authorities working together, if based on sound empirical analysis of the housing market areas and if this is with LHAs in their work on sub-regional/joint housing market/needs assessments and strategies as ODPM have encouraged elsewhere. Whilst joint DPDs for housing are welcomed, it should be acknowledged that this will be challenging for authorities and would be helpful to consider whether any inducements could be offered to them
6. WMRA welcomes the proposed approach to HMAs, which are a key feature of the new Regional Housing Strategy 2005, but concerns were felt about whether the proposed changes are sufficiently flexible to deal with the HMAs in our Region which are varying mixtures of 'low demand' or 'growth' rather than being all one or all the other.

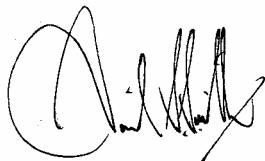
7. WMRA therefore urges the following:

- a) The Government to publish the ODPM's consultation research reports behind the econometric affordability model and the sustainability model and to show how these two are related
- b) That ODPM resources the Regional Planning Body to undertake sensitivity testing on the proposed approach especially in areas of high priced housing, (i.e. South and West HMAs of the West Midlands Region), prior to its adoption, for example using the model, would increasing the supply of homes in Stratford, for example, reduce house prices and how many homes would need to be built in order to reduce price, or price increase and by what percentage.

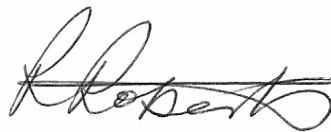
To reiterate WMRA understand the principles behind the paper, but have genuine concerns over how it might be implemented within the West Midlands Region. The West Midlands has the benefit of a well researched housing market with a good understanding of sub-regional markets. As mentioned above the Region would like to offer access to that information and to test out with ODPM officials how the broad policy might be applied within the West Midlands to support rather than challenge our existing Spatial Strategy.

If you have any queries in relation to the points in this letter or the main response, please do not hesitate to contact the Assembly's Strategic Housing Advisor, Steve Forrest on 0121 678 1064 or email: s.forrest@wmra.gov.uk

Yours sincerely



Cllr David Smith
Chair, WMRA



Cllr Rex Roberts
Chair, Regional
Planning
Partnership