

Local Members' Interest
N/A

Prosperous Staffordshire Select Committee - Friday 01 March 2019

Delivering Housing in Staffordshire

Recommendations

- a. That the Select Committee considers and comments upon the approach being taken to develop a clearly defined strategy for Staffordshire County Council engagement in housing policy and strategy delivery to support the implementation of housing schemes, both directly and indirectly;
- b. That the Select Committee considers and comments upon whether the thematic task and finish groups (the Workstreams) commenced in 2018/19 would benefit from any expansion or narrowing of scope.
- c. That an advanced draft version of a clearly defined strategy is brought to the Select Committee in early Autumn 2019.

Report of Councillor Mark Deaville, Cabinet Member for Commercial and Councillor Mark Winnington, Cabinet Member for Economic Growth

Summary

What is the Select Committee being asked to do and why?

1. The purpose of this report is to:
 - a. Provide a summary of the main workstreams being explored by officers to provide technical/professional advice to Cabinet Members in forming the Staffordshire County Council Housing Delivery Strategy; and
 - b. Provide the Select Committee with an opportunity to shape this work through consideration and comment of the Workstreams that are most likely to secure the outcomes set out in the Strategic Plan 2018 – 2022. The output from the Select Committee will assist the Cabinet Members in ensuring the Officers apply the main effort to specific Workstreams most likely to provide the highest benefits.

Report

Background

2. The Staffordshire County Council (SCC) Strategic Plan 2018 to 2022 (the Strategic Plan) (SCC 2018a) includes Housing as one its five priorities; to '*Support the construction of more housing to meet the growing needs of our families and people young and old.*'
3. The sub-headings under this priority are:

- a. Strategic Infrastructure Plan;
- b. Housing offer; and
- c. Housing delivery.

4. **Strategic Infrastructure Plan (SIP)** – The Strategic Plan contains the following supporting text *“to support the construction of more homes. Importantly the plan will make sure new developments are supported by employment opportunities, high quality transport, green spaces, places to go out and excellent digital connections like superfast broadband, self-build, bespoke modular build and more developments by smaller house-builders to increase the range of housing types and designs, and speed up construction”*
5. The SIP will provide a holistic and cumulative view of the wide range of infrastructure delivery plans for the Staffordshire and Stoke-on-Trent geography and pick up cross-boundary issues of strategic importance (e.g. the Drakelow former power station site on the Derbyshire border that required a new bridge and bypass). Taking into account of the feedback and discussion that took place at Prosperous Staffordshire Select Committee on the 18th September 2018, the report will be framed around nine key themes that consider ‘Transport, Education, Health, Community, Green Infrastructure, Utilities and Flood Defences’.
6. The production of the SIP commenced in December 2018 and a pre-publication/draft version is scheduled to be published for internal stakeholders in early Summer 2019. The external capacity and expertise to prepare the SIP is being provided by AECOM and involves engagement with the SCC Operational Management Team (OMT), Local Planning Authorities (LPAs) and a wide range of infrastructure providers. This engagement typically comprises data collection and workshops for validation/quality assurance testing. The status of the Local Plan evidence base is presented as Appendix 1.
7. Within SCC, the internal governance arrangements include monthly roundtable sessions with key officers from the SCC Wider Leadership Team (WLT) to ensure that the project remains on track and to start the planning for the next steps following the finalisation and publication of the SIP. It might be that the current approach to securing infrastructure might need to evolve in the future to close any potential funding gaps and enable the formation of more strategic relationships with the utilities sector.
8. For example, Western Power Distribution is the electricity distribution network operator for the Midlands and is changing ways of working to get ready for the roll-out of smart grid technology. The implication for SCC is to be able to influence and secure targeted investment to reinforce the electricity distribution network to bring forward strategic scale housing and employment opportunity sites in line with local plan development trajectories.
9. **Housing offer** – The Strategic Plan contains the following supporting text *“consider how we influence and affect the housing market in Staffordshire to deliver the right homes for our current and future residents. Housing can support a vibrant local economy, for example through the development of live/work apartments in town centres”*.
10. The borough/district Local Plans prepared by the LPAs are underpinned by strategic housing market assessments that inform policy requirements around the type of homes

and affordable housing provision. Under the National Planning Policy Framework published in 2012, development viability issues have often been used by strategic land promoters to reduce the level of anticipated / policy compliant provision and/or requiring a trade-off with the infrastructure requirements.

11. The revised NPPF (MHCLG 2018) was published in May last year to partially deal with viability arguments associated with development land values. Within SCC, a housing task and finish steering group has been established to get a better understanding of what this means for both the private sector developers and how it may impact on housing associations or registered providers. One of the key issues to explore is how the planning process and development consents translate into bidding opportunities for Staffordshire based housing providers.
12. Anecdotal evidence suggests that there is a mismatch between what is being sought by Housing providers and what is being commissioned for provision. Working with a grouping of local Housing providers (such as Aspire Housing based in Newcastle-under-Lyme), SCC is aiming to understand these issues better and consider a policy response with the LPAs. If the land market is the problem, we may need to consider how the local authorities can shape the local markets, potentially forming strategic relationships with bodies such as Homes England and engagement with the National Housing Federation.
13. In respect of town centres, many of the LPAs are advancing town centre regeneration strategies. One of the common barriers arising from related studies is around the fragmented ownership of property. SCC is considering its future role in land assembly wider than the One Public Estate programmes, and how to work with partners to secure physical regeneration funding through initiatives such as the Future High Street Fund (MHCLG & HMT 2018). We are actively engaging with the relevant LPAs to drive growth through a number of their priority projects, that include previously developed land / brownfield sites at Birmingham Road (Lichfield), Ryecroft (Newcastle), Gungate (Tamworth), Cannock Town Centre, Eastgate Street and Stafford Gateway (both in Stafford). These schemes are likely to be mixed use, with a heavy bias towards the residential component.
14. **Housing delivery** – The Strategic Plan contains the following supporting text *“increase choice by encouraging and supporting self-build, bespoke modular build and more developments by smaller house-builders to increase the range of housing types and designs, and speed up construction”*.
15. There are five main Workstreams underway under this broad topic area:
 - a. Exploratory discussions with Homes England to tailor their national programme to the Staffordshire housing market area(s). The output may lead to establishing a Strategic Relationship or ‘Housing Deal’;
 - b. Assignment given to the ‘Make it Stoke-on-Trent and Staffordshire’ inward investment team to promote employment sites suitable to accommodate advanced manufacturing facilities that produce housing units using modern methods of construction;
 - c. Exploratory discussion with ENGIE (2018), to understand the business model proposed for their flagship Rugeley (former power station) site to be entirely maintained by green/renewable energy, up to 50% of which could be generated on

site. This may lead to some form of Energy Innovation Zone (EIZ) to complement other initiatives in the West Midlands (Innovate UK 2018); and

- d. Promotion of our land assets for housing allocation to enable delivery of new homes, either through a special purpose vehicle, or with partners, potentially with Homes England.
- e. Sought technical advice and options for future potential housing delivery models. The external capacity and expertise is being provided by Avison Young (recently acquired GVA) and Pinsent Masons. Taking into account of the feedback and discussion that took place at Prosperous Staffordshire Select Committee on the 18th September 2018, this work incorporates a gateway review in late Spring 2019 where officers will report on progress to date and whether or not to progress any further stages of work.

16. Within SCC, the internal governance arrangements include a monthly roundtable session with relevant SCC WLT to ensure a 'one council' approach.

Link to Strategic Plan

17. Support the construction of more housing to meet the growing needs of our families and people young and old.

Community Impact

18. This report provides a status update on the Delivery Plan 2018/19 to develop a clearly defined strategy for SCC engagement in housing policy and strategy delivery to support the implementation of housing schemes, both directly and indirectly. At this stage, the report is not proposing a change to any county council policy or service. As such a full assessment of community impact is not considered relevant in this instance.

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List of Appendices:

Appendix 1 – Local Plan Coverage Across Staffordshire

List of Background Papers:

ENGIE, 2018. Rugeley site. *The energy and services group will retain ownership and a long-term interest in the 139-hectare brownfield Rugeley Power Station site.*

<https://www.engie.co.uk/about-engie/news/engie-begins-consultation-for-landmark-rugeley-redevelopment/> and
<https://www.jtp.co.uk/projects/rugeley>

Innovate UK, 2018. Energy Innovation Zones. *Catapult: Powering West Midlands Growth: A Regional Approach to Clean Energy Innovation.*

<https://es.catapult.org.uk/publications/powering-west-midlands-growth-a-regional-approach-to-clean-energy-innovation/>

LGA, 2018. Local Government Association. *One Public Estate*.

<https://local.gov.uk/topics/housing-planning-and-homelessness/one-public-estate>

MHCLG, 2018. Ministry of Housing, Communities & Local Government. *Revised National Planning Policy Framework*. 24 July 2018

<https://www.gov.uk/government/collections/revised-national-planning-policy-framework>

MHCLG & HMT, 2018. Future High Streets Fund. *The Future High Streets Fund will support and fund local areas' plans to make their high streets and town centres fit for the future*. Ministry of Housing, Communities & Local Government and HM Treasury. 29 October 2018.

<https://www.gov.uk/government/publications/future-high-streets-fund>

SCC, 2018a. Staffordshire Strategic Plan 2018 - 2022

<https://www.intra.staffordshire.gov.uk/ppp/planning/stratplan/Strategic-Plan-2018-22.aspx>

SCC, 2018b. Prosperous Staffordshire Select Committee. 19th September 2018. Item 22. *Delivering Housing in Staffordshire: Joint Report of Cabinet Member for Commercial and Cabinet Member for Economic Growth*

<http://moderngov.staffordshire.gov.uk/ieListDocuments.aspx?CId=868&MId=8804&Ver=4>