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## Lichfield District Local Plan Review (2018–2040)

### Preferred Options

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# LICHFIELD CIVIC SOCIETY

A Local Amenity Society founded in 1961  
Founder Member of Civic Voice  
Registered Charity No. 505302  
[www.lichfieldcivicsociety.org.uk](http://www.lichfieldcivicsociety.org.uk)



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## Part B: Representation

### The Society's full consultation response is attached

Plan Reference	The Society's response reference
Plan's Soundness (deliverable over plan period) .....	refer paragraphs 1 to 5
Section 5 : Profile of the District .....	refer paragraph 6
Section 9: Our spatial strategy .....	refer paragraphs 7 to 15
Section 12: Our Sustainable Transport .....	refer paragraphs 16 to 18
Section 13: Our homes for the future .....	refer paragraphs 19 to 26
Section 14: Our Economic Growth Enterprise and Tourism .....	refer paragraphs 27 to 29
Section 17: Our Built & Historic Environment .....	refer paragraphs 30 to 34
Section 18: Lichfield and Streethay .....	refer paragraphs 35 to 47
Appendix B Masterplan Guidelines .....	refer paragraph 48
Glossary & abbreviations .....	refer paragraph 49


### Supplementary information supporting the Society's responses above

Lichfield District's Housing Need – Appendix A

Cross Boundary Housing Needs – Appendix B

Market Signals – Appendix C

**Signature (Roger Hockney) :**



**Date :**

24/January/2020



## Soundness of the Local Plan Review (Preferred Options)

### 1 Summary of the Society's consultation response:

- (a) For reasons set out in paragraphs 2 to 5 below, the Society considers that, if the Regulation 19 version of the Local Plan incorporates Policy OHF1 (Housing Provision), **it would be “unsound” because it is undeliverable over the plan period.**
- (b) **Restrictions to private sector housing delivery rates** – The proposed housing target of 530dpa is 23% higher than trend based migration rates require, yet the plan presents no credible policies or incentives (local, regional or national), to accelerate the District's net inward migration rate significantly above ONS projected trend levels. Additionally the Local Plan review fails to present any measures to overcome restrictions to house building rates – refer Letwin review and mortgage availability restrictions set out in paragraph 4 below.
- (c) **Market Signals** – The Local Plan evidence base fails to acknowledge that private sector housing demand is price sensitive, hence high house prices combined with restricted mortgage availability (refer paragraph 4(c) below) have shifted migration patterns to areas where housing is cheaper e.g. the Black Country (refer Appendix B Table 2), leaving areas like Lichfield with surplus housing land and a significant under delivery of homes (compared to the adopted plan housing target) – refer Appendix B Figures 1 & 2.
- (d) **Unmet cross-boundary housing needs** – Housing needs are only met by dwellings completed. Increasing land allocations in neighbouring authorities (with higher house prices / lower wages), and where a high proportion of Birmingham & the Black Country's residents have already been priced out of the market, is not a credible solution.

### The purpose of this review

- 2 This review of the adopted plan is principally occurring to give effect to the Allocations DPD (Policy LPR: Local Plan Review), namely to address the unmet housing need arising from the Greater Birmingham and Black Country Housing Market Area (GBBCHMA), as required by the duty to cooperate (NPPF para. 24). Additionally the newly introduced *housing delivery test* (NPPF para. 75), has put further emphasis on the Government's objective of “*significantly boosting the supply of homes*” (NPPF para. 59). **It is therefore of particular concern that authorities neighbouring Birmingham and the Black Country (i.e. Bromsgrove, Cannock Chase, Lichfield, North Warwickshire, Redditch, Solihull, Stratford-on-Avon, South Staffordshire and Tamworth) have been unable to boost housing deliveries, despite increased housing targets and increased land allocations** – refer Appendix B Figure 1 (Remainder of the Greater Birmingham HMA).

### Policy and economic constraints restricting housing delivery

- 3 The Society accepts the District's own housing needs (roughly 340dpa) is deliverable because the standard method incorporates ONS projections for household and population growth (2014-based). This reflects expected levels of net inward migration – *given current polices and economic conditions*<sup>1</sup> – as at 30/June/2014. The Society disputes the deliverability of the additional element of the housing target (530dpa - 340dpa = 196dpa or roughly 4,500 homes over 22 years) which paragraph 13.2 of the Local Plan Review says is “*to assist in meeting the unmet needs arising from the housing market area*”

<sup>1</sup>steady economic growth, almost full employment and low interest rates



- 4 Recent reports listed below demonstrate the scale of the challenge to boost housing deliveries. It also suggest that, in circumstances where private sector housing delivery rates are demand limited, additional land allocations will fail to boost housing deliveries.
- (a) **National Audit Office (NAO)** – A recent NAO report<sup>2</sup> states that 50% of local authorities are likely to fail the “*housing delivery test*” in 2020 for not building enough homes. The report describes the MHCLG’s ambition to deliver 300K new homes p.a. from the mid-2020s as “*challenging*”, pointing out that since 2005 new home deliveries never exceeded 224k dpa and that housing deliveries would have to rise by 69% by the mid-2020s for the department to meet its ambition.
  - (b) **Office of National Statistics (ONS)** – The latest household growth projection<sup>3</sup>, concluded that, in England, household growth would be 159,000dpa (over the next 25 years) compared with 210,000dpa previously projected. The ONS are clear – they do not claim to assess housing need – the household growth projection merely indicates the number of additional households that are likely to be formed *given current policies and economic conditions*.
  - (c) **Bank of England / Financial Conduct Authority (FCA)** – Mortgage availability has been restricted to prevent a recurrence of housing bubble (2003–2008), which led to the collapse of Northern Rock, a deep recession and a decade of austerity to repair government finances. New capital adequacy rules state that **no more than 15% of new mortgage lending can be for houses worth more than 4.5 times the borrowers income**. As a result mortgage providers have limited the amount they lend, demanded higher deposits and significantly reduced new mortgage issuance. It is inexplicable that the affordability analysis (paragraphs 6.17–6.22) in the latest SHMA<sup>4</sup> fails to note that **median Lichfield house prices (8.99 times income) are at a level almost double the 4.5 times limit, where regulatory policy controls restrict mortgage lending**.
  - (d) **Draft Letwin review** – a site’s build out rates is limited by the local housing markets “*absorption rate*”<sup>5</sup>. Delivering homes in excess of these volumes would hurt shareholders and put the developer’s directors in breach of their statutory duties under the Companies Act, 2006. So private enterprise will not supply housing at rates beyond mortgage availability limits imposed by the Bank of England / Financial Conduct Authority – refer point above.

## Market Signals

- 5 NPPF para. 31 requires an up to date evidence base “*justifying the policies*” and taking into account “*relevant market signals*”. Improving the evidence base could assist in the crafting of a more appropriate / deliverable policy for housing provision. The Society would highlight the following areas:
- (a) **slow built out rates** – For the reasons set out in in paragraphs 4(c) & 4(d) above, an additional large (3,300 homes) housing allocation north of Lichfield (Strategic Policy SHA1), is likely to exacerbate the “*absorption rate*” (refer footnote 5) issue already faced by other large urban extensions around Lichfield. While this new urban extension may contribute to housing supply after 2030 it is unlikely to accelerate house building rates before then.
  - (b) **Restricted mortgage availability also caps housing delivery rates** – For the reasons set out in in paragraph 4(d) above, market (private sector) housing demand in the District is likely to be capped at levels mortgage providers are able to finance – also see Appendix C (Market Signals) .

<sup>2</sup>National Audit Office: ‘*Planning for new homes*’, published 05/Feb/2019

<sup>3</sup>Office of National Statistics: ‘*Household projections in England: 2016-based*’, published 20/Sep/2018

<sup>4</sup>Housing and Economic Development Need Assessment, GL Hearn, Sep/2019

<sup>5</sup>absorption rate – the speed at which homes can be sold without reducing their value



- (c) **Migration patterns are shifting housing demand to areas where housing is cheaper** – This is already reflected in the standardised housing needs assessment (refer Appendix B Table 2) with standardised housing need targets in the Black Country rising significantly above adopted plan rates, while areas, such as Lichfield, have a standardised housing need target significantly below adopted plan rates. When the next local authority level household projection (2018-based) is published it is expected to confirm that this trend is accelerating.

## Section 5 : Profile of the District

- 6 Suggested additions to paragraph 5.28 indicated as **additions in [RED]**.

**paragraph 5.28** – *“Tourism is a significant part of the local economy particularly based on the heritage, character and environment of the area, with Lichfield city being a particular focal point. There are a number of important attractions within the district, including Lichfield Cathedral, **Chasewater Country Park**, Drayton Manor Theme Park and the National Memorial Arboretum. The tourism sector within the district is forecast to grow and the local plan will need to be mindful of this.”*

## Section 9 : Our Spatial Strategy

### Strategic Policy OSS1: Presumption in favour of sustainable development

- 7 This policy is supported by the Civic Society in principle.
- 8 However, in cases where services, facilities or infrastructure are not available to support the proposed development, or where the necessary provision of these elements is not formally committed through binding legal agreements to become available by the time of occupation, the development should not be approved as it fails to achieve an acceptable level of sustainability. There are already various issues referred to within Section 6 confirming inadequacies or shortfalls in service or facility provision affecting either the whole of the District (para 6.1) or Lichfield City (para. 6.3), which should be addressed prior to, or as an integral part of any development proposals. The provision of appropriate transport access to serve development, and particularly the availability of non-car modes, is a vital element in any development strategy, refer paragraphs 16 to 18 below, the Society’s response to Section 12 (our Sustainable Transport) .
- 9 If the approach proposed in the above paragraph is not followed rigorously, it is the view of the Civic Society that any development not making comprehensive provision of supporting infrastructure should be deemed not to be sustainable.

### Strategic Policy OSS2 : Our spatial strategy

- 10 The value of including an explicit statement of the spatial strategy of the Local Plan, including the proposed settlement hierarchy, is to be welcomed and the principle is supported by the Civic Society.
- 11 However, there are a number of issues of concern to the Society over the detailed content, which the Society wish to be resolved, or the proposals amended during the next stage of the preparation of the Local Plan, as follows :
- (i) in view of the long period of failure to achieve the delivery of housing numbers at the rates proposed in previous local plans for the District, is it realistic to continue this approach by



proposing the numbers now being suggested in the document for the period 2018-2040, [i.e. 11,782 = 7,282 + 4,500]? This concern is also raised elsewhere in our response to Section 13 – refer to the Society’s response Appendix B, Figures 1 and 2.

- (ii) is it appropriate in a District made up largely of open countryside, areas of Green Belt, small and medium sized villages, a small historic Cathedral City and a small-medium sized town, to promote “*growth*” as the primary ambition of the Local Plan? as referred to in Policy OSS 2 and the Executive Summary of the document.
- (iii) the list of proposals of strategic allocations for growth should also include the settlements of Burntwood, Alrewas and Armitage with Handsacre, as they are already classified respectively as Level 2 and Level 3 settlements.
- (iv) the policy refers to “*areas of development restraint*”, and elsewhere in the document these are stated to be located at Fosseyway, Coulters Lane and Mile Oak. These areas are not clearly identifiable, and the precise location and extent of each should be defined. However, if the District Council maintains its stated intention to progress a strategy including a New Settlement, there should be no need to include proposals for “*areas of development restraint*” within the Local Plan, as precursors to rolling back the Green Belt as presently proposed.
- (v) the policy refers to the importance of appropriate transport infrastructure provision and the priority to be given to non-car modes in supporting development proposals. However, prior or parallel delivery of these is paramount and the Society has concerns regarding this. These views are expanded in our response elsewhere to Section 12.
- (vi) the conflict or tension between the policy’s support for “*new ...retail*” development in Lichfield city centre (Policy OEET2: Our centres) and support for the “*high quality ...built environment*” in exactly the same area remains unresolved. To this potential development can be added the proposals for significant new office development throughout the Plan period referred to elsewhere in the document. It is the concern of the Civic Society that greater weight appears to be given in the policy to growth and further development within the City centre than to enhancing and protecting the unique heritage asset of Lichfield City centre.
- (vii) the Civic Society support the proposals for an urban extension to the north of the City, in preference to rolling back further areas of Green Belt to the south and south-west of the City. The Society also supports the proposed strategic housing allocations at the three settlements of Fradley, Fazeley and Whittington (paras. 9.15-17). However, it is suggested at (iii) above that additional strategic allocations should be made at further settlements as listed in order to assist them achieving greater sustainability.
- (viii) if the new settlement, as proposed in Preferred Policy NS1 is to be pursued, it should be included in the settlement hierarchy. The Society has other comments in relation to this Policy that are presented in the following four paragraphs of this response.

## **Preferred Policy NS1 : New Settlement**

- 12 The Civic Society welcomes and supports the concept of a new settlement within the District, but not the proposed delay in both the timing of the selection of a location and the delivery of any proposed dwellings until 2040.
- 13 The proposed new settlement would potentially be capable of creating a highly sustainable settlement, through both economies of scale, and the co-location of a wide range of house types and employment opportunities, whilst also benefitting from provision of a comprehensive and integrated infrastructure. This development initiative would become a significant element in the settlement hierarchy of the



District, whilst assisting in the creation of a more balanced distribution of development across the District to the benefit of the whole.

- 14 The Civic Society consider a new or extended settlement should be located to the north of Lichfield City, and separated from it, thereby maintaining and safeguarding the important Green Belt areas immediately adjoining and to the south and south west of the City, which in turn would assist in protecting the character of the historic city.
- 15 At present major initiatives in new settlement provision and development are being progressed and implemented at various locations in the United Kingdom, supported by central and local government bodies and the private sector. In these circumstances, the District Council should seek to progress this new settlement approach as a matter of urgency, since it would accommodate most effectively their aspiration for “*growth*”, whilst protecting and enhancing the environment of the District overall.

## **Section 12 : Our Sustainable Transport**

- 16 The Civic Society generally welcome the policy objectives set out in Section 12. We would however question the Council’s ability to realistically move towards them. Policy OST1 aims to improve transport facilities for all modes, particularly stressing widening transport choice. By this we assume it is principally aimed at improving public transport (as set out in Policy OST2). The Council has not to our knowledge, previously directly supported bus companies financially; this has been the responsibility of the County Council. Indeed, modifications to services, including withdrawals, have occurred within the District over the period of the current local plan, despite the Council’s avowed support for public transport. Decisions to support or withdraw services have been largely outside the Council’s control. The Council’s powers are limited to “*support and encouragement*” as set out in the Policy. To date, its record of support and encouragement has not been successful, despite similar policies in earlier local plans. The current travel to work modal split is 1.4% for buses and 2.3% for trains, the vast majority of journeys being by private car. The policy intention that the Council’s responsibility is solely to support and encourage does not suggest any positive action is intended.
- 17 Policy OST1 includes the intention to reduce the need to travel. By this, we infer that reference is being made principally to journey to work (and possibly school) travel patterns. The plan’s intention to provide for 4500 homes to meet the overspill requirements of Birmingham and the Black Country suggests that journey to work movements will substantially increase unless more employment land is allocated in the local plan to cater for this population. However, the established, skilled jobs are likely to remain in the conurbation, implying that, even if additional land for jobs is provided, travel numbers will increase. These will be spread disproportionately, the majority by private car (thus increasing traffic congestion), because there are no direct rail links between Lichfield and the Black Country. The District Council’s track record in promoting rail travel is negligible. That of Staffs County Council (the transport authority) is patchy. Our confidence, therefore in both Councils achieving a meaningful shift in the modal split to public transport, is very low, with only the possibility of new bus services being provided, but this is dependent upon the views of both operators and the County Council. The consequences of what is in effect a “*just carry on as we are*” policy will inevitably lead to increased traffic congestion on the principal and local highway systems, when one takes into account the scale of development that the local plan envisages north of Lichfield. Traffic congestion, particularly in the peak hours will increase especially on the throughout north and central Lichfield.



- 18 **In conclusion**, the Society believes that these policies, if adopted, would require positive and not passive enforcement. In particular, it is vitally important to ensure that before any new development is occupied, transport infrastructure and services are subject to legally binding agreements to ensure that the transport infrastructure, both highways and public transport, is fit for purpose. If the Council does not choose to ensure that transport (as well as social) infrastructure is in place to support new developments, then policies on sustainability, however laudable, are unlikely to be achievable. On the basis of past experience, that has been the case.

## **Section 13 : Our homes for the future**

### **Strategic Policy OHF1 : Housing Provision**

- 19 Also see the Society's comments regarding the "soundness" of this local plan – refer paragraphs 1 to 5 above – as it refers to the deliverability of this policy. The Society's more detailed comments are set out below.
- 20 The Policy proposes four strategic development allocations, but it is considered there are additional areas for inclusion as allocations, namely at Burntwood, Alrewas, Armitage with Handsacre and adjoining and to the west of Bonehill. These additional allocations would enable some reduction in scale of the excessively large number proposed to the north of Lichfield, and still enable achievement of the overall numbers proposed for the District.
- 21 The reduction suggested in the preceding paragraph would assist in achieving a more realistic proportion of the total District housing numbers being proposed at present in Lichfield City. The document currently requires Lichfield City to take 6,929 dwellings out of a District total of 11,500 and this proportion is considered to be completely out of balance, as well as unlikely to be achieved because of the sheer scale of development and the shortfall in infrastructure to serve the area which would need to be made good.
- 22 A reduction in the scale of housing provision north of Lichfield of 800 to 2,500 would be more appropriate and more likely to be delivered. This number could be replaced at the additional locations referred to above, each being close to existing settlements within sustainable locations.
- 23 The policy of requiring the preparation of a Masterplan for each strategic development allocation and developments including over 100 dwellings is supported.

### **Strategic Policy OHF2 : Providing a balanced housing market and optimising housing density**

- 24 The Civic Society support the principle of seeking provision of a balanced range of housing. Because of the age structure of the population of the District, and the ageing of the population which is forecast during the Plan period increasing the proportion of elderly and very elderly overall, it will be vital to ensure the policy explicitly incorporates appropriate provision for this group in terms of type, size and location of accommodation.
- 25 In relation to the proposed approach to density, the Civic Society have a proviso relating to the proposal for "higher densities" in Lichfield City of 50 dwellings per hectare. The safeguard included in the paragraph needs to be strengthened to ensure the historic character and heritage assets of the City Centre are neither eroded nor harmed by over-intensive and inappropriate development densities, with lower densities required in order to safeguard and enhance the area.





## Strategic Policy OHF3 : Affordable housing

- 26 The Civic Society support the Policy, and would wish to see it delivered.

## Section 14 : Our economic growth, enterprise & tourism

### Strategic Policy OEET1: Our employment and economic development

- 27 Allocations of B1 uses alongside B2 and B8 on new sites such a Cricket Lane, Lichfield where there is a major residential allocation is questionable. Potential office users may not wish to be alongside the other uses and there are likely to be problems for nearby residential occupiers. We suggest that the **change highlighted in [RED]** in the paragraph below be made:

**Strategic Policy OEET1 para. 5** – *“Development proposals outside of the traditional use classes (B1, B2 and B8) will normally not be supported unless it can be demonstrated that the proposed use would enhance or complement the existing employment offer and is demonstrated that any proposed use falling outside of the B1/B2/B8 use classes would not detrimentally affect an employment or residential area”*

### Strategic Policy OEET2: Our centres

- 28 We generally welcome the policy intentions set out in Policy OEET2. We are however concerned over the view that proposals for retail and leisure uses on employment land will be permitted subject to meeting certain conditions. We believe that the primary test is whether the use could be satisfactorily accommodated in the principal shopping centres (i.e. Lichfield and Burntwood) . There should be a presumption AGAINST allowing retail and leisure development other than in recognised centres UNLESS the applicant can prove that there are no satisfactory sites in the acknowledged centres. At a time when retailing is undergoing change, we believe it is the role of the Council to support recognised shopping centres and engender their transformation into retail and leisure hubs, not propose a policy which includes a presumption in favour of out of centre locations.

### Strategic Policy OEET4: Tourism

- 29 We generally welcome the tourism policies. There are references to developments related to existing tourism policies being permitted providing that they are consistent with other local plan policies. We suggest a stronger policy should be inserted in the local plan to protect and facilitate expansion of the National Memorial Arboretum by requiring development proposals on adjoining areas of land to demonstrate that they will not inhibit future expansion of the site.



## Section 17 : Our built & historic environment

### Strategic Policy OBHE1: Historic environment

- 30 The policy intentions are to be welcomed. These aim to protect **and improve** the built environment and ensure that new development makes a **positive contribution** to the local distinctiveness. There are also strong policies to protect assets in Conservation Areas. Sadly, the good intentions in these policies, which echo those in previous local plans are not borne out in practice. The evidence can be found in the new development that has recently occurred. The Premier Inn is of a standard design that can be found in other locations, as is the new McCarthy and Stone development in Cross Keys. Elsewhere, in other towns, these companies have been persuaded by the local planning authority to design schemes which reflect the local vernacular. This has not occurred in Lichfield. (The desire for good design and local distinctiveness has failed significantly at Roman Heights, Streethay, where bland, standard housing has been allowed). Therefore, whilst the Society strongly supports the policies set out in this section, it believes that they will not be achieved unless the Council resolves to take a positive stance in rejecting inappropriate development, a position it has failed to do in the past.
- 31 The Society is pleased to that in response to our earlier representations there is significant strengthening of the policies relating to the historic environment, protection of heritage assets, conservation area policies across the District. We do have some additional comments and some proposed additions that could be accommodated in the refinement of the Council's review proposals in the Local Plan.
- 32 Suggested additions to Strategic Policy OBHE1: Historic environment are indicated as **additions in [RED]**.

**Strategic Policy OBHE1 para. 3** – *“The re-use, maintenance and repair of listed buildings and other heritage assets will be supported where the proposed use is considered to be the optimal viable use and is compatible with its fabric including its interior, character, appearance and setting of the historic asset. Changes of use should demonstrably assist in the maintenance or enhancement of the asset, particularly those that have been identified as being at risk. The loss of historic fabric simply to accommodate **new development or** uses will not be permitted. Reversibility and minimal intervention will also be key considerations when assessing proposals.”*

- 33 There should be a specific reference to conserving and where necessary enhancing the character and attractiveness of the gateway entrances to the City

### Strategic Policy OBHE2: Loss of heritage assets

- 34 Suggested addition to Strategic Policy OBHE2: Loss of heritage assets are indicated as **additions in [RED]**.

**Strategic Policy OBHE2 para. 2** – *“Clear and convincing evidence will be required to justify any harm to or loss of the significance of a heritage asset **or its setting.**”*



## Section 18 : Lichfield and Streethay

### Vision for Lichfield

- 35 The Civic Society is concerned at the excessive scale of housing proposed for Lichfield, as referred to in the Vision, which is considered out of proportion to the District total, as explained elsewhere in this response (Section 13 Housing). The number of dwellings proposed for north of Lichfield should be reduced by 800 to 2,500 and re-distributed elsewhere (refer paragraphs 19 to 23 above), our response to Housing Provision (Strategic Policy OHF1), in order to redress this imbalance and make delivery more certain.

### Strategic Policy SHA1: Strategic housing allocation north of Lichfield

- 36 The view of the Civic Society on the scale of this proposed allocation is stated in the paragraph above, with the reasons.
- 37 The proposal for requiring a Masterplan to be prepared for the development is supported.
- 38 The list of infrastructure requirements is noted. The Civic Society have concerns about the timing of infrastructure provision in relation to implementation of the housing development at this site, as well as elsewhere. The policy should state clearly that development will only proceed either following the provision of necessary infrastructure (all categories), or that no occupation can take place until the necessary infrastructure is complete. The policy should also state that all agreements dealing with infrastructure provision should be legally binding and enforceable, via S.106 or similar. One example of this issue concerning the Civic Society relates to the aspiration to encourage non-car modes of transport, such as by bus, cycle or walking, which requires commitment to provision to be there as occupation of the dwellings takes place, otherwise car usage will continue to grow. In the case of the area to the north of Lichfield the scale of traffic generated by this substantial development, unless modes of “*sustainable transport*” are made available early, will have an adverse effect on many existing roads in the City, including Eastern Avenue, Trent Valley Road and Beacon Street. It will also place unacceptable environmental pressures on the historic core of the City and be detrimental to the heritage asset, by reason of increased traffic movements.

### Local Policy LC1 : Lichfield economy

- 39 The Civic Society welcomes the statement supporting “*sustaining and enhancing the significance of its historic environment and heritage assets and their setting*” in developing the economy, but has concerns at some of the growth proposals, and would seek a balance in decisions which safeguards the unique heritage above all other issues. One example of concern is the quantity and scale of office space proposed at 1,000m<sup>2</sup>–1,400m<sup>2</sup> per year, which over the Plan period will accumulate to become an extremely large amount of development, incapable of being integrated successfully into the City Centre in an environmentally satisfactory manner.



## Local Policy LC2 : Lichfield environment

- 40 The policy states “*The high quality public realm is enhanced by the green infrastructure which penetrates the city centre and provides links by active transport means to the residential areas of the city. Opportunities to safeguard and enhance the green and blue infrastructure through improvements in maintenance, connections and its expansion will be supported.*” The explanation in paragraph 18.12 refers to “*significant open spaces*” in the City centre and the contribution they make to a “*sense of space, greenery, an opportunity for exercise and to enjoy areas of tranquility.*”
- 41 The Civic Society support the general approach and Policy. The only concern relates to the recent deletion of policies protecting the open space network within the City and within the City Centre, particularly the Framework Open Space policy. The Society wish this policy to be re-introduced in a generally similar format to ensure important open space areas, particularly those within and adjoining the City Centre and in Conservation Areas, are given complete protection and are not gradually lost or eroded. If reintroduction is not to be done, then we consider that Policy LC2 should include an express reference to the protection of Open space and recreation (Preferred Policy OSR2) as being particularly relevant to the City centre.
- 42 Suggested alterations to paragraph 18.12 are indicated as **additions in [RED]** and **deletions struck-out in [BLUE]**.

*18.12 The city centre has evolved over centuries and retains its medieval street pattern and burgage plot widths. The buildings within it and the spaces around them provide a high quality public realm. Significant open spaces include Beacon Park, **Stowe and Minster Pools**, Cathedral Close, ~~and the Remembrance Garden~~ **and The Friary Gardens and land**, which provide a sense of space, greenery, an opportunity for exercise and to enjoy areas of tranquility. The city centre has a number of culturally significant areas such as Market Square and Speaker’s Corner and has a variety of historical associations with David Garrick, Dr Samuel Johnson, Erasmus Darwin, **Elias Ashmole** and the Lunar Society.*

## Local Policy LC3 : Lichfield services and facilities

- 43 It is a concern of the Society that within this section there is no reference to action to tackle issues and shortfalls in services and facilities provision in the City, as, for instance, referred to in paragraph 6.3. health provision and secondary school provision.
- 44 One example of this issue can be presented. Although there is reference to primary health care facilities in Burntwood and Fradley, where it is acknowledged there have been long standing deficiencies in provision, there is no direct reference to the scale of additional housing creating pressures on primary health care facilities in the City or elsewhere. Current provision is under pressure which is being exacerbated by difficulties in the recruitment of GPs. The need for improvements to provision, including accommodation, capacity and supporting facilities, including car parking, should feature in the Local Plan. This is a particular priority, bearing in mind the existing and emerging ageing population structure illustrated in Appendix A Table 1.
- 45 Additionally, the very high rates of car usage that exist already in the City and the District and the on-going lack of success in achieving increased usage of non-car modes is not addressed directly. With a significant increase in the number of dwellings in a peripheral location as proposed to the north of Lichfield, without the guaranteed provision of good quality bus services and direct footpath and cycle way links to the City centre, the levels of car usage and resultant congestion will simply increase to an unacceptable degree. This in turn will have a detrimental effect on the historic centre, as well as leading to deteriorating air quality and a poorer living environment.



- 46 An area of concern is the piecemeal approach to car parking in the City Centre. It has been the long held view of the Civic Society that a Car Parking Strategy, including blue badge parking arrangements, is needed for the City Centre. This needs to be closely aligned with planning policies for that area, and, in order to achieve this, a specific proposal or policy should be included in the Local Plan. The Strategy will need to take account of the future requirements for parking generated by the various proposals contained within the Local Plan, when Adopted, up to the end of the Plan period in 2040.
- 47 Other Issues:
- (i) A policy should be introduced into the Local Plan for enhancing the current city centre pedestrianisation, which at present mixes pedestrians and vehicles in an unacceptable and unsafe manner. It fails to create a pleasant environment compared with the schemes in place in most other towns and cities and does not enhance the character of the historic core of the City. It is seen as a negative factor in seeking to attract shoppers and tourists, and over the first years of the Plan period should be addressed.
  - (ii) In order to create a detailed set of policies for the City Centre, it is considered that a finer grain of policy than possible through the Local Plan needs to be provided, and it is suggested that an Area Action Plan or Supplementary Planning Document is proposed to achieve this. This more detailed approach would be more suited to addressing issues within the historic core of the City.

## **Appendix B Masterplan Guidelines**

- 48 The guide to areas to be covered in the masterplan listed in paragraph B.1 should also include:
- How the scheme will address local infrastructure needs arising from the development and mitigating existing deficiencies in community or social infrastructure.
  - Provision of fibre broadband access to all properties.
  - Measures proposed to minimise the water use and recycling of water.

## **Glossary & abbreviations**

- 49 Should include definitions of Listed buildings and blue and green infrastructure.



## Lichfield District’s housing needs

## (Appendix A)

50 Table 1 below shows the District’s projected population growth rates by per ONS. The 2008-based projection underpins the Strategic Housing Market Assessment (SHMA) used to set the housing target of the current adopted plan (430 dpa, excluding housing for Tamworth and Cannock Chase). The 2014-based projection underpins the standardised housing needs assessment of 340 dpa for Lichfield District. The 2016-based projection is the most most up to date projection published by the ONS.

**Table 1:** Expected population growth over 25 years in Lichfield District

Age Bands	2008-based projection	2014-based projection	2016-based projection
	2008 - 2029	2014 - 2039	2016 - 2041
	Persons Change ('000)	Persons Change ('000)	Persons Change ('000)
0-14	+1.4	-0.1	-1.1
15-65	+1.0	-3.3	-3.5
65+	+15.0	+12.0	+9.2
<b>All Ages</b>	<b>+17.5</b>	<b>+8.7</b>	<b>+4.8</b>

**Source:** ONS – Table 2: Subnational Population Projections; Local Plan (2008-based); latest (2016-based)

51 Since the evidence base underpinning the current adopted plan was compiled, the expected population growth rate (over 25 years) has declined by over 70% from 17,500 person to just 4,800. The number of workers and the number of school children are also expected to fall. This graphically illustrates how rising house prices combined with falling real (i.e. after inflation) wages have depressed inward migration.

52 The obvious solution is to increase the supply of smaller, cheaper homes. This would not only assist first time buyers onto the property ladder but it would also be more suitable for the District’s older residents wishing to downsize from their current property. Unfortunately, expected levels of developer contribution (for affordable housing, schools, roads, etc) mean house builders are compelled to provide a significant percentage of large, expensive homes to ensure that developments remain economically viable. Economic viability testing presented at the Examination of the current adopted plans used house prices prior to the collapse of Northern Rock and Lehman Brothers. This leaves the District Council with a dilemma – inward migrants are deterred by the Districts house prices, yet developers are reluctant to reduce prices because of the developer contributions.

53 The Society would also ask that the District Council, in assessing the **sustainability of development**, also considers wider impacts e.g. regional and national impacts of very high rates of house building:

- (a) **Economic Harm – Lichfield’s building boom late 1980’s.** An over heated economy, created a housing bubble, fuelled inflation, 250k homes were repossessed, a million people were made unemployed and millions were trapped in negative equity when house prices collapsed.
- (b) **Economic Harm – Lichfield’s building boom 2003-2007.** Again a housing bubble was created by irresponsible lending, including mortgage lending, which led to the nationalisation of most high street banks, falling living standards and government austerity, which lasted more than a decade.
- (c) **Environmental Harm –** A policy of encouraging out-migration from Birmingham and the Black Country through a steady supply of green field site outside the urban core will undermine the restoration/ development of brownfield sites in the conurbation.
- (d) **Social Harm –** A policy of encouraging out-migration from Birmingham and the Black Country will perpetuate the historical trend whereby the most aspirational individuals/ families move out of the conurbation weakening further the social and economic capacity of these areas.

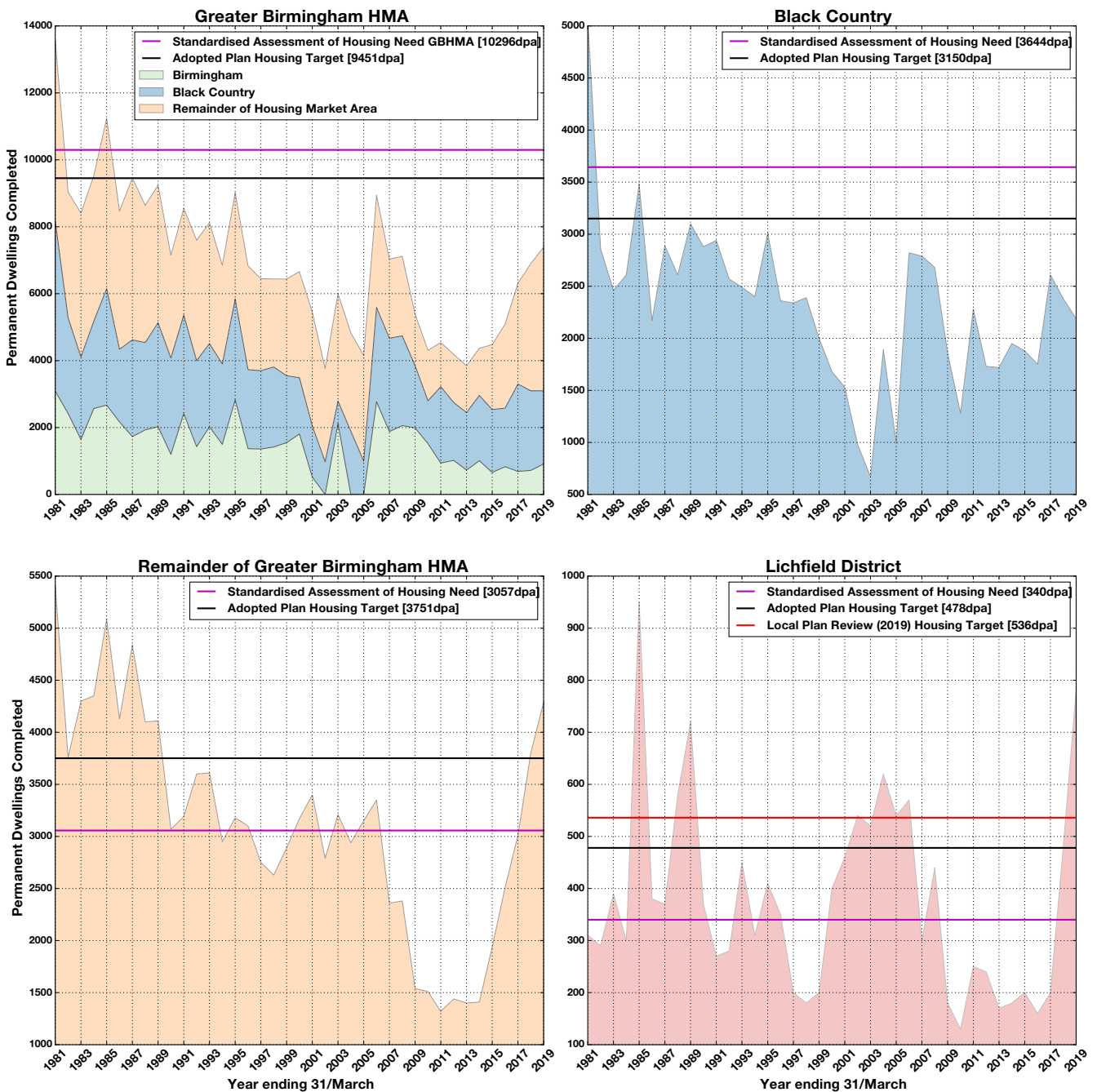


### Cross Boundary Housing Needs

### (Appendix B)

54 Figure 1 below shows housing delivery rates across the Greater Birmingham Housing Market Area since records began in 1981. Birmingham and the Black Country authorities are looking to the remaining authorities (see footnote to Figure 1) to help address their unmet housing needs. These authorities have not achieved housing completion rates exceeding their current adopted plans since 1989. The late 1980's, (a.k.a. the "the Lawson boom") was a period when the economy overheated, creating inflation and a housing bubble, followed by a deeply damaging recession – refer Appendix A for details.

Appendix B Figure 1: Dwellings delivered by local authority within the Greater Birmingham HMA



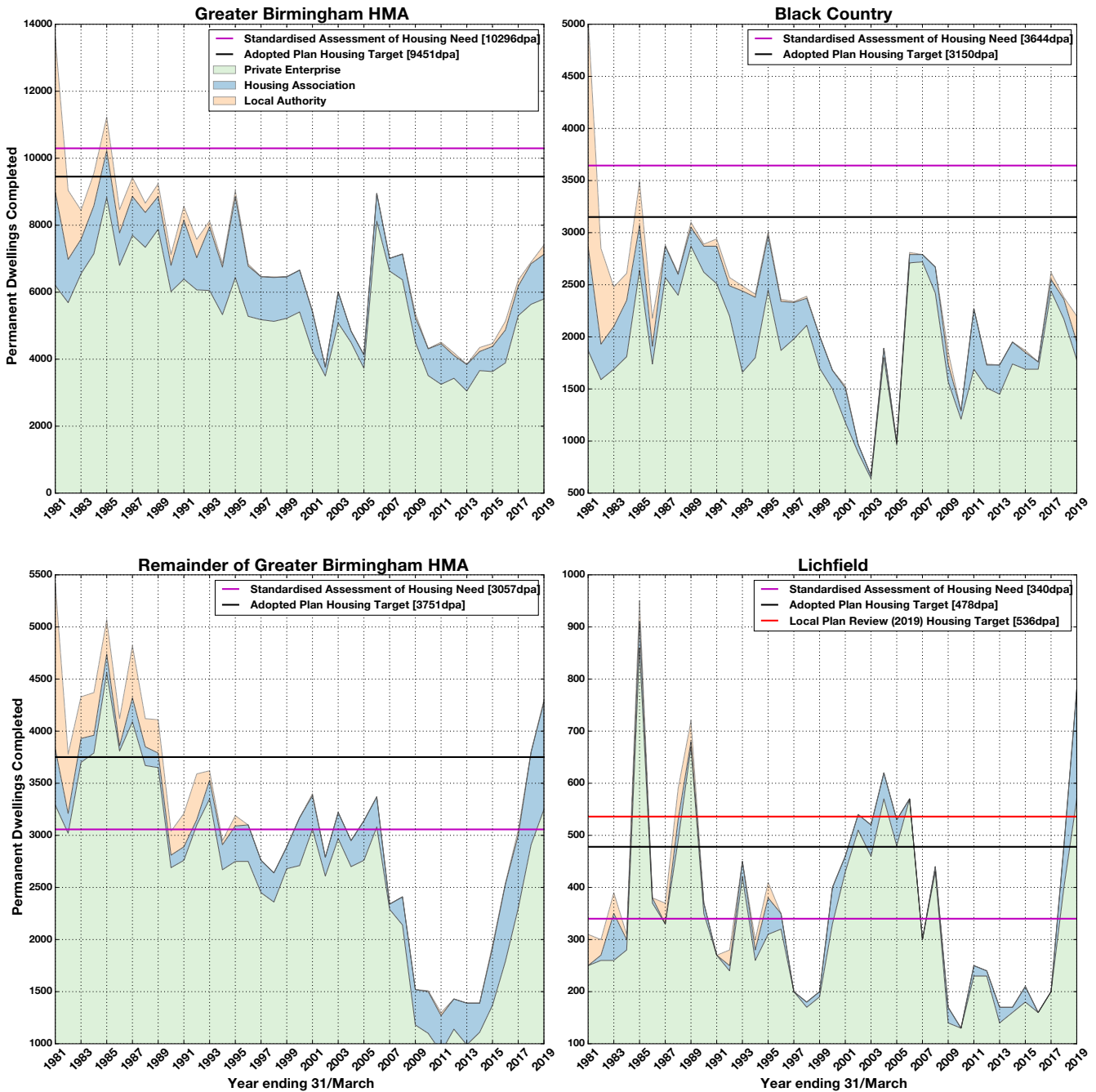
Source: ONS House Dwellings Completed (Table 253)

Remainder = Bromsgrove, Cannock Chase, Lichfield, North Warwickshire, Redditch, Solihull, Stratford-on-Avon, & Tamworth



55 Figure 2 below shows that Lichfield District has not consistently delivered housing, in excess of the current adopted plan, except during property bubbles (refer “the Lawson boom” in paragraph above and 2003–2008 when a property lending boom culminated in the collapse of Northern Rock and triggered the financial crises). In both cases high rates of house building were achieved at a significant cost – serious damage to the wider economy and a significant fall in living standards for the average consumer. The 2019 spike in housing completions in Lichfield District appears to be a one off as a decade of housing association construction appears to have been delivered in one year.

Appendix B Figure 2: Dwellings delivered by local authority within the Greater Birmingham HMA



Source: ONS House Dwellings Completed (Table 253)

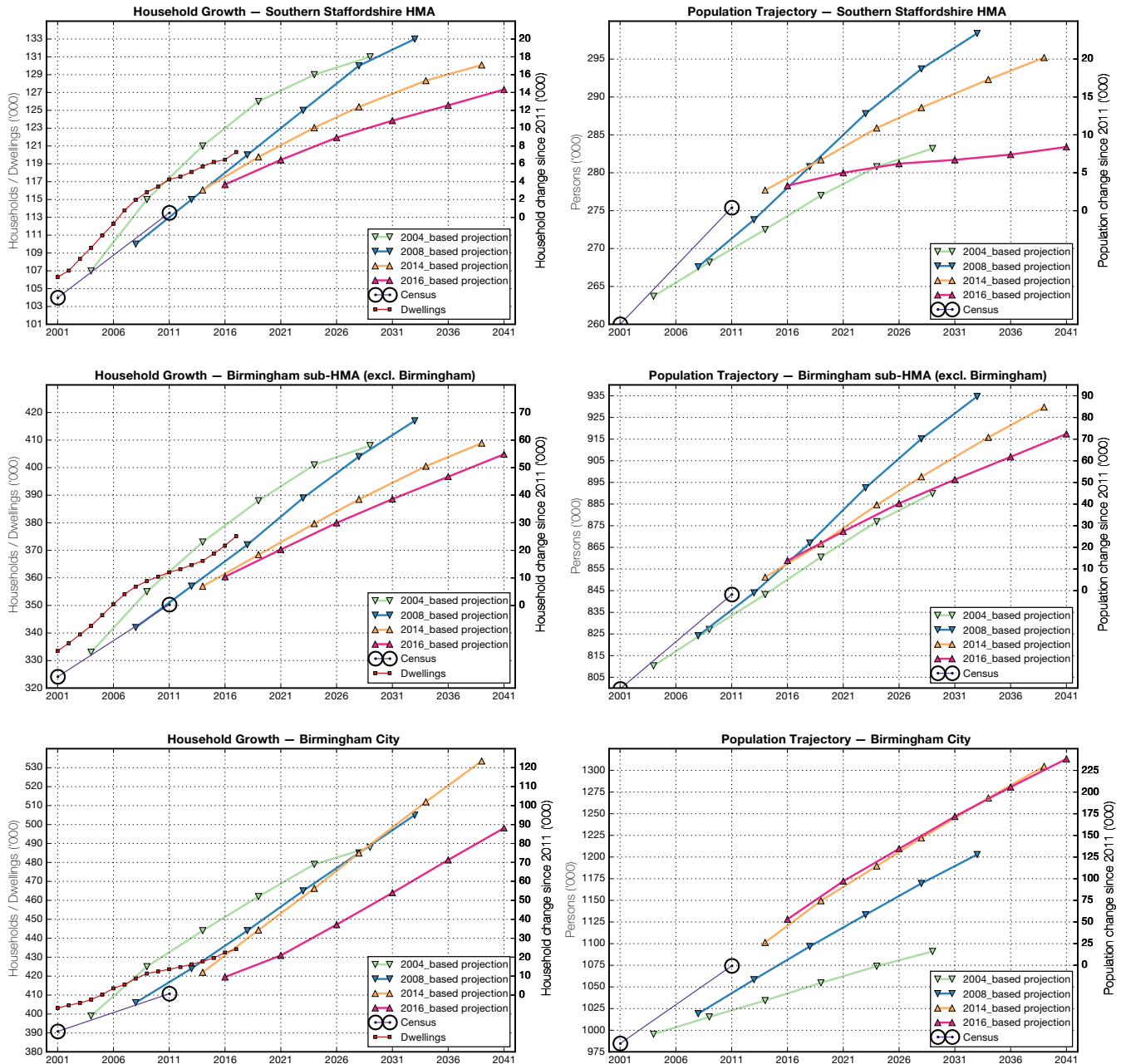
Remainder = Bromsgrove, Cannock Chase, Lichfield, North Warwickshire, Redditch, Solihull, Stratford-on-Avon, & Tamworth





56 Figure 3 shows household and population growth rates in Birmingham, Southern Staffordshire (Cannock Chase, Lichfield and Tamworth) and the remainder of the Birmingham sub-Housing Market Area (Bromsgrove, Cannock Chase, Lichfield, North Warwickshire, Redditch, Solihull, Stratford-on-Avon, and Tamworth). There is a clear and persistent trend of slower household growth with population growth being absorbed by more residents per household rather than by an increase in the number of households. Refer Appendix C (Market Signals) for an analysis of the economic factors behind this trend.

Appendix B Figure 3: Household growth is falling in Birmingham and rising in the Black Country



Source: ONS Population and Household growth projections



57 Table 2 below illustrates how relative house prices deflected Birmingham’s outward migration from the shire authorities to the Black Country. This is despite significant increases in land allocations for residential development, which were a by-product of higher house building targets in local plans.

**Table 2:** Housing Needs – Standardised Assessment vs Strategic Housing Needs Study (stage 3)

Local Authority	Standardised Assessment dpa	SHNS Stage 3 dpa	Change dpa	%
Birmingham	3,577	4,450	-873	-20%
Bromsgrove	364	297	67	23%
Cannock Chase	295	299	-4	-1%
Lichfield	340	334	6	2%
North Warwickshire	169	157	12	8%
Redditch	183	179	4	2%
Solihull	732	608	124	20%
Stratford-on-Avon	588	443	145	33%
Tamworth	159	210	-51	-24%
<b>Birmingham sub-HMA</b>	<b>6,407</b>	<b>6,977</b>	<b>-570</b>	<b>-8%</b>
Dudley	601	634	-33	-5%
Sandwell	1432	1298	134	10%
South Staffordshire	245	208	37	18%
Walsall	881	721	160	22%
Wolverhampton	730	514	216	42%
<b>Black Country sub-HMA</b>	<b>3,889</b>	<b>3,375</b>	<b>514</b>	<b>15%</b>
<b>Birmingham HMA</b>	<b>10,296</b>	<b>10,352</b>	<b>-56</b>	<b>-1%</b>

Source: DCLG Consultation, Sep. 2017 – Planning for the right homes in the right places  
Peter Brett Associates, Aug. 2015 – Strategic Housing Needs Study – Stage 3 Report



## Market Signals

## (Appendix C)

- 58 If the private sector is to be the dominant mechanism for delivering homes (for private ownership or as a social housing allocation) **then more attention should be paid to the laws of economics**. Specifically, unless policy makers properly interpret market signals, they will fail to appreciate the limits which the market imposes on development plan policies, e.g. house building rates.
- 59 **Summary of material in Appendix C (Market Signals):**
- (a) **House prices determine market (private sector) demand** – If house prices exceed what consumers are willing/able to pay, then inward migration will fall and so will rates of house building. The converse is also true. So, while developers may be willing to supply more homes, the capital insensitive nature of house building means that construction rates will **always** be limited by what the market can absorb.
  - (b) **The financial crises will permanently effect the housing market** – Decisive government action, following the financial crises (2008), enhanced the stability of the banking system and protected the UK economy / government finances from future shocks. Regulatory reforms resulted in banks more than doubling their capital ratios<sup>6</sup> and mortgage market reforms penalised or eliminated risky lending practices (e.g. high loan to income mortgages). Currently, and for the duration of this local plan, those struggling to get on the property ladder, e.g. first time buyers and those on lower incomes, will find it very difficult to secure the finance necessary to buy a house.
  - (c) **House price differences discourage migration to expensive areas** – This follows from the two points above. If, as a matter of policy (e.g. addressing cross-boundary unmet housing needs), a local plan chooses to accelerate inward migration and increase housebuilding to accommodate a housing shortfall in a neighbouring area, the plan must choose to (a) rely on the market mechanism and put appropriate subsidies in place to boost housing demand, or (b) choose public sector provision (e.g. Council Houses) to supply the homes which the private sector cannot.

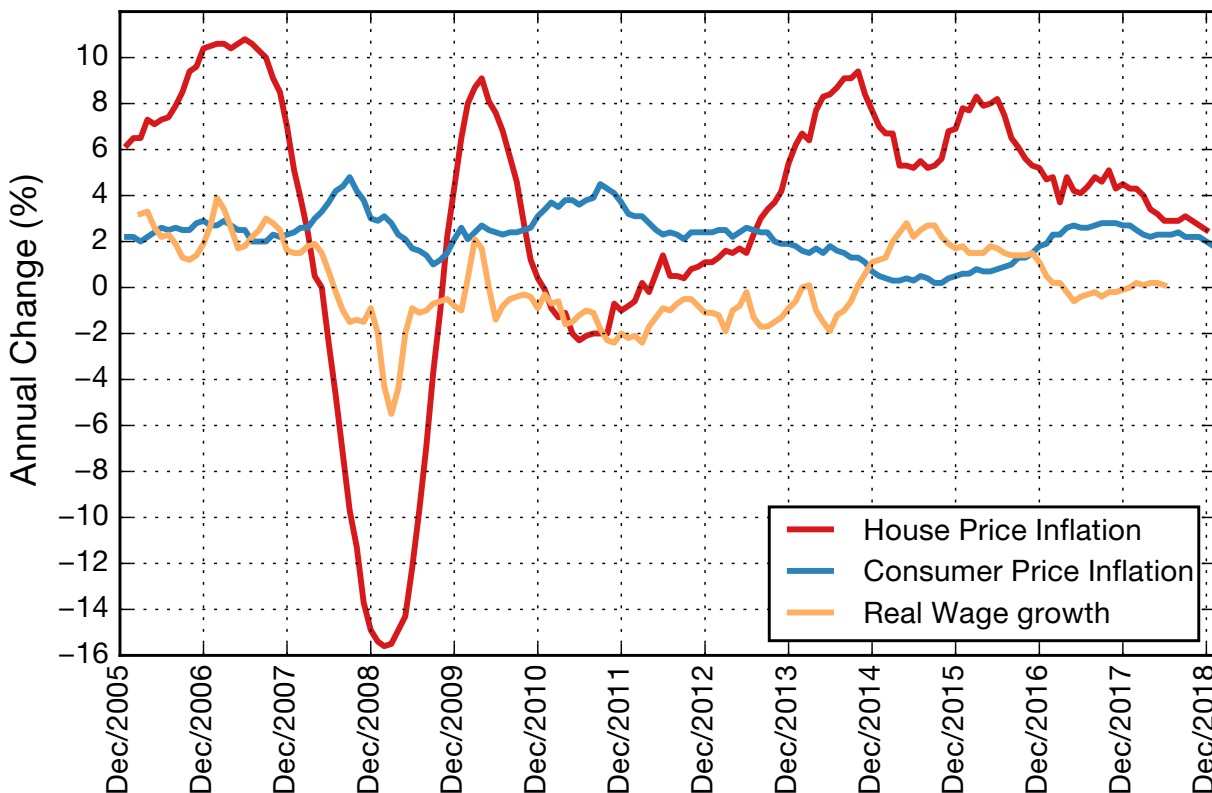
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<sup>6</sup>capital ratio – is the percentage of a bank's capital to its risk-weighted assets



- 60 As noted in Appendix B, many authorities across the region are struggling to deliver more homes despite the Local Plan raising housing targets and allocating more land. Figure 3 below reflects the fall-out of the global financial crisis and the continuing impact on UK living standards, wage levels and house prices. It also explains why inward migration into districts such as Lichfield have dwindled as increasing numbers of households have been priced out of the housing market.
- 61 The aggregate impact is that a significant proportion of UK households would struggle to afford a home because their financial circumstances do not allow them to raise a mortgage large enough to buy a home. In circumstances where housing deliveries are demand constrained, supply side measures, e.g. boosting housebuilding by allocated more land, will be ineffective.

Appendix C Figure 1: House and Consumer Price Inflation relative to Real Wages



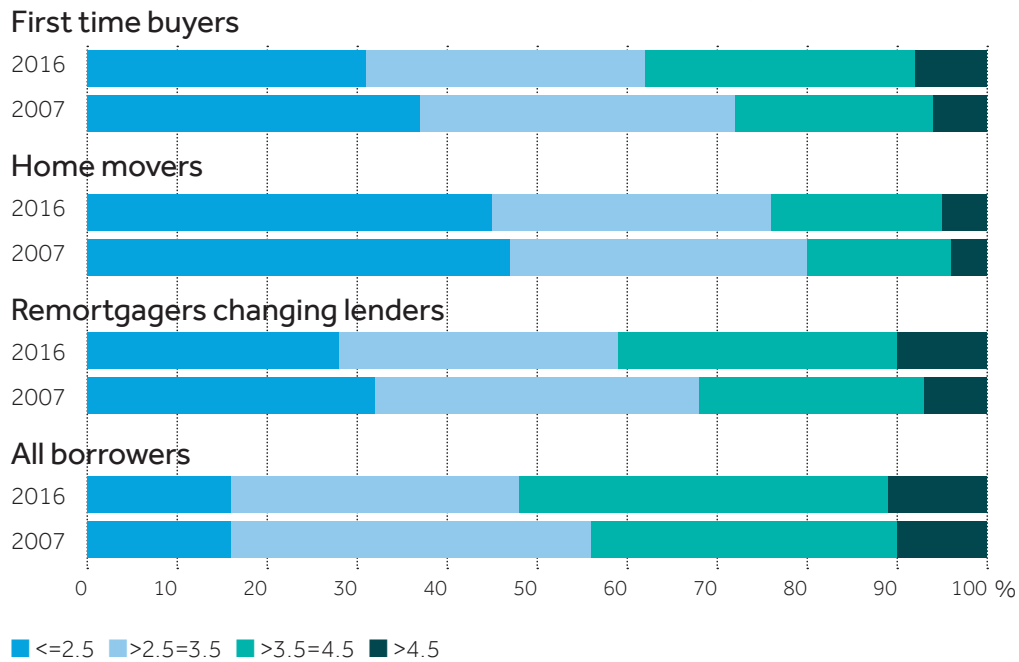
Source: ONS, Bank of England

- 62 Following the collapse of Lehman Brothers (Q3/2008) the UK government intervened to protect the banking system and to limit the depth and duration of the economic downturn. Through a process of *quantitative easing* interest rates were driven down to almost 0% and a vast amount of liquidity was injected into the banking system. Initially house prices (Figure 1 above, maroon line) collapsed but then rebounded strongly as the availability of cheap mortgages allowed consumers to bid up house prices. Unfortunately real wages (Figure 1 above, orange line) continued to fall – a positive real wage rate shows workers are becoming richer while negative real wage rate shows workers are becoming poorer. In 2018 the average UK worker is still about £800 p.a. poorer compared to their pre-crash wages.
- 63 The impact of these policies benefitted existing home owners, firstly because the value of their homes were driven up and secondly because of their disposable income increased as mortgage costs fell. There were significant adverse impacts for younger workers (especially first-time buyers), firstly real wages fell and continued to fall, secondly younger households had accumulated significant levels of debt (including student debt), thirdly house prices were driven beyond their reach and finally banks demanded substantially larger deposits.



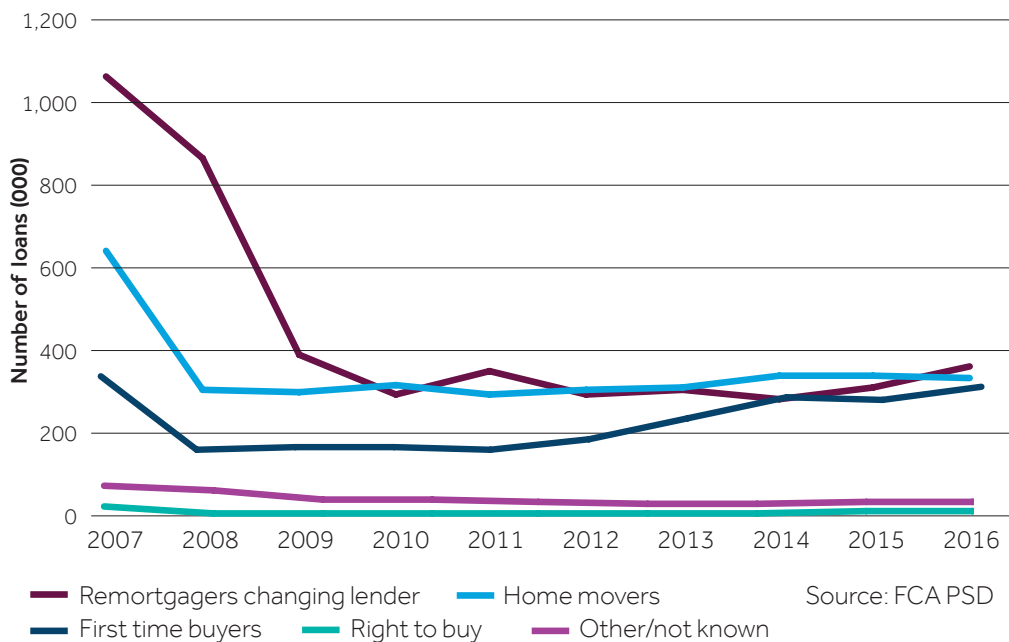
64 Figures 2 and 3 below show the response of UK mortgage lenders to regulatory changes following the financial crisis (2008). In response to tougher capital requirements, banks have chosen to reduce their exposure to the UK mortgage market, cutting the number of new mortgages they issue and avoiding risky lending (e.g. high loan to income ratios). While Table 2 shows less than 10% of UK mortgage lending has a loan to income ratio of more than 4.5, the situation in Lichfield (see Table 4) is more than 50% (House prices to income ratio of over 7.5) of homes are beyond the means of the typical worker.

**Appendix C Figure 2: Loan to Income ratios by borrower type, 2007 vs 2016 (%)**



Source: FCA PSD

**Appendix C Figure 3: Number of regulated mortgage sales 2007-2016 by borrower type**

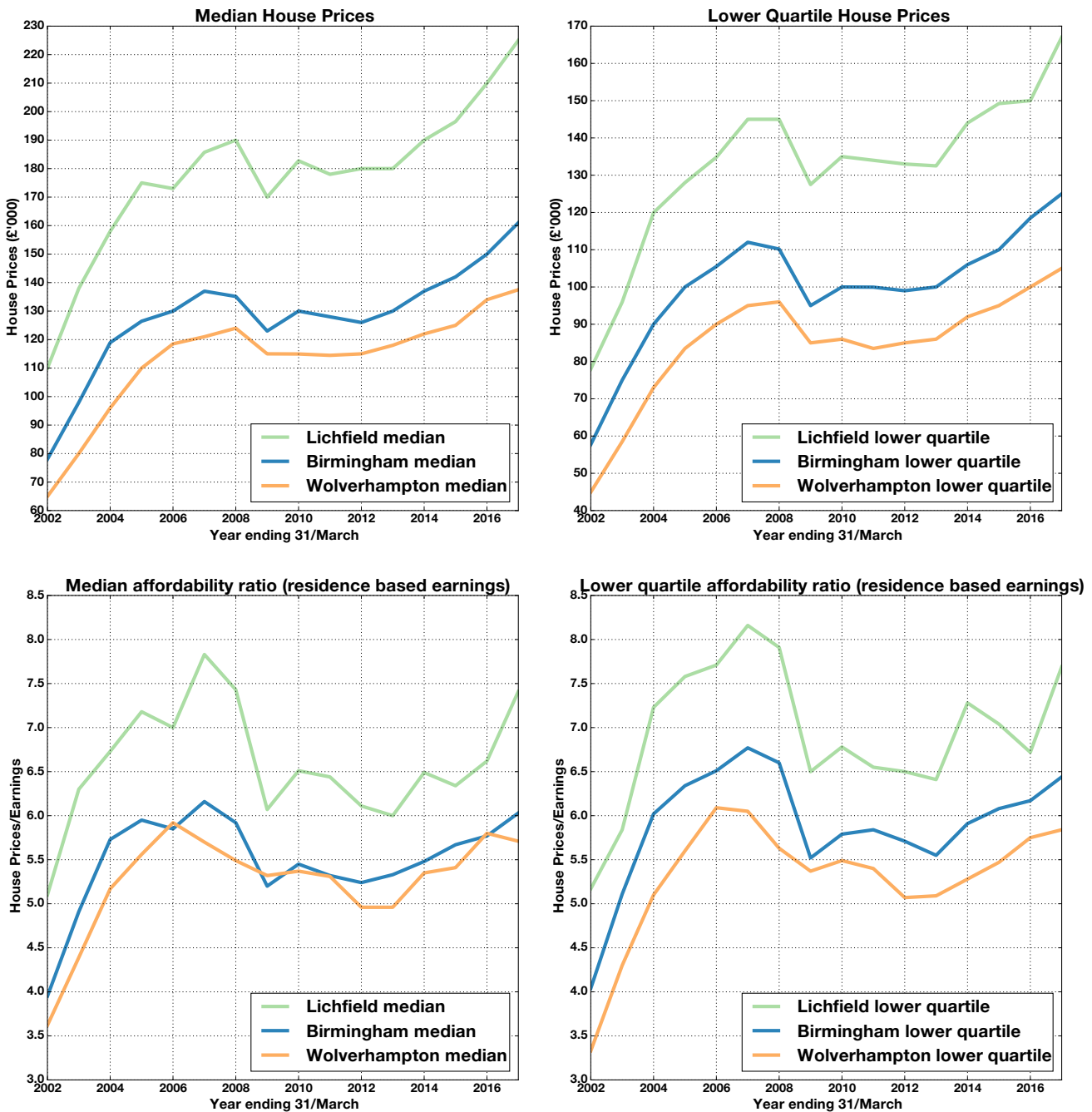


Source: FCA PSD



65 Figure 4 below illustrates the disparity in house prices in Birmingham and the Black Country relative to Lichfield District. High house prices, both in absolute terms and relative to wages, are probably the dominant reason for reduced inward migration and low house building rates – as illustrated in Figures 1 and 2 above. It also explains where additional land allocations have failed to stimulate housebuilding and why housing pressures have shifted from the shire authorities to the Black Country – see Appendix B Table 2.

Appendix C Figure 4: Relative Affordability of houses in Lichfield

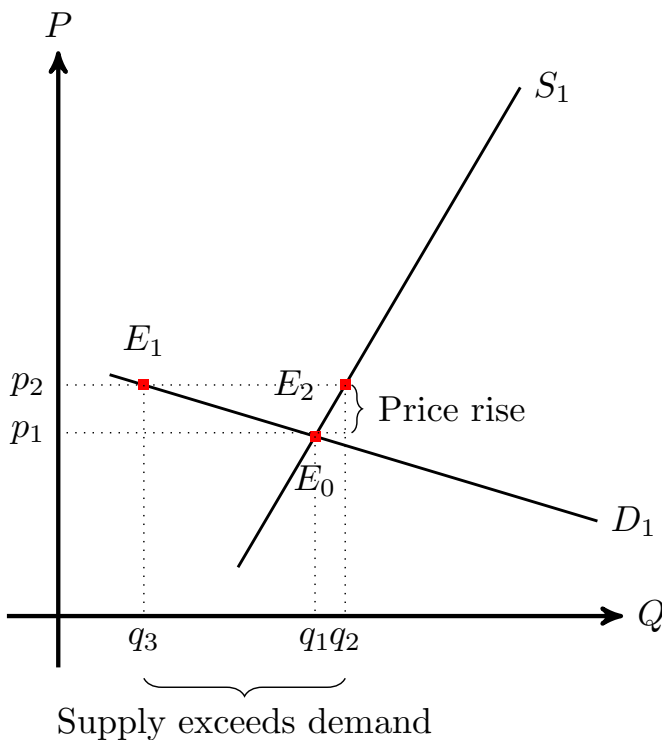


Source: ONS House Price tables 5a, 5c, 6a and 6c



66 Figures 1 & 2 below illustrates how housing supply (developers) and demand (consumers) respond to a change house prices. It is a feature of the property market that a change in the prices of housing has a much bigger impact on demand than it has on supply. Economists call this price elasticity. Figure 1 reflects the current situation where new land allocations (for housing) substantially exceed market demand. Figure 2 below illustrates how a subsidy to consumers (e.g. tax deductibility of mortgage interest) or a subsidy to developers (e.g. reducing developer obligations) could boost housing supply.

Appendix C Figure 5: Elasticity of Supply / Demand to a rise in house to prices



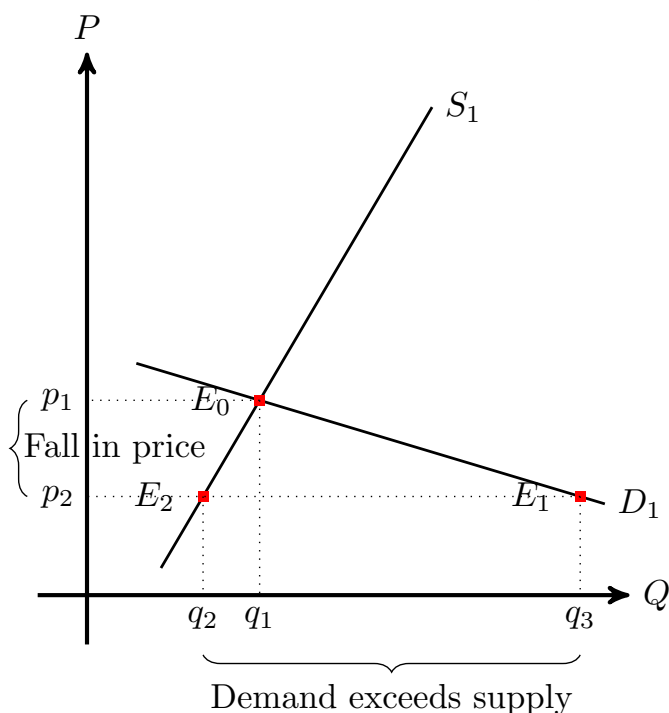
Market supply for housing (line S1) is upward sloping indicating that developers are willing to supply more if prices rise. Market demand for housing (line D1) is downward sloping indicating that demand for housing rises when prices fall.

Supply and demand are at equilibrium (point  $E_0$ ) at price  $q_1$  and quantity  $p_1$

If the market price for housing was to rise from price  $p_1$  to  $p_2$  there would be a big fall in demand from consumers ( $q_1$  to  $q_3$ ) but a relatively rise in supply from developers ( $q_1$  to  $q_2$ ).

This highlights the limitations of allocating more land where houses are expensive (e.g. Lichfield) to meet a housing shortfall where housing is cheaper (e.g. Birmingham).

Appendix C Figure 6: Elasticity of Supply / Demand to a fall in house to prices



Market supply for housing (line S1) is upward sloping indicating that developers are willing to supply more if prices rise. Market demand for housing (line D1) is downward sloping indicating that demand for housing rises when prices fall.

Supply and demand are at equilibrium (point  $E_0$ ) at price  $q_1$  and quantity  $p_1$

If the market price for housing was to fall from price  $p_1$  to  $p_2$  there would be a big rise in demand from consumers ( $q_1$  to  $q_3$ ) but a relatively small fall in supply from developers ( $q_1$  to  $q_2$ ).

This suggests that with a relatively small subsidy, developers could be encouraged to substantially boost the amount of housing they are willing to supply (provided buyers can raise a mortgage).