

Report of Black Country Planning Leads
To
ASSOCIATION OF BLACK COUNTRY AUTHORITIES MEETING
Wednesday 17th September 2014

Greater Birmingham and Solihull LEP and Black Country Strategic Housing
Study

1. Introduction

ABCA Leaders and Chief Execs have previously received reports concerning the Greater Birmingham and Solihull LEP (GBSLEP) and the Black Country (BC) Strategic Housing Study that will determine the future level and distribution of housing growth across the GBSLEP and BC housing market area.

The Study is being carried out in three stages. Stage 1 comprises a stock take of the existing evidence base (existing studies of housing market areas, housing land availability and household projections), stage 2 comprises an assessment of the amount of new housing which will be required over the period 2011-2033, whilst Stage 3 is to identify broad spatial options for addressing any shortfall of suitable land for housing.

The analysis for stages 1 and 2 of the Study has been undertaken and presented to a meeting of the West Midlands Leaders and Chief Executives on the 3rd July 2014. The following actions were agreed at the meeting:

- the decision about the level of growth that should be carried forward should be deferred until the full completion of the study. In the meantime a twin track approach should be used with the higher and lower figures both being considered.
- the governance arrangements for the Study in the Black Country are that the Study will be taken through the Black Country Joint Committee and all future reports should note this and not refer to Black Country LEP.
- that Stages 1 and 2 are taken to the next meeting of Black Country Joint Committee.
- that a separate briefing meeting for the other local authorities likely to be influenced by the Study be held at an early date.
- that the brief for Stage 3 of the Housing Needs Study is taken to the next meeting of BCJC with the recommendation that the Brief is agreed.

The next stage of the study (stage 3) will assess a number of spatial scenarios for addressing any shortfall in terms of numbers of homes, quantities of land required and possible locations. Decisions about where future growth might be accommodated will undoubtedly have important impacts on the future planning and regeneration of the Black Country. Continuing involvement in the study will allow a better understanding of and influence over the technical analysis and material used.

2. **Recommendation**

- 2.1 That the contents of the report be noted.
- 2.2 That the analysis and conclusions of stages 1 and 2 of the Study are agreed as the technical basis for the next stage of the work.
- 2.3 That the Black Country Local Authorities continue to participate in stage 3 of the study subject to full participation in the Steering Group and the development of a work programme that allows the authorities the fullest possible opportunities to consider, comment and agree the final outputs of the work.
- 2.4 That the letter to South Staffordshire Council, (attached as an appendix) to invite the Council to participate in stage 3 of the Strategic Housing Study, be approved and signed.
- 2.4 To take this report to the Black Country Joint Committee together with views on how that Committee might be involved in decisions on strategic planning issues affecting the whole of the Black Country.
- 2.5 To receive a further report seeking consideration of Stage 3 of the work and the publication of the final Study Report.

3. **Brief Summary of Stage 1 and Stage 2**

Stage 1 of the study included a stock take of the situation across the two LEP areas including auditing the existing evidence base, reviewing existing strategic housing market assessments (SHMA) and Strategic Housing Land Availability Assessments (SHLAA), assessing emerging studies from adjacent local authorities that are not taking part in the study, analysing the different housing markets that exist in the area, identifying gaps in the data and advising on any links between the economy and housing need. Headline results for the Objective Assessment of Housing Needs 2011-31 are attached as an appendix to this report.

The consultant's preferred estimate of objectively assessed needs (PBA Trends 2001-11 in the appendix) for the combined GBS and BCLEP areas is c11,500 households per annum (GBSLEP: 8,000 and BC: 3,500), which results in a combined housing shortfall of c3,350 dwellings per annum compared to proposals in emerging and adopted development plans (GBSLEP: 2,900 dwellings per annum, Black Country: 450 dwellings per annum).

Subsequently, the ONS released new population projections on the 29th May 2014. This could result in a lower level of housing need of c9,900 households 2011-31 (made up of GBSLEP: 6,800 and Black Country c3,100). This would translate into a housing shortfall of 1,700 dwellings per annum for the GBSLEP, with the Black Country being more or less in balance. However, the consultants have advised that these later figures should be treated with caution. The figures project forward recessionary trends and also ignore "unattributable population change" related to unrecorded international migration.

It was agreed at the West Midlands Leaders and Chief Execs Meeting of the 3rd July 2014 that both sets of figures should be used to assist stage 3.

4. Stage 3

Local planning authorities are subject to the statutory duty to co-operate and it is considered that, in principle, it would be beneficial to participate in stage 3 of the Study for the following reasons:

- It will provide an opportunity to check the facts and figures arising from stages 1 and 2 of the Study and ensure that the options are right for the Black Country in terms of prosperity and growth;
- It will provide us with the technical analysis required to inform the choices we need to make when reviewing the Black Country Core Strategy in 2016, including whether to provide for any of the GBSLEP housing need in addition to Black Country housing need;
- It will help to ensure that there is a balance of social, economic, environmental and regeneration impacts within each LEP area and across the Study area as a whole;
- It will show a willingness to co-operate with adjacent LEPs and remove the risks of non-participation in processes that will have important implications for the Black Country.

The GBSLEP Spatial Plan proposed a number of options and these have been narrowed down to several that could provide scenarios for future planning. These scenarios have been the subject of previous reports to both ABCA and West Midland Leaders and Chief Executives' meetings. The draft scenarios are attached as an appendix to the report for information.

Stage 3 of the study will look at a number of scenarios for addressing the projected shortfall of housing land, including the possibility of looking to neighbouring areas e.g. Staffordshire, Worcestershire. In the first instance, this should include South Staffordshire Council as they are part of the same Housing Market Area as the Black Country. A letter inviting to South Staffordshire to participate in the Study is attached for approval and signature.

Once stage 3 is underway, there will be an opportunity to refine the draft scenarios so that they are relevant and appropriate to the Black Country. The consultants will assess each scenario and identify the potential housing capacity that could be accommodated by each option.

Once stage 3 has been completed, likely to be towards the end of 2014/early 2015, a report will be prepared to ABCA that will note its conclusions and approve its publication. It will then be up to the local authorities to decide how to take it forward and to address its conclusions. This will be done through the statutory development plan system, which provides the only mechanism to allocate land for housing. Government encourages each local planning authority to have an up-to-date Local Plan and it requires that these should start planning for housing on the basis of objectively assessed need. This study will provide useful technical evidence that will assist with the review of the Black Country Core Strategy in 2016. However, it is anticipated that the BC authorities will need to commission additional work on the

implications of finding more land for housing as the Strategic Housing Study will not provide a detailed analysis of all of the key issues associated with the distribution of housing, in particular employment land requirements, green belt issues and the social impacts of additional housing need.

It is clear from the findings of stages 1 and 2 of the Study that, over the next 20 years, the Black Country will need to grow just to meet our own housing needs, and that could mean changes to our spatial strategy when the core strategy is reviewed. We will also be under pressure to absorb part of Birmingham's housing need. The next stage of the Study will clarify the scale of this pressure as we approach a Core Strategy review and enable the Black Country to make informed choices in the future.

5. Contact Officers

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6. Appendices

1. Objectively Assessment of Housing Needs 2011-3031
2. Six scenarios for testing as part of Stage 3
3. Letter to South Staffordshire Council

Appendix 1 - Headline results for the Objective Assessment of Housing Needs 2011-31

BLACK COUNTRY

Local authority	Dudley	Sandwell	Walsall	Wolverhampton	Total
Net new households per annum	CLG 2008	683	919	520	613
	CLG 2011	536	1,043	416	480
	PBA Trends 2007-12	540	1,667	1,037	779
	PBA Trends 2001-11	387	1,473	882	752
	ONS/PBA 2012	615	1,259	699	499
Housebuilding (AMR 2002-12)	Past 5 years	499	648	547	366
New dwellings per annum (dpa)	Past 10 years	491	695	490	351
Latest (proposed) target dpa	Local plan	806	1,074	599	670
					3,149

GBSLEP

Local authority	Birmingham	Bromsgrove	Cannock	East Staffs	Lichfield	Redditch	Solihull	Tamworth	Wyre Forest	Total
Net new households per annum	CLG 2008	4,077	364	274	479	428	214	679	221	317
	CLG 2011	3,668	305	232	485	406	211	633	248	268
	PBA Trends 2007-12	6,297	211	335	526	272	258	563	158	75
	PBA Trends 2001-11	5,620	261	293	603	338	286	434	111	83
	ONS/PBA 2012	4,317	288	290	448	324	174	589	204	194
Housebuilding (AMR 2002-12)	Past 5 years	1,710	149	213	537	295	139	324	165	196
New dwellings per annum (dpa)	Past 10 years	1,843	288	308	464	420	240	454	216	274
Latest (proposed) target dpa	Local plan	2,555	368	241	613	478	336	500	250	200
										5,541

PBA Trends 2001-11 = PBA Preferred Scenario, ONS/PBA 2012 = PBA Alternative post 2012 ONS Population Projections Scenario

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ALL OF THE REFERENCES TO SPECIFIC FIGURES AND LOCATIONS ARE AS EXAMPLES AT THIS STAGE, AND THE DETAILS ARE TO BE DEVELOPED AS THE WORK PROGRESSES THROUGH A PROGRAMME THAT SHOULD ENSURE FULL INVOLVEMENT OF THE LOCAL PLANNING AUTHORITIES

STRATEGIC HOUSING NEEDS STUDY – PARAMETERS

Scenario 1 – Intensification. What parameters might be used to assess the potential for additional capacity?	
1	Levelling up – increase densities on all sites (above 0.1 ha in area) without planning permission or specific development plan allocation to the highest levels set out in policy in any part of the GBSLEP (City Centre (100 dph), locations within or close to other centres) or on corridors well-served by public transport (50 dph) and sites elsewhere (40 dph). [Consider where a focus on specific centres for additional housing could be specifically targeted.]
2	Consideration of housing on underused employment land or longstanding sites where no development has taken place for the past five years.
3	Radical (1) – additional large scale estate regeneration leading to a significant increase in housing in the areas affected (c25% increase) Radical (2) – Creation of a new high density growth zone associated with High Speed 2 (Birmingham City Centre and Solihull)

Scenario 2 – Peripheral Urban Extensions. In what ways might additional capacity be distributed on the urban periphery of the conurbation?	
1	Potential capacity by District achievable through 'rounding off'. Suggest a maximum of 750 dwellings on any site to count as rounding. Larger than this would get bumped into (2).
2	a) The edge of Sutton Coldfield has been identified as a local market which could sustain up to 5,000 new dwelling completions up to 2031.

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	<p>b) PBA to identify other 'local market areas' on the edge of the conurbation.</p> <p>c) Test the impact of a similar quantum of housing could be achieved in each of those local market areas.</p> <p>NB: In the event that a significantly higher level of housing could be provided then this should be regarded as a 'new settlement'</p> <p>Potential locations identified by workshop participants: South Black Country E Solihull South Birmingham South Staffordshire</p>
3	

Scenario 3 – Public Transport Corridors of Growth. How might additional capacity be identified? How might this be affected by HS2?	
1	Additional capacity (in chunks of 500 dwellings) that might be provided in each district in each public transport corridor utilising spare capacity on exiting services.
2	Additional capacity (in chunks of 500 dwellings) that might be provided in each district in each public transport corridor utilising planned or potential capacity. Need to specify likely delivery dates.
3	Additional capacity (in chunks of 500 dwellings) that might be provided in each district in each public transport corridor utilising capacity released on the classic network assuming HS2 opens in 2026.

Scenario 4 – The Enterprise Option. What are the ways in which additional housing might be distributed as part of UK Central and the towns in the Enterprise Belt.	
1	Identify job growth estimates by locality (ie each town and UKC) and identify additional housing to match declared job growth targets taking account of existing levels of housing provision proposed.
2	
3	

Scenario 5 – Dispersed, Multi-centred Growth – How might the growth be distributed to the main urban settlements beyond the conurbation?	
1	Potential capacity by District achievable through 'rounding off' of main urban settlements. Suggest a maximum of 500 dwellings on any site to count as rounding. Larger than this would get bumped into (2).

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2	<p>PBA to identify potential 'local market areas' where significant urban extensions (up to 5,000 additional dwellings) might be provided. PBA to identify reasonable upper limit taking account of the size of the existing settlement.</p> <p>Potential locations identified by workshop participants: Bromsgrove Redditch Warwick Leamington Tamworth Lichfield Burton/ Uttoxeter (A50 Corridor)</p> <p>Expansion of smaller towns (Alcester, Atherstone and Droitwich)</p>
3	

Scenario 6 – New towns/settlements - Focus the distribution of the additional capacity to expansion at new towns together with new potential settlements.	
1	Telford
2	Redditch
3	<p>Other potential new settlements not already identified in development plans identified: Three Rivers Long Marston North Warwickshire</p>

Please ask for: Paul Sheehan
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18th September 2014

Dear Cllr Edwards,

Greater Birmingham and Solihull Local Enterprise Partnership and Black Country Strategic Housing Study

As you are aware the Greater Birmingham and Solihull Local Enterprise Partnership (LEP) has commissioned a study to assess the future level and distribution of housing growth across the Greater Birmingham and Solihull LEP area, to cover the period beyond current and previous strategies. Subsequently, in the light of projected increases in population and household growth across the country and the need for local authorities to co-operate with each other when producing plans for growth, it was agreed that the Black Country local authorities join the study.

The analysis for stages 1 and 2 of the study has now been undertaken to look at what the projected housing needs arising within the Greater Birmingham and Solihull LEP and the Black Country might be. It is understood that you attended a meeting of the 'Related Authorities' on the 31st July 2014 to hear the outcomes of the two stages with regard to the Greater Birmingham and Solihull LEP. We can inform you that the Black Country outcomes will be made publicly available now we have discussed them at a meeting of the Black Country Leaders on 17th September 2014. The next stage of the Study, stage 3, will assess a number of spatial scenarios for addressing any shortfall in terms of numbers of homes, quantities of land required and possible locations.

Decisions about where additional growth might be accommodated will undoubtedly have important impacts on the future planning and regeneration of the Black Country and its surrounding housing market area, which includes South Staffordshire Council. We feel that continuing involvement in the study will allow a better understanding of and greater influence over the technical analysis and material used. The study will also have a role in informing future local authority reviews of statutory development plans and enable local authorities to fulfil the Duty to Co-operate to engage constructively and actively in strategic and cross-boundary matters.

Consequently, we are writing to request that South Staffordshire Council consider participating in Stage 3 of the Strategic Housing Study.

We will be happy to receive your thoughts on this matter and would be pleased to discuss possible ways forward. In the meantime, please contact Paul Sheehan if you require any further information.

Yours sincerely,

Cllr David Sparks, Leader
Dudley Metropolitan Borough Council

Cllr Darren Cooper, Leader
Sandwell Metropolitan Borough Council

Cllr Sean Coughlan, Leader
Walsall Council

Cllr Roger Lawrence, Leader
Wolverhampton City Council