



## **BIRMINGHAM DEVELOPMENT PLAN EXAMINATION**

### **EXAM 145: OBJECTIVELY ASSESSED HOUSING NEED SUPPLEMENTARY REPORT**

#### **INITIAL REPRESENTATIONS ON BEHALF OF TAYLOR WIMPEY**

**APRIL 2015**

#### **Introduction**

1. Savills submitted representations previously with respect to Matter A of the Birmingham Development Plan (BDP) Examination. Savills has been instructed by Taylor Wimpey to submit further representations with respect to the BDP Examination document EXAM 145, the Objectively Assessed Housing Need Supplementary Report (March 2015), produced by Peter Brett Associates (PBA), and which is referred to hereafter in this submission as “the Supplementary Report”.
2. Taylor Wimpey is a national housebuilder with significant experience in delivering large-scale residential development and has an interest in the southern area of the Langley SUE proposed strategic residential allocation (BDP Policy GA5). This submission provides comments on the Supplementary Report in the context of the representations made previously.

#### **Comments**

##### **Housing Market Area**

3. Paragraph 158 of the National Planning Policy Framework (NPPF) states that Local Plans should be based on adequate, up-to-date evidence about the economic, social and environmental characteristics of the area. Paragraph 159 of the NPPF requires local planning authorities to prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. In addition, NPPF paragraph 47 states that local planning authorities should use their evidence base to ensure that their Local Plan meets the full, objectively-assessed needs for market and affordable housing.

4. Taylor Wimpey therefore welcomes the fact that the Supplementary Report now considers the housing need for Birmingham in the context of the housing need for the Greater Birmingham Housing Market Area (HMA), comprising the local authority areas of Birmingham, Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull, Tamworth, North Warwickshire, Stratford-on-Avon, Dudley, Sandwell, Walsall, Wolverhampton and South Staffordshire. This is considered to represent a more robust approach to identifying the objectively-assessed housing need (OAHN) than the 'Birmingham' HMA used previously and is more consistent with the approach being taken through the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) *Strategic Housing Needs Study*.

#### Impact of the DCLG 2012-based Household Projections

5. Taylor Wimpey recognises the advantages of applying a household projection figure that goes beyond the relatively pessimistic Department for Communities and Local Government (DCLG) 2011-based interim projections, to take account of the 'recession effect', which it understands was the purpose of the index-based method used by PBA previously. However this previous work was undertaken in advance of the publication of the most recent DCLG 2012-based household projections.
6. Taylor Wimpey notes that the DCLG *'Household Projections 2012-based: Methodological Report'* (February 2015) identifies that the 2012-based DCLG projections currently provide the most up-to date and nationally consistent estimates.
7. The Government's Planning Practice Guidance (PPG) Ref 2a-015-2014306 advises that household projections published by DCLG should provide the starting point estimate of overall housing need. Taylor Wimpey is keen for the BDP to be found to be sound. Therefore it is considered to be appropriate for the DCLG 2012-based figures to be reviewed by PBA as part of the process they are undertaking to derive the OAHN for Birmingham, to ensure that the BDP is based on, and informed by, the most up-to-date evidence available.
8. Taylor Wimpey notes from Table 2.3 of the Supplementary Report that the reported findings from the 2012-based household projections, with respect to Birmingham (4,420 dwellings per

annum), are identified as being very similar to the results of the index-method used by PBA previously (4,450 dwellings per annum) for the period 2011-2031. Whilst it is clear that the 2012-based projection figure for Birmingham stated by PBA in the Supplementary Report is still below the figure suggested by others previously through their representations to the BDP, it is considered to currently represent the BDP's most up-to-date evidence base position for considering Birmingham's housing need for the next Plan period.

9. In terms of identifying the OAHN, the Government's Planning Practice Guidance (PPG) explains that Plan-makers should not just assess demographic projections, but should also take into account employment trends (PPG ID 2a-018-20140306) and market signals (PPG 1D 2a-019-20140306). Taylor Wimpey therefore welcomes the fact that the Supplementary Report has also given some consideration to market signals and economic forecasts.
10. With respect to affordable housing, Chapter 6 of the Supplementary Report states that BCC is confident that the City's affordable housing requirement can be met and that there is a realistic prospect that 38% of the housing proposed to be delivered within the BCC administrative area will be affordable.
11. However, Taylor Wimpey notes that the Supplementary Report does not comment on the likelihood of sufficient affordable housing coming forward based on the whole Birmingham OAHN requirement (i.e. taking account of the element of the Birmingham OAHN that cannot be accommodated in the BCC administrative area). It is therefore not expressly clear whether the Supplementary Report addresses the Inspector's questioning with respect to whether the City's affordable target should be increased to help meet affordable housing need<sup>1</sup>, in line with the requirements of PPG Ref 2a-029-2014306.
12. Taylor Wimpey acknowledges the point made by PBA at paragraph 2.46 of the Supplementary Report that the planned supply of land needs to be based on a realistic view of future demand.

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<sup>1</sup> EXAM 131 – Inspector's Interim Findings following the hearing sessions (5 January 2015), para 18.

13. In light of the comments made by PBA in paragraph 7.11 of the Supplementary Report and the Inspector's requirement for PBA to take full account of the new official DCLG 2012-based household projections<sup>2</sup>, Taylor Wimpey queries whether sufficient analysis has been undertaken, including of market signals and economic forecasting, to be able to robustly conclude that none of the analysis gives reason to reconsider the Council's previous position that the BDP should be based on an OAHN of 89,000 dwellings in 2011-2031.
14. If the OAHN figure applied going forward remains at 89,000 dwellings during the Plan period, Birmingham City Council (BCC) will still need to rely on other local authorities to meet some of its housing need, on the basis that BCC does not have sufficient capacity within its own administrative boundary.
15. Nevertheless, Taylor Wimpey wishes to stress that should the OAHN figure ultimately adopted for Birmingham through the BDP remain at 89,000 dwellings, on account of the analysis of the new 2012-based DCLG figure proposed by PBA through the Supplemental Report, or even ultimately increase as a result of new justified evidence, such as from a more detailed consideration of 'market' signals, employment trends or a further disaggregation of the 2012-based DCLG projections, this should not impact upon the consideration of accommodating a significant proportion of Birmingham's OAHN within the BCC administrative boundary at the Langley SUE. As set out within BCC's own evidence base, the Langley SUE is still considered to be a suitable, sustainable and deliverable urban extension within the BCC administrative boundary. Taylor Wimpey has made representations to this effect previously.
16. Taylor Wimpey wishes to reserve the right to comment further should further analysis of the 2012-based DCLG household projections, or additional consideration of market signals, employment scenarios, affordable housing, Census-based Household Representative Rates or Unattributable Population Change become available during the remainder of the BDP Examination process.

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<sup>2</sup> EXAM 131 – Inspector's Interim Findings following the hearing sessions (5 January 2015), para 16.