

BIRMINGHAM DEVELOPMENT PLAN EXAMINATION

MATTER A: HOUSING NEED AND THE HOUSING TRAJECTORY

STATEMENT BY SAVILLS ON BEHALF OF THE LANGLEY SUE CONSORTIUM

SEPTEMBER 2014

Question 1: Is the Plan based on an objective assessment of the full needs for market and affordable housing in the housing market area over the Plan period?

1. The housing assessment figure of 80,000 dwellings included within the Plan is based on the ONS (2010) projections used in the Birmingham SHMA (2012, revised 2013) and a 'Birmingham' Housing Market Area (HMA). The Langley SUE Consortium (referred to hereafter as "the Consortium"), notes that this is at the lower end of the potential housing requirement ranging between 81,500 – 105,200 dwellings, based on demographic projections (SHMA paragraph 11.50).
2. Since the previous representations were made on behalf of the Consortium in February 2014, the results from Stage 2 of the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Joint Strategic Housing Study (July 2014) have been announced. The Study identifies that the relevant Birmingham HMA extends beyond the Birmingham administrative boundary to the GBSLEP area and adjoining local authorities, including the Black Country authorities, North Warwickshire, Stratford and South Staffordshire. The Consortium therefore considers that 'Birmingham' is not the appropriate HMA to be using.
3. The interim results from the Stage 2 scenario testing identified that, based on the GBSLEP area, Birmingham's housing requirement could be as much as 112,400 dwellings. The Consortium notes that further work is being undertaken to assess the implications of the most recent (2012) ONS projections and that Stage 3 of the GBSLEP Joint Strategic Housing Study is still to be published to identify how the GBSLEP housing requirement could be distributed. Birmingham City Council (BCC), in its response to the Inspector's initial questions on the submitted Plan (dated 01 August 2014), in relation to housing need, acknowledges that

“the general expectation is that it is more likely to increase than to reduce the level of objectively-assessed need”.

4. The Consortium wishes to reserve its position to comment further when the Stage 3 findings of the GBSLEP Joint Strategic Housing Study become available. However, based on the findings from Stage 2 of the GBSLEP Joint Strategic Housing Study, the Consortium acknowledges that the housing need for Birmingham for the Plan period is greater than that currently shown within the Plan.
5. In terms of identifying the objectively-assessed housing need, 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 ID 2a-019-20140306). The GBSLEP Joint Strategic Housing Study does not appear to do this. The Consortium also notes that the GBSLEP Joint Strategic Housing Study is also not going to constitute a formal SHLAA. Therefore the Consortium recognises that BCC’s evidence base does not currently include a full objectively-assessed housing need for the Plan based on the appropriate HMA.
6. The Consortium acknowledges that, irrespective of whether the final objectively-assessed need is deemed to be 80,000 dwellings or higher, BCC will 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.
7. The Consortium stresses that in relation to planning for the proportion of the objectively-assessed housing need within its administrative boundary through the Plan, regard needs to be given to the available evidence base. However based on BCC’s own evidence base for its administrative area, the Langley SUE is considered to be a suitable, sustainable and deliverable urban extension within the BCC administrative boundary. The Langley SUE should play a significant part in assisting BCC in meeting as much of its full objectively-assessed housing need in its boundaries as would be appropriate. Whatever the final objectively-assessed housing need figure is used in the Plan, and however it is decided that

the housing shortfall is distributed outside the Birmingham administrative boundaries, this should not prejudice the allocation of the Langley SUE in the Plan.

8. In this way, the Consortium considers that any further work required to address the objectively-assessed housing need through this Examination should not affect the Langley SUE from being deemed to be a sound allocation. Further comment on the Langley SUE is provided in the Consortium's response to matter E.

Question 2. If not, what alternative objective assessment of housing needs should the Plan be based upon?

9. The Consortium recognises the importance of identifying a full objectively-assessed housing need as part of the Plan-making process (NPPF paragraph 47), which is adequate, up-to-date and relevant (NPPF paragraph 158) and based on a SHMA in conjunction with neighbouring authorities (NPPF paragraph 159).
10. The Consortium acknowledges the importance of the work already carried out through the GBSLEP Joint Strategic Housing Study, but that to conform with the NPPF it would need to be expanded into an up-to-date SHMA for the appropriate HMA. The Consortium is aware that representations made by others have been supported by independently-commissioned objectively-assessed housing needs studies, which would need to be considered as part of the Council's evidence base, along with an appropriate assessment of demographics, employment and market signals, as required by the PPG.
11. However the Consortium considers that the further work required to address the objectively-assessed housing need should not affect the Langley SUE from being deemed to be a sound allocation. Further comment on the Langley SUE is provided in response to matter E.

Question 3. Does the Plan meet the full needs for market and affordable housing, as far as is consistent with the policies set out the *National Planning Policy Framework*?

12. The Plan proposes to provide for 51,100 homes out of the Birmingham need for the Plan period. Whilst NPPF paragraph 47 identifies that LPAs should identify a supply of specific, developable, sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15, the Plan fails to meet its full objectively-assessed housing need and therefore it is not clear whether the Plan is identifying sufficient sites.
13. The Consortium acknowledges that the housing capacity within the administrative boundary is limited and likely to be insufficient to meet the objectively-assessed housing need, even if there is ultimately further release of Green Belt land within the Birmingham administrative boundary. The Consortium stresses the importance of the allocation of the Langley SUE in the Plan to support the delivery of Birmingham's market and affordable housing need and in addressing the need to identify specific deliverable sites.

Question 4. What proportion of the assessed housing needs should be met outside the Plan area, and by what mechanism should that proportion be distributed to other local planning authorities' areas?

14. The Consortium notes that BCC acknowledges the need to work collaboratively with neighbouring authorities to secure Birmingham's housing requirement, as identified in paragraph 4.7 of the Plan. As set out in NPPF paragraph 47, BCC needs to refer to its evidence base to identify sites. In addition to the capacity of the urban area identified in the SHLAA, the Council needs to review its Green Belt to assess genuine capacity for further development in its Green Belt and the remainder should be accommodated outside the administrative boundaries.
15. In recognition of the sustainable location of the Langley SUE, and limited number of constraints associated with the Langley SUE area, any further release of land in the Green Belt in Birmingham's administrative boundary to the north of the Langley SUE should be in addition to, rather than instead of, the Langley SUE. Once an appropriate, suitably-evidenced

quantum of development in the Birmingham Green Belt has been identified within the Plan, then the residual from Birmingham's housing requirement should be accommodated in adjoining authorities.

16. In terms of distribution, the Consortium notes that the Brief for Stage 3 of the GBSLEP Joint Strategic Housing Study, as included with the Report to the Greater Birmingham and Solihull Supervisory Board (30 July 2014), is to identify broad spatial options for addressing the shortfall of suitable land for housing after needs within the LPA have been met. The Consortium wishes to reserve the ability to comment on Stage 3 when this becomes available, alongside the full written-up versions of Stages 1 and 2.

Question 5. Is there justification for the staged housing trajectory set out in policy TP28?

17. The Consortium questions how the trajectory in TP28 proposes to deal with years 2013/14-2015/15 and 2015/16-2016/17 as this is not explicitly clear from the figures and chart in Policy TP28.
18. The Consortium welcomes the proposed modification MM71 to clarify that the housing trajectory figures included within TP28 are not ceilings and that "*housing provision over and above that set out in the trajectory will be encouraged and facilitated wherever possible*". However, if this is the case, the Consortium queries the justification behind needing to include detailed 4-stage annual delivery trajectory in Policy TP28.
19. The Consortium also seeks clarification on what impact the inclusion of the trajectory stages will have on the calculation of BCC's 5 year housing land supply, given that the majority of delivery is projected for the second half of the Plan period.
20. Notwithstanding BCC's comments in response to the Inspector's initial questions on the submitted Plan (dated 01 August 2014), in relation to questions 6 and 7, that the 2013 SHLAA figures relating to time periods 2013-18, 2018-2023 and post 2023 "*are consistent with a housing delivery profile which would be in line with the proposed trajectory*", the evidence base is not clear how the SHLAA sites listed in Appendix 13 of the SHLAA make up the

figures for the different time periods stated within the trajectory. The Consortium requests clearer justification on how the trajectory has been calculated.

21. The Consortium includes major housebuilders who are experiencing increased market confidence in housing delivery. Combined with the NPPF requirement (paragraph 47) for local authorities to boost significantly the supply of housing, the Consortium considers that it is not justified to constrain the housing land supply trajectory in the early stage of the Plan period to such an extent. Significantly, the Langley SUE features in Appendix 13 of the SHLAA as delivering no dwellings within 5 years, which is now considered to be pessimistic. The Langley SUE, with appropriate phasing, is expected to deliver housing within 5 years, which will have significant implications on BCC's housing trajectory.