

HEARING STATEMENT

Main Matter F – The Duty to Co-operate

Prepared by Wardell Armstrong LLP on behalf of BDW Trading Ltd.

The Duty to Co-operate ('DtC') has not been discharged in relation to strategic planning for housing. The Birmingham Development Plan ('BCC') cannot therefore lawfully be adopted.

Legal Framework

The appropriate Legal Framework has already been set out in the BDW Trading Representations to the Pre-submission Plan.

Planning for housing in the BDP is clearly a strategic matter, reference para 156 of the NPPF, and co-operation is required by law in the Planning and Compulsory Purchase Act 2004 in relation to planning of sustainable development. The Representation in Paragraphs 14-21 sets out what 'co-operation' the law requires.

The key issue is whether or not there has been constructive co-operation with active engagement which is ongoing.

The NPPF includes, in relation to the DtC, phrases such as 'joint working on areas of common interest to be diligently undertaken for the mutual benefit of neighbouring authorities' (Para 178); 'work collaboratively with other bodies, work together to meet development requirements which cannot be wholly met within their areas' (Para 179). Para 181 also states that 'Co-operation should be a continuous process of engagement from initial thinking through to implementation, resulting in a final position where plans are in place to provide the land and infrastructure necessary to support current and future levels of development'.

The NPPG is clear in advice regarding the need to 'work together constructively from the outset of plan preparation... to identify and assess the implications of any strategic cross-boundary issues on which they need to work together' (Paragraph 012). Paragraph 17 also advises on LPA's bringing forward local plans in / on different timescales, and the required commitment to a jointly agreed strategy on cross-boundary matters to ensure an effective strategy will be in place for strategic matters when the relevant plans are adopted. It is inappropriate to rely on the uncertainty of any requirement when the uncertainty arises from a failure to constructively engage at an appropriate stage to produce appropriate information on a likely housing requirement.

It is reasonable to conclude that engagement as part of co-operation is more than a process of consultation and, as required by the Act, co-operation should be constructive and have active engagement which is ongoing.

Lessons in Plan making

The BDW Trading Representations set out the substantial body of evidence emanating from Inspectors; highlighting the requirements of ‘active engagement’, evidence to show that a co-operative process has influenced the content of Plans, ‘outcomes’ being as important as ‘process’ including:

- ‘agreeing to agree’ is not sufficient (West Dorset)
- Strategic issues must be resolved (Aylesbury Vale, West Dorset); where they are not resolved this can be an indication of a failure to co-operate effectively (North West Leicestershire)
- How and where unmet need is to be met is important (Hart)
- Leaving such matters to ‘early review’ is not sufficient (Aylesbury Vale, West Dorset)
- Any mechanisms for addressing cross boundary matters need to be agreed before submission (West Dorset)

Strategic Planning for housing in the Plan

There is strong evidence that suggests that neighbouring council’s (‘NC’) participation in the GBSLEP process is not ‘active engagement’ sufficient to discharge the DtC, as confirmed by notes of the GBSLEP Spatial Planning Group (‘SPG’) monthly meetings dating from September 2012 to July 2014. It is clear that the SPG is not the mechanism for reaching binding agreement on strategic housing issues, and it is unclear how its accountable body, the LEP Board, through its endorsement of any strategy will bind individual LPA’s on, for example, meeting regional housing need.

The Birmingham Development Plan

The Plan covers the period to 2031. At its core is significant predicted growth which needs to be properly planned for and includes the following relevant statements

- ‘There are significant challenges in identifying appropriate sites to accommodate and deliver the long term levels of growth needed within the built up area. This will require joint working with partners in adjacent areas to address where housing and employment is best located’ (para 2.18)
- ‘The land available to the City to accommodate future development is limited. Alongside the BDP a wider growth strategy for the LEP and other adjoining authorities will set out how and where remaining houses could be delivered’ (para 3.27)
- ‘Options outside the City’s boundaries will need to be explored’ (para 4.6)

The Plan’s housing trajectory at policy TP28 shows the delivery of 51,000 dwellings over the plan period. At Para 4.7 the Plan again re-iterates the need to work collaboratively with neighbouring authorities to secure the development of further homes to contribute toward meeting the

(Birmingham's) requirement over the period to 2031.

It is therefore apparent that:

- The BDP does not appropriately make provision for meeting the strategic need for housing over the plan period. On the assumption that the Plan figure of 80,000 homes is robust (see later for progress on this figure), the BDP is 29,000 home 'short'
- BCC plans for these estimated 29,000 homes to be delivered outside its administrative boundaries. However there is no indication in the BDP as to
 - Whether they will be built (the intent is to 'explore options', work collaboratively etc)
 - Where they will be built
 - When they will be built (the trajectory does not forecast delivery at all)
 - How delivery will be monitored (Chapter 11 is silent)

BCC reliance to demonstrate discharge

The BDP recognises (Para 10.19) that the DtC is 'particularly important ... for Birmingham where its influence spreads far beyond its administrative boundaries. It is also challenging to those authorities surrounding Birmingham especially in relation to the accommodation of growth that cannot be met within the city's administrative boundary'.

The BDP at Para 10.20 – 22 sets out the work streams of others in respect of the discharge of the DtC.

BCC has published a 'Duty to Co-operate Statement' (October 2013) ('BCCDtCS'). This recognises at Paras 5-7 that DtC replaces regional planning; and confirms at Paras 8-9 that it has for many years been dependent upon adjoining authorities to help meet its development needs. Table 4.1 indicates a net outflow of circa 75,500 people from Birmingham in to the wider west Midlands in the 10 year period 2000 – 2010 that immediately precedes the BDP start-date. The vehicle by which the meeting of such needs was co-ordinated (and co-operation ensured) was 'regional planning'. Thus the issue is not a new one, and a new mechanism should have been found forthwith to support effective Plan making. Using the conversion rate of population to homes adopted in the BDP, this represents circa 40,000 homes worth outflow in the 10 year period.

In terms of 'outcomes', the 'key outcome' has been to agree to a LEP wide Strategic Housing Needs Study to consider the scale of the issue 'and to identify options' where the requirement can be met. The result of the Study was due at the end of February 2014. An update is provided later. An interim report has been made in July 2014.

BCC recognises the importance of plan-making in neighbouring LPA areas in order to secure delivery of the houses Birmingham needs. The approach has been to seek to enter into agreements covering the next Plan-making period where neighbouring authorities are well advanced in the current round. This is on the basis that 'there is little to be gained' by questioning the soundness of these plans where the need for future co-operation is 'acknowledged' by the

authorities concerned.

A Freedom of Information request has exposed (Copy attached) an undated DtC document between BCC and LDC over the Birmingham Development Plan. Section b) covers the agreement for 'the satisfactory resolution' to the distribution of the BDP shortfall through 1. Completion of the GBSLEP Strategic Housing Needs Study 2. Distribution of the overall housing need and the resultant 'overspill' housing through the second iteration of the Strategic Spatial Framework Plan and through arrangements negotiated with other authorities beyond the GBSLEP as justified by the evidence and 3. Subsequent accommodation of the overspill growth in the review of Local Plans in adjoining areas.

Note: This document is not part of the BDP Examination library. LDC by request on September 1st 2014 stated that 'the matter is still under consideration'.

All the above sets out the clear requirement to deal with this strategic issue forthwith and purposefully in a manner to satisfy the legal requirements of the Duty to Co-operate.

GBSLEP Strategic Housing Needs update

The 30 July 2014 report to the GBSLEP Supervisory Board is attached.

Para 4.4 emphasises the importance that the PBA work is brought to a conclusion. Para 4.7 states that 'the Steering Group will be required to endorse the (housing shortfall) distribution to be quantified by PBA (the consultants) for each local authority'; and that PBA will be expected to work with planning officers in each local authority in identifying the potential levels of growth...'.

The report's conclusion (section 6) crystallises the importance of timely progress in that 'this work is not only essential to enable the production of sound development plans ... and to facilitate the Duty to Co-operate'.

Has BCC discharged the DtC?

BCC has not engaged constructively, actively and on an ongoing basis with NC during the preparation of the BDP in relation to strategic planning for housing

- a) BCC failed at the outset of the BDP preparation (at least from 15 November 2011) to plan effectively for the unmet housing needs (the Plan's missing 29,000 homes) by properly engaging with NC
- b) BCC knew well before November 2011 that it was likely to face a substantial shortfall of land for housing within its administrative boundary. In so far as the scale of the shortfall was not known until August 2012 (which is not accepted) this should have properly resulted in the delayed submission of the Plan until co-operation with NC has secured a constructive and effective strategy for meeting the need at the scale identified
- c) The BDP contains no sufficient provision for meeting the full objectively assessed need for housing. In particular there are no sufficient plans or formal agreements in place with

NC to ensure effective strategies are in place to deliver the housing shortfall (the 'missing 29,000 homes') during the period of the BDP

- d) There is no sufficient evidence to show that any future strategy the GBS LEP may adopt will deliver the housing shortfall during the period of the BDP
- e) BCC failed to make adequate representations during Plan making by NC, and to Lichfield district council in particular, to ensure NC did not submit local plans for examination until the regional issue of the unmet housing need in the BDP had been resolved. Insofar as the BCC thought 'there would be little to be gained by questioning the soundness of these plans' this was nothing but a 'political fix/fudge'. Insofar as NC were not engaging constructively, actively and on an ongoing basis with BCC during the preparation of their plans, BCC should have made representations to that effect upon the submission of those plans. That BCC felt unable to do so shows it too was not engaging with NC as the Act's s33A requires. Securing commitments to 'early review' of NC's local plans was and is inadequate 'engagement'.
- f) There is sufficient evidence to show that a co-operative process has influenced the content of the BDP. The effectiveness of the BDP has not been maximised.

BCC has not discharged the DtC. The BDP cannot therefore lawfully be adopted.

The Birmingham housing need is far enough advanced to demonstrate a strategic issue of the highest importance. LDC has not discharged the DtC effectively by reference to either process or outcomes. BCC should object to any local plans submitted for examination by NC on the grounds that they too have failed to discharge the DtC until the issue of the BDP unmet housing need is fully resolved.

Appendices

- BDP Duty to Co-operate with LDC
- GBSLEP-report-by-David-Carter-19th-Aug

Appendices

BDP Duty to Co-operate

BIRMINGHAM DEVELOPMENT PLAN

Duty to Co-operate

Local Planning Authorities and other bodies party to this agreement/ understanding:
A. Birmingham City Council (BCC) B. Lichfield District Council (LDC)

Development Plan Document(s) covered by this agreement / understanding:
Birmingham Development Plan

Stage in the process forming part of this agreement:
Pre-Submission* *NB: In the event of any changes to the plan prior to submission and/or as part of modifications proposed during the Examination process then updated versions of this document may be prepared.

Checklist criteria NB: this is a starting point, list to be mutually agreed between the parties to this agreement. Checklist discussed and agreed: Yes/ No	Summary status E.g.: Full or partial agreement, / Shared understanding on area(s) of disagreement, or/ Not applicable Delete as appropriate	1. Summary of the approach in the plan 2. Summary of agreed position and any outstanding concerns or other comments NB: Refer to attachments and appendices if required
a) Overall approach incl. relationship to urban and rural renaissance	Agreed/ Shared Understanding/ Not-Applicable	<p>1. The vision, strategic objectives and approach set out in the BDP envisages that by 2031 Birmingham will be renowned as an enterprising, innovative and green city that has delivered sustainable growth meeting the needs of its population and strengthening its global competitiveness.</p> <p>Following around half a century of decline in the latter half of the C20 the city's population is expected to grow rapidly extending and building on the success of the strategy for urban renaissance that has been the hallmark of planning in the city since the 1980's.</p> <p>2. Following abolition of the Regional Spatial Strategy the City Council has worked and continues to work with adjoining authorities in the GBSLEP and West Midlands Metropolitan Area and beyond not only to ensure the continuing success of urban renaissance but also, through the GBSLEP</p>

		<p>Strategic Spatial framework Plan, the Strategic Policy Framework for the West Midlands Metropolitan Area and local plans, to ensure that there remains an appropriate balance between growth and development to meet needs in both urban and rural areas. There are no outstanding issues in relation to the strategy set out in the BDP between the parties signatory to this document.</p>
<p>b) Estimation of housing requirements and the level and distribution of housing provision</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. The Birmingham SHMA which underpins the BDP estimates a housing requirement of c80,000 net new dwellings in the period up to 2031. The 2012 SHLAA's best estimate of likely capacity without incursion into Green Belt (except at the site of the former Yardley Sewage Works) and including an allowance for c700 on land at Longbridge within Bromsgrove District is c45,000 dwellings, including allowance for windfalls. The Pre-submission version of the BDP proposes that 51,100 net new dwellings - should be provided including the removal of land from the Green Belt to increase capacity within Birmingham leaving a balance to be found outside the city's boundary of c29,000 dwellings.</p> <p>2. The major issues concern the scale of the housing requirement, the extent to which capacity exists or can be identified within Birmingham's boundary and then the scale and distribution of any resultant shortfall. The BDP sets out Birmingham City Council's position in respect of these matters and it is envisaged by the parties signatory to this document that the satisfactory resolution of these issues will be achieved through (1) completion of the GBSLEP Strategic Housing Needs Study (2) Distribution of the overall housing need and the resultant 'overspill' housing through the Second Iteration of the GBSLEP Strategic Spatial Framework Plan and through arrangements negotiated with other authorities beyond the GBSLEP as justified by the evidence and (3) Subsequent accommodation of the 'overspill' growth in the review of Local Plans in adjoining areas. This approach is accepted by the parties signatory to this document.</p>
<p>c) Appropriate provision made for migration</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. The Birmingham SHMA takes account of migration in establishing the overall housing requirement and, broadly speaking, the effects of migration trends are then taken</p>

		<p>into account in the estimation of housing requirements in adjoining areas through the preparation of local plans.</p> <p>2. The identification of a housing shortfall or 'overspill' requirement refers to potential additional housing over and above that included in population and household projections that is needed outside Birmingham's boundary in order that housing needs can be met. The process for resolution of this matter is as set out in b)2 above. This approach is accepted by the parties signatory to this document.</p>
d) Level and distribution of employment land provision	Agreed/ Shared Understanding/ Not-Applicable	<p>1. The BDP identifies a serious emerging shortfall of land to accommodate future employment growth and investment. The plan addresses this issue by protecting the city's core employment areas from competing uses so they offer a continuing supply of recycled land supplemented by the release of a major new employment site (80ha) at Peddimore. Proposals for six economic zones are primarily focussed within the existing employment areas and include two Regional Investment Sites. The possible longer-term need for further strategic employment sites is to be addressed by the GBSLEP Spatial Plan for Recovery and Growth and associated technical work with adjoining LEPs.</p> <p>2. This approach is accepted by the parties signatory to this document.</p>
e) Hierarchy of centres and the level and distribution of retail provision	Agreed/ Shared Understanding/ Not-Applicable	<p>1. The BDP defines a retail hierarchy of centres in Birmingham. The approach in the BDP is to make provision for a net increase of 270,000 m² in comparison retail floorspace concentrated in the City Centre, Sutton Coldfield town centre and three District Growth Points. Growth elsewhere will be small scale.</p> <p>2. This approach is accepted by the parties signatory to this document, on the basis that policies and plans within the Birmingham DP do not adversely impact on the ability of Lichfield City, Burntwood and other smaller centres in Lichfield District to bring forward an appropriate scale and nature of retail and commercial floorspace to meet recognised needs.</p>

<p>f) Level and distribution of office provision</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. The approach in the BDP is to encourage 745,000 m² gross of new office development in the network of centres primarily focussed in the city centre including a substantial proportion of the new office floorspace expected to be provided within the Enterprise Zone.</p> <p>2. This approach is accepted by the parties signatory to this document.</p>
<p>g) Appropriate provision made for public and private transport including Park & Ride and commuting patterns</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. The BDP incorporates a range of transport polices and proposals across all modes. These are consistent with the extant Local Transport Plan and emerging Birmingham Mobility Action Plan (BMAP). There are proposals to improve networks both within and beyond the boundary which will impact, for example, on modal choice for commuters. Major development proposals close to the city boundary have impacts that can extend across the administrative boundary. Close cross-boundary co-operation on transportation matters continues through both West Midlands Shadow ITA and the associated Local Transport Boards (LTB).</p> <p>2. There is no desire to increase the levels of in-commuting across the city boundary so there is an expectation that there will be a broad balance between the levels of housing and employment growth taking place in areas beyond the city boundary which is a matter to be addressed in the relevant local plans of adjacent authorities. This approach is accepted by the parties signatory to this document, on the basis that it is fully recognised that Lichfield District seeks to provide within its administrative area a level of housing and employment growth which is sustainable, provides for access to services, facilities and jobs and in doing so reduces the need for residents to have to travel cross boundary to meet their needs in this respect.</p>
<p>h) Consistency of planning policy and proposals across common boundaries such as transport links and green infrastructure</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. To be identified and discussed as appropriate across common boundaries but would include matters such as landscape, designations of natural areas, river basin management and transport networks.</p> <p>2.</p>

<p>i) Green Belt matters</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. Significant changes to the Green Belt are proposed in association with major development proposals at Langley and Peddimore to the north-east of Birmingham and at the site of the former Yardley sewage works. The changes to the Green Belt boundary have been made in such a way as to identify new boundaries that will endure in the long-term and allow for development to be accommodated that will not undermine the essential purposes or integrity of the wider West Midlands Green Belt. The City Council acknowledge that additional land which is currently designated as Green Belt in adjoining areas may need to be identified for development – as a consequence of the process to determine the level and distribution of future growth set out under b)2 above - but the responsibility for those proposals, should they arise, will lie with the respective local planning authority (working collaboratively with other relevant authorities) to be determined through a review of the relevant local plan(s).</p> <p>2. This approach is accepted by the parties signatory to this document.</p>
<p>j) Minerals, waste and water resources including flooding</p>	<p>Agreed/ Shared Understanding/ Not-Applicable</p>	<p>1. As a major city Birmingham is reliant on minerals predominantly produced in adjoining shire areas to help facilitate its growth and development. The City Council recognises that it can reduce the demand for mineral extraction through effective recycling and reuse of building materials and aggregates. Similarly the City Council recognises that its 'footprint' can be reduced through self-sufficiency and vigorous adoption of the waste hierarchy. The City Council is an active member of both the West Midlands Aggregates Working Party (AWP) and the Regional Technical Advisory Body (RTAB) covering waste. Both groupings help ensure discharge of the DtC. In respect of water resources and flooding the City Council is fully aware of its responsibilities and will vigorously pursue the principles of sustainable drainage to reduce the risks of flooding both within the city and beyond its boundaries.</p> <p>2. This approach is accepted by the parties signatory to this document, on the basis that plan policies and their implementation will serve to limit where possible the need for</p>

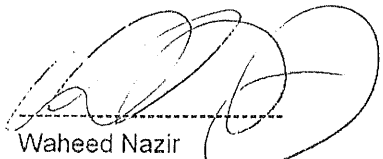
		significant new mineral extraction to provide for building aggregate and in all other matters resource demands and use of are carefully monitored and controlled in line with good sustainable development principles.
k) Air quality matters	Agreed/ Shared Understanding/ Not-Applicable	1. The City Council is committed to the improvement of air quality for its residents and those in surrounding areas. It is, and will remain an active participant in initiatives to address these matters jointly with adjoining authorities and other agencies subject to the nature of actions being consistent with the city's aspirations for growth. Detailed policies on air quality and noise matters will be set out in a separate Development Management DPD. 2. This approach is accepted by the parties signatory to this document.
l) Any other matters that might reasonably be identified under the Duty to Co-operate	Agreed/ Shared Understanding/ Not Applicable	1. No other matters identified. 2.

Log of meetings, reports and other records to substantiate the collaborative working:

	Details:
Meetings	Meetings on the Birmingham Development Plan held on 31/10/12 and 18/02/14.
Groups	Regular meetings: (1) GBSLEP Planning Sub-Group (2) GBSLEP Spatial Planning Group (3) Development Management Group (4) West Midlands Planning Officers Group – Staffordshire LPAs connect to the group through the Staffordshire Planning Officers Group
Responses to consultation and correspondence	28/02/14 – LDC response to the Birmingham Development Plan 2031 Pre Submission version 20/02/14 – BCC response to Lichfield Local Plan Proposed Modifications 25/02/14 – LDC response to the Birmingham Development Plan 2031 Pre Submission version 17/05/13 – Lichfield District Local Plan Strategy – Public Examination – Hearing Statement by Birmingham City Council April 2013 - Statement of Common Ground between

	<p>Birmingham City Council and Lichfield District Council (April 2013)</p> <p>18/01/13 – BCC letter to RBC on Birmingham's Future Growth requirements</p> <p>11/01/13 – LDC response the Birmingham Development Plan – Planning for Birmingham's Growing Population Options Consultation</p> <p>06/11/12 – BCC letter to LDC confirming Cabinet Member approval of the earlier officer response on the emerging local plan.</p> <p>26/10/12 - Report of: Director of Planning and Regeneration to the Strategic Director of Development and Culture in Consultation with Cabinet Member for Development, Jobs And Skills - Emerging Development Plans in areas around Birmingham: Consultation with Neighbouring Authorities</p> <p>10/09/2012 - BCC response to the Lichfield Local Plan - Pre-Submission Plan Document</p> <p>10/09/12 - West Midlands Joint Committee response to the Lichfield District Council Local Plan</p> <p>08/08/12 – BCC letter to RBC on Birmingham's Future Growth requirements</p>
Additional points	

We, the undersigned, agree that the above statements and information truly represent the joint working that has and will continue to take place under the 'Duty to Co-operate'.



Waheed Nazir
Director of Planning & Regeneration

Birmingham City Council*

Date:

Richard King
Strategic Director Democratic,
Development and Legal Services
Lichfield District Council

Date:

* Must be signed by either Council Leader or responsible Cabinet Member or responsible Chief Executive or Chief Officer only. For non-local authority organisations signatory should be at equivalent level.

GBSLEP-report-by-David-Carter-19th-Aug

Report to the Greater Birmingham and Solihull Supervisory Board

30 July 2014

STRATEGIC HOUSING NEEDS STUDY

INTERIM REPORT FOLLOWING STAGES 1 and 2 AND DEVELOPING THE SCENARIOS FOR TESTING IN STAGE 3 – REFINEMENT OF BRIEF

1. Purpose of the Report

1.1 This report summarises the key outcomes following the completion of Stages 1 and 2 of the Strategic Housing Needs Study and refines the brief for Stage 3 of the work.

2. Recommendation(s)

- (1) That the Supervisory Board notes the outcome of the interim report stage of the Strategic Housing Needs Study.
- (2) That Members are asked to endorse the LEP Board decision of 16 July 2014 to agree the brief for Stage 3 of the Strategic Housing Needs Study as set out in paragraphs 4.5 to 4.11 of the report
- (3) That the arrangements for a briefing meeting for other local authorities and a workshop for partner organisations be noted.
- (4) That any minor revisions to the brief as a consequence of the workshop with partner organisations on 31 July be delegated to the Supervisory Board Chair in liaison with the Chairman of the Black Country Joint Committee and otherwise to the full Supervisory Board, electronically if needed for speed of decision-making.
- (5) That Members note that a further report to the Supervisory Board will cover the final consultants' report and consequential preferred scenario for sign-off at a future meeting.

3. Background

3.1 The Strategic Housing Study has been commissioned to look at the long term scale and distribution of housing growth. This report summarises the key outcomes for the GBSLEP following the completion of Stages 1 and 2 of the work and refines the brief for Stage 3. The approach in the report is designed to reduce the level of risk to all constituent local authorities and to provide the information to 'mix and match' elements taken from the various distribution scenarios which, in turn, will help inform a decision on the level of growth that should be taken forward in the Spatial Plan for Recovery and Growth (SPRG).

4. Key Issues

Progress to Date

Stages 1 and 2 – Interim Findings

- 4.1 The Interim Report stage of the Strategic Housing Needs Study sets out the Objective Assessment of Needs for the GBSLEP and the Black Country which the consultants (Peter Brett Associates - PBA) consider to be a Housing Market Area (HMA) in accordance with government guidance based on consideration of factors such as migration and commuting patterns. This confirms a significant housing shortfall across the HMA. The findings for the GBSLEP at this stage are set out in a series of slides with commentary which is attached at Appendix 1. The findings for the Black Country will be reported separately to the Black Country Joint Committee.
- 4.2 PBA's preferred estimate of objectively set needs (PBA Trends 2001-11 in Appendix 2) for the GBSLEP area over the period 2011 to 2031 is 8,000 households per annum which results in a housing shortfall of c2,900 dwellings per annum compared to proposals in emerging and adopted development plans.
- 4.3 PBA has also estimated (ONS/PBA 2012 in Appendix 2) that housing need could be reduced following the publication of new population projections on 29 May 2014. These would result in a need to accommodate 6,800 households 2011-31. This would translate into a housing shortfall of 1,700 dwellings per annum in the GBSLEP. PBA advise that this later estimate should be treated with caution since it projects forward recessionary trends and is therefore open to challenge.
- 4.4 A decision will need to be taken on the level of growth that should be carried forward but at this stage it is recommended that this should be deferred until full completion of the study. This is because the assessment of need has to be a 'policy off' assessment with relevant policy considerations applied at the end of the process. This would also mean that the interim findings can be shared and considered by partners.
- 4.4 Appendix 2 also includes a District breakdown of the study results. While the proposed levels of growth appear high it is important to stress that representatives of the development industry (see for example, Barton Willmore, Birmingham Sub-Regional Housing Study 2014, submitted as a response to the Birmingham Development Plan consultation) have published their own assessments with significantly higher results. As an example, for Birmingham, the highest PBA estimate equates to c12,000 household growth 2011-31 whereas the developers estimate the household increase is in a range 135,000-153,000 over the same time period. The Barton Willmore report then proposes a market driven distribution of the housing shortfall across the HMA. This emphasises the importance that the PBA work is brought to a conclusion.

Stage 3 – Refinement of the Study brief

- 4.5 Stage 3 of the study will look at realistic scenarios to distribute the potential shortfall and be informed by the response to consultation on the First Iteration of the GBSLEP's Spatial Plan for Recovery and Growth (SPRG). The suggested approach reflects the discussion at the Housing Study Steering Group meeting held on 16 April 2014, the Executive Officers meetings on 21 May 2014 and 25 June 2014 and a joint meeting of Leaders from all local authorities in the GBSLEP and Black Country held on the 3rd July. A copy of the brief for Stage 3 in the original tender brief is included for information at Appendix 3.
- 4.6 An important caveat to the exercise is that in distributing growth to each scenario it is important that the levels are constrained to that which would be realistically deliverable given sustained optimistic market conditions. The policy assumptions/ resource implications of possibly differing levels of growth under each scenario will need to be made explicit. This means the full extent of the shortfall may not be practically distributed in each of the scenarios. The suggested scenarios are as follows:

Scenario 1 – Intensification. Seek to distribute the shortfall by local planning authority with the scope for extra dwelling capacity being delivered through increased density and/or intensification in existing urban areas.

Scenario 2 – Peripheral Urban Extensions. Distribute the shortfall to the urban periphery of the conurbation close to areas where growth pressures are greatest. The proportion of growth in each sector (N. Birmingham, Solihull, Bromsgrove, Dudley, Wolverhampton, Walsall) broadly related to sound planning and sustainability features.

Scenario 3 – Public Transport Corridors of Growth. Distribute the shortfall on the basis of development at ‘beads on a string’ using spare capacity coupled with consideration of the growth potential of the local rail network. This option should take account of the implications of HS2 which might include, for example, the release capacity on the classic network.

Scenario 4 – The Enterprise Option. Distribute the housing shortfall to growth as part of UK Central and the towns in the Enterprise Belt. Distribute the additional housing in proportion to the scale of employment proposed whilst ensuring a broad balance between the levels of housing and employment growth proposed.

Scenario 5 – Dispersed, Multi-centred Growth – Distribute the growth to shire districts with distribution based on the population of the main urban settlements. This scenario should include certain centres beyond the GBSLEP and Black Country where there is scope to accommodate in-migration e.g. such as Telford, South Worcestershire and parts of Warwickshire.

Scenario 6 – New towns/settlements - Focus the distribution of the shortfall to expansion at Redditch and Telford together with new potential settlements (including locations arising in the recent consultation).

- 4.7 The Steering Group will be required to endorse the distribution to be quantified by PBA for each local planning authority under each scenario. Significant proposed and as yet uncommitted allocations of the types highlighted in each scenario should be considered as part of this. For example the UK Central proposal includes some additional housing which should be considered as forming part of Scenario 4. PBA will be expected to work with planning officers in each local planning authority in identifying the potential levels of growth under each scenario.
- 4.8 The realistic scope of development capacity beyond the GBSLEP and Black Country areas should be built in only where this is consistent with the particular scenario under consideration. This should include consideration of the realistic potential in the ‘related authorities’.
- 4.9 The analysis should then include SWOT testing of the implications of that scenario for each local planning authority as well consideration as part of the Sustainability Assessment (SA) which will take place as a parallel workstream. This analysis should take account of any views expressed by the respective local planning authorities.
- 4.10 At this stage the respective local planning authority should then give its views (caveated as necessary) on its ability to accept the level of growth under each scenario, taking account of the SWOT analysis and SA assessment. The analysis should be subject to peer review before the outcomes are completed.
- 4.11 At this point this should be the limit of the work to be undertaken as part of the PBA Study.

Developing the Preferred Option

- 4.12 The final study and its findings should then be subject to discussion by Leaders with the scope for the preferred approach to be identified. In reality this is likely to draw on elements from a number of the scenarios. If the preferred approach relies on capacity outside the GBSLEP/ Black Country areas then this should be based on formal agreement with the respective authority(ies).
- 4.13 The Leaders discussions should be informed by an analysis which enables all LPAs to indicate both the preferred approach for their District - although it is important that all Districts do not simply default to the lowest level as this would not be NPPF-compliant – and their preferred approach for the housing market area as a whole.

Future Considerations

- 4.14 Since the work under Stage 3 and the final outcome could have significant implications for some local authorities out with the GBSLEP and Black Country LEP at the Joint Leaders meeting it was agreed that a briefing for the Leaders of North Warwickshire District Council, South Staffordshire District Council, Stratford upon Avon District Council and Telford & Wrekin Council should be held. Subsequent to that meeting it has been suggested that the South Worcestershire authorities should also be invited.
- 4.15 There is much interest in this work from other sectors. To reflect this, and to enable discussion on the implications at this interim stage the Joint Leaders meeting (endorsed by the GBSLEP Board) agreed that a meeting be held to which partner organisations are invited. This would receive the presentation by PBA alongside the Stage 3 brief. The discussion at this event due to be held on 31 July 2014 will be carefully recorded so that due consideration could be given to any points that are made and where relevant and appropriate duly taken into account. It is suggested that any minor* changes to the brief could be signed off by the Supervisory Board Chair in liaison with the Chairman of the Black Country Joint Committee.
[*minor means any changes that does not alter the substance and intent of the approach set out in paragraphs 4.5 to 4.11.]
- 4.16 A timescale for taking this work forward will be outlined at the meeting.

5. Financial Implications

- 5.1 Funding for Stages 1 to 3 of the Strategic Housing Study has been approved by the GBSLEP Board. The Black Country 'add-on' is funded separately but this has no financial implications for the authorities in the GBSLEP. The study has been procured by Solihull MBC.

6. Conclusions

- 6.1 Members will be aware of the controversy surrounding the level of housing growth in relation to the preparation of development plans. Completion of the technical study will provide a reliable analysis of objectively assessed housing needs. This will be followed by collaborative working to agree the scale and distribution of growth which, under the current planning system, is the point at which policy considerations can be applied. This work is not only essential to enable the production of sound development plans and to facilitate the Duty to Co-operate.

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Appendix 2 – Headline results for the Objective Assessment of Housing Needs 2011-31

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	7,053
	CLG 2011	3,668	305	232	485	406	211	633	248	268	6,456
	PBA Trends 2007-12	6,297	211	335	526	272	258	563	158	75	8,695
	PBA Trends 2001-11	5,620	261	293	603	338	286	434	111	83	8,029
	ONS/PBA 2012	4,317	288	290	448	324	174	589	204	194	6,828
Housebuilding (AMR 2002-12) New dwellings per annum (dpa)	Past 5 years	1,710	149	213	537	295	139	324	165	196	3,728
	Past 10 years	1,843	288	308	464	420	240	454	216	274	4,507
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

Appendix 3 - Extract from Original Tender Brief

Stage 3

The opportunity will be taken to review and refine the specification for Stage 3 of the study taking account of the outcomes of stages 1 and 2.

Identify a number of broad spatial options (to be agreed by the Steering Group) for addressing any shortfall of suitable land for housing (or surplus of land suitable for housing – after needs within the LPA have been met.). These will:

- Take account of migration trends, the relationship with adjoining housing market areas and other relevant evidence.
- Take account of the type and size and tenure of housing where these will affect the strategic nature of the study.
- Be both feasible and deliverable (acknowledging that some existing policy designations may need to be revisited).
- Provide local planning authorities and decision makers with a clear basis on which to undertake more detailed work and where necessary review their development plans.
- Provide broad indicative housing requirement figures for each option for each local authority.

In developing options a Sustainability Appraisal (SA) process will need to be developed and undertaken in parallel with the Housing Needs Study. The consultants appointed to undertake the needs study will be required to work closely with the body appointed to undertake the SA.