

**South Staffordshire Local Plan
Preferred Options
Representations on behalf of
St Philips Land Ltd**

**Land at Wolverhampton Road, Wedges Mills,
Cannock**

St Philips Land Ltd

December 2021

LICHFIELDS

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Appendix 1 Lichfields' Unmet Housing Needs Report

1.0 Introduction

1.1 These representations to the South Staffordshire Local Plan Preferred Options (“the PO”) have been prepared by Lichfields on behalf of St Philips Land Ltd (“St Philips”).

1.2 We focus on the strategic matters that are contained within the PO consultation document and relate specifically to St Philips’ site entitled Land at Wolverhampton Road, Wedges Mills Cannock (“the Site”).

1.3 St Philips seeks to work constructively with South Staffordshire Council (“the Council”) as it progresses towards the submission and adoption of the Local Plan Review and trusts that the comments contained within this document will assist Officers in this regard.

Plan-making to date

1.4 To date, the Council has consulted on an ‘Issues and Options Consultation’ (“IOC”) between 8 October and 30 November 2018, followed by the South Staffordshire Spatial Housing Strategy & Infrastructure Delivery (“the SHSID”) and the Infrastructure Delivery Plan 2019 [IDP] between 17 October until 12 December 2019.

1.5 The IOC did not define the Council’s preferred approach, but rather considered a range of five potential future spatial strategies to meet the Council’s preferred level of housing growth for the District up to 2037. Consequently, the SHSID sought views on how the Council’s housing target could be best planned for through a variety of Spatial Housing Options to distribute housing growth across the district.

1.6 The Council is now undertaking a consultation on the PO, which builds upon the responses received to the IOC and SHSID and arrives at an amended infrastructure-led strategy. The PO also sets out the proposed site allocations to meet the districts housing, employment and the Gypsy and Traveller community’s needs. It also includes a new Development Strategy and site-specific policies and sets out a direction of travel for Development Management policies (Para 1.17).

Structure

1.7 These representations are structured around the questions set out in the PO consultation, these being:

- *Question 1: Do you agree that the evidence base set out in Appendix A is appropriate to inform the new Local Plan? Yes/No Please provide comments on the content or use of the evidence base set out in Appendix A, referencing the document you are referring to.*
 - *Question 2:*
 - a) *Do you agree that the correct infrastructure to be delivered alongside proposed site allocations been identified in the IDP? Yes/No*
 - b) *Is there any other infrastructure not covered in this consultation document or the IDP that the Local Plan should seek to deliver? Yes/No*
 - *Question 3:*
 - a) *Have the correct vision and strategic objectives been identified? Yes/No*
 - b) *Do you agree that the draft policies (Chapters 4 and 5) and the policy directions (Chapter 6) will deliver these objectives? Yes/No*
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- *Question 4: Do you support the policy approach in Policy DS1 – Green Belt and Policy DS2 – Open Countryside? Yes/No If no, please explain how these policies should be amended?*
 - *Question 5: Do you support the policy approach in Policy DS3 – The Spatial Strategy to 2038? Yes/No If no, please explain how this policy should be amended?*
 - *Question 6: Do you support the policy approach in and Policy DS4 – Longer Term Growth Aspirations for a New Settlement? Yes/No If no, please explain how this policy should be amended?*
 - *Question 7:*
 - a) Do you support the proposed strategic housing allocations in policies SA1-SA4? Yes/No If no, please explain your reasons for this.*
 - b) Do you agree that given the scale of the 4 sites detailed in policies SA1-SA4, these warrant their own policy to set the vision for the site, alongside a requirement for a detailed masterplan and design code? Yes/No*
 - *Question 8: Do you support the proposed housing allocations in Policy SA5? Yes/No Please reference the site reference number (e.g. site 582) for the site you are commenting on in your response.*
 - *Question 9:*
 - a) Do you support the proposed pitch allocations in Policy SA6? Yes/No Please reference the site reference number (e.g. SS001) for the site you are commenting on in your response.*
 - b) Is there another option for meeting our gypsy and traveller needs, including any alternative site suggestions that could be considered? Yes/No Please provide details, including a plan for new site suggestions*
 - *Question 10: Do you support the proposed allocation in Policy SA7? Yes/No*
 - *Question 11: Do you agree with the proposed policy approaches set out in Chapter 6? Yes/No If no, then please provide details setting out what changes are needed, referencing the Policy Reference number (e.g. HC1 - Housing Mix).*
 - *Question 12:*
 - a) It is proposed that the fully drafted policies in this document (Policies DS1-DS4 and SA1-SA7) are all strategic policies required by paragraph 21 of the NPPF. Do you agree these are strategic policies? Yes/No*
 - b) Are there any other proposed policies in Chapter 6 that you consider should be identified as strategic policies? Yes/No If yes, then please provide details including the Policy Reference (e.g. HC1 – Housing Mix)*
-

2.0 **Areas of response**

2.1 St Philips' response to the PO Questions is set out below, using the same questions contained in the PO document for continuity.

Question 1: Do you agree that the evidence base set out in Appendix A is appropriate to inform the new Local Plan? Yes/No

Please provide comments on the content or use of the evidence base set out in Appendix A, referencing the document you are referring to.

2.2 Yes, in principle; however, St Philips has some concerns regarding the robustness of two documents within the evidence base, largely due to the passage of time.

2.3 Firstly, as identified by the Council in PO (Para 4.58) and the 'Employment Sites: Site Assessment Topic Paper (September 2021)' (Para 5.7), the Council's 'South Staffordshire EDNA Part 1 (August 2018)' ("the EDNA") is now markedly out of date in light of the implications of Covid-19 and Brexit; albeit, it may be that the Council's forecast job growth may have increased compared to the forecasts from Oxford Economics in 2018 – discussed in further detail in St Philips response to Question 5 below.

2.4 Furthermore, similarly as set out in St Philips' response to Question 5 below, St Philips also consider that the Council's 'South Staffordshire Housing Market Assessment' ("the SSHMA") requires an update to reflect the publishing of the most recent 2020 median work-place based affordability ratios, amongst other things.

2.5 Accordingly, the Council should update these documents, particularly given that these are core and critical pieces of the Council's evidence base, to ensure that the Local Plan Review is '*underpinned by relevant and up-to-date evidence*', and '*should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned.*' (Para 31, National Planning Policy Framework (2021) [NPPF]).

Question 2:

a ***Do you agree that the correct infrastructure to be delivered alongside proposed site allocations been identified in the IDP? Yes/No***

2.6 St Philips do not wish to comment on the Council's Infrastructure Delivery Plan (IDP) in relation to their land interests in Wedges Mills. However, St Philips is promoting other sites within the District, and have commented on this matter in each set of respective representations where necessary.

b ***Is there any other infrastructure not covered in this consultation document or the IDP that the Local Plan should seek to deliver? Yes/No***

2.7 St Philips does not have any comments on whether any additional infrastructure should be provided by the Local Plan Review.

Question 3:

a ***Have the correct vision and strategic objectives been identified? Yes/No***

2.8 Yes, St Philips considers that the Vision for what South Staffordshire will be like in 2038 is correct. In respect of the 12 Strategic Objectives that the Local Plan Review would seek to address (Pg. 24), on the face of it, St Philips agrees with the Council's proposed Strategic Objectives and considers that these objectives would align with the economic, social and

environmental goals and ambitions of the NPPF, and would be delivered through the preparation and implementation of the Local Plan Review, as required by paragraph 9 of the NPPF.

- 2.9 However, St Philips considers that, for clarity, the Council's Strategic Objective 2 should explicitly refer to the Black Country Authorities [BCAs], rather than just the Greater Birmingham HMA. This is because whilst the BCAs fall within the Black Country sub-HMA within the Greater Birmingham and Black Country Housing Market Area [GBBCHMA], the plan-making and Duty to Cooperate [DtC] approaches being taken by Birmingham and the BCAs indicates that the issue of addressing the unmet housing needs of each of the sub-HMA areas is no longer being grappled with at the GBBCHMA-level. Therefore, it would be pertinent and clearer if the Strategic Objective explicitly referenced the unmet needs of the two sub-HMA areas.
- a ***Do you agree that the draft policies (Chapters 4 and 5) and the policy directions (Chapter 6) will deliver these objectives? Yes/No***
- 2.10 In general, yes - St Philips considers that the draft policies set out within the PO would deliver the Strategic Objectives identified in the PO (Pg.24). However, St Philips has some reservations regarding whether the Council's proposed draft Policy DS3 (The Spatial Strategy to 2038) would adequately deliver Strategic Objective 2 – discussed further below in our response to Question 5.

Question 4: Do you support the policy approach in Policy DS1 – Green Belt and Policy DS2 – Open Countryside? Yes/No

If no, please explain how these policies should be amended?

- 2.11 St Philips do not support the development strategy contained within draft Policy DS1. The text implies that a Green Belt designation directly contributes to the 'district's rural character', which suggests Green Belt is a landscape designation. Green Belt is a policy designation, and its purposes is to prevent urban sprawl as opposed to providing protection for rural character and landscape.
- 2.12 Paragraphs 4.2, 2.3 and 4.4 of the Development Strategy fails to specify that the Council require exceptional circumstances for undertaking a Green Belt boundary review to inform the POP. To be effective, the Council must be able to demonstrate "*exceptional circumstance*" justifying the release of land from the Green Belt in accordance with para 140 of the NPPF which states that, "*Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans. Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, so they can endure beyond the plan period.*"
- 2.13 Furthermore, Policy DS1 references Green Belt designations, identified on the Proposals Map. This part of the policy and its soundness must be addressed in the context of the other matters which the plan must take into consideration, including the need to release further Green Belt to address the GBBCHMA unmet housing need over the Plan period and potentially beyond, and the need to amend Green Belt boundaries on the Policies Map to reflect such land releases, in accordance with NPPF para 140 as referenced above.
- 2.14 The Green Belt is tightly drawn around existing settlements within the South Staffordshire area. In proposing options for future development, where the most sustainable form of development is likely to be around existing settlements, it is therefore imperative that the Local Plan comprises a detailed Green Belt review, to ensure that development needs beyond the Plan period can be met.
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Question 5: Do you support the policy approach in Policy DS3 – The Spatial Strategy to 2038? Yes/No

If no, please explain how this policy should be amended?

- 2.15 Draft Policy DS3 (The Spatial Strategy to 2038) sets out the Council’s proposed housing requirement, which includes a contribution towards meeting the unmet housing needs of the Greater Birmingham and Black Country Housing Market Area [GBBCHMA], alongside the spatial strategy for meeting these needs.
- 2.16 Notwithstanding St Philips’ detailed comments on the role of specific settlements within the spatial strategy in representations in respect of their other land interests, St Philips supports the general thrust of the Council’s preferred spatial strategy. However, St Philips has the below comments on draft Policy DS3, and the evidence base underpinning it, which it is considered would need to be addressed by the Council to ensure the policy is robust and sound:

1. The District’s housing needs

- 2.17 The PO sets out the context for the District’s housing needs in paragraph 4.7 and states that the District’s housing needs have been calculated using the NPPFs standard method for calculating local housing needs [LHN]. It goes on to state that this “*requires the district to deliver a minimum annual average of 243 dwellings per annum*”.
- 2.18 Broadly, St Philips supports the Council’s approach to assessing its minimum LHN. The Council’s LHN calculation and figure of 243 dwellings per annum [dpa], although not explicitly stated, appears to have correctly utilised the 2014-based household projections and 2020 median work-place based affordability ratios – in line with the PPG¹. St Philips also welcome the Council’s update to the LHN figure following on from the SHSID (c.254 dpa), which reflects the PPGs clear instructions to keep this number under review and revise it where appropriate.²
- 2.19 However, as set out in St Philips’ representations to the SHSID, the Council should not utilise the c.750 dwelling completions already delivered in the district between 2018-2021 in generating the District’s housing need for the plan period. Crucially, to ensure a sound approach, which aligns with the guidance in the PPG, St Philips consider that the Council’s LHN should be applied to the whole emerging plan period (2018-2038). The PPG¹ is clear that the current year should be taken as the start of the 10-year period upon which to calculate the standard method figure. Elsewhere in the PPG³, it states that the:
- “method provides authorities with an annual number, based on a 10-year baseline, which can be applied to the whole plan period” (Emphasis added)*
- 2.20 This is set out without any further qualification. If applied to the emerging Plan period (2018-2038) this equates to a minimum LHN figure of c.4,860 dwellings. It is entirely reasonable for the Council to include the 2018/21 completions within its supply from the 2018 base date, therefore reducing the overall plan requirement. However, these should not form part of the Council’s housing need figure for the 2018/21 period. The Council should, therefore, update the assessment of its LHN to reflect the need across the whole plan period (i.e. a policy-off figure), and explicitly state that the Plan’s housing requirement (i.e. policy-on figure) reflects the existing sources of housing supply (i.e. completions and permissions). This would result in a marginal c.21 dwelling reduction compared to the minimum housing need figure of c.4,881 dwellings set out in the PO.

¹ PPG ID: 2a-004

² PPG ID: 2a-008

³ PPG ID 2a-012

- 2.21 In addition to this, St Philips notes that the LHN calculation set out within the SSHMA, which was published in May 2021, still refers to the c.254 dpa figure set out in the SHSID. This is because, despite the 2020 median house price to workplace-based earnings ratios being published in March 2021, the SSHMA still utilises the 2018 figures. Whilst the LHN figure set out within the PO itself is correct, the Council will need to update the SSHMA to reflect this updated LHN calculation, as it forms part of the Council's evidence base underpinning the plan.

Uplifts to the minimum LHN figure

- 2.22 As the Council will be aware, and as set out in detail within our SHSID representations, both the NPPF⁴ and PPG⁵ are clear that the LHN figure generated by the standard method is a minimum starting point (i.e. actual housing need may be higher than this figure). Moreover, elsewhere in the guidance, the PPG differentiates between the minimum figure arrived at through the standard method and 'actual' housing need which can be higher.
- 2.23 It is 'actual' housing need that represents the objectively assessed need to which the tests in paragraph 11 of the NPPF apply, and there is also a requirement for the Council to test reasonable alternatives.⁶ Therefore, the Council should actively identify whether there are reasons for testing higher figures as estimates of housing needs. The PPG goes on to state that it would be appropriate for a higher figure to be adopted on the basis of employment, infrastructure, affordable housing or unmet housing needs.⁷ In this regard, St Philips has the following comments for the Council:

1. Affordable Housing

- 2.24 The PPG⁸ is clear that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes. In this context, it is noted that following the SSHID consultation, the Council has now updated its evidence on affordable housing needs within the SSHMA, which has concluded that the District's affordable housing need equates to 128 dpa.
- 2.25 St Phillips notes that SSHMA indicates that the Council's annualised affordable housing need figure when compared with the proposed housing requirement, comprising its own LHN figure and a contribution towards unmet housing needs, would "*represents 28.2% of the annual planned growth in the District of 453 dwellings per year*" (Para 8.7). It also states that a 30% affordable housing requirement would enable the Council to address this need. On the face of it, the Council's evidence would indicate that the Council's affordable housing needs could be adequately delivered within the plan period, subject to the provision of a 30% affordable housing requirement and testing through the viability process.
- 2.26 However, St Phillips notes that the Council's affordable housing need for its residents actually equates to 53% of its LHN figure. Whilst it is true that the Council's proposed annualised housing requirement (e.g. its LHN figure and GBBCHMA contribution) would enable it to meet its own affordable housing needs, the SSHMA does not appear to have given any consideration to whether the in-migration of households from the Black Country or Birmingham, resulting from this contribution, would also need affordable housing.
- 2.27 At present, a 30% requirement against the elements of supply which the Council has set out in Table 8 of the PO would indicate that the Council would be able to deliver a maximum of c.2,682 affordable dwellings over the plan period. Annually, this would equate to c.134 dwellings, which

⁴ Paragraph 61

⁵ PPG ID: 2a-002

⁶ PPG ID: 11-018

⁷ PPG ID: 2a-010

⁸ PPG ID: 2a-024

would be marginally higher than the annualised need identified within the SSHMA, resulting in a c.6 dwelling contribution towards meeting the affordable needs of those migrating into the District. Whilst the SSHMA has explored the profile of in-migrating households in Section 5, as a part of its assessment on housing mix, it does not appear to have considered this in relation to affordable housing needs in Section 6.

- 2.28 As a part of wider updates to the SSHMA, which St Philips consider necessary to robustly support the Local Plan Review, the Council should explore the implications of this further and consider whether an uplift to the LHN figure to help deliver the District’s affordable housing need would be justified, and crucially, necessary to addressing worsening affordability within the District.

2. Economic Growth

- 2.29 The NPPF emphasises importance “*on the need to support economic growth and productivity*” (Para 81) and is clear that planning policies should “*seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment*” (Para 82c). In essence, the NPPF recognises the implicit link between economic growth and housing need, and that economic growth should not be decoupled from housing growth.
- 2.30 Firstly, it is noted that the forecast job growth – based on the Oxford Economics forecasts – included within the EDNA only indicated a 0.5 ha need for employment land. However, these were based on forecasts from 2018, which are now nearly 4 years out of date. As acknowledged in the PO (Para 4.58), the EDNA is now markedly out of date in light of the implications of Covid-19 and Brexit and the Council intends to prepare an update prior to the Publication version of the Local Plan Review.
- 2.31 St Philips agree with the Council and consider that such a review is necessary, particularly in light of the passage of time. Whilst past job forecasts indicated a limited increase in job growth within the District, partly as a result of declining manufacturing employment, it is important to note that the latest national Experian forecasts (April 2021) show an increase of 1.6% nationally in the logistics sector alone by 2040, when compared to the pre-Covid 19 (March 2020) forecasts, which is largely a result of Brexit. Indeed, nationally, industrial & logistics take-up was 15.0m sq. ft in Q1 2021– the strongest on record for a first quarter and 21% above the five-year quarterly average.⁹ Similarly, research indicates a markedly increased demand for logistics units within the West Midlands, which has resulted in only 0.91 years’ worth of supply in the region.¹⁰ Indeed, as Knight Frank has advised, “*availability is reaching critical levels of shortage, and the current pipeline of speculative development only goes some way in plugging the gap*”.¹¹
- 2.32 The above, when coupled with the fact that the job growth associated with the West Midlands Interchange [WMI] – 8,500 jobs – would fall out with the Oxford Economic ambient forecasts for growth, indicates that job growth within the District may now be markedly above the previous 2018 projections. Indeed, the EDNA concluded that going forward “*consideration should be also given to a number of development and infrastructure proposals that could have a significant impact on the future property market in South Staffordshire, should/when they materialise e.g. West Midlands Interchange and M54/M6/M6 toll link road*” (Pg. 58). Moreover, the SSHMA only identified that the projected population growth for the District could

⁹ See LSH ‘Record First Quarter For Industrial Take-Up’ (Available at: <https://www.lsh.co.uk/explore/research-and-views/research/2021/may/record-first-quarter-for-industrial-take-up?listing=true>)

¹⁰ See Savills ‘The logistics market in the West Midlands’ (Available at: https://www.savills.co.uk/research_articles/229130/316120-0)

¹¹ See Knight Frank ‘Midlands Logistics & Industrial Market Insight Report 2021 Mid-Year Review’ (Available at: <https://content.knightfrank.com/research/489/documents/en/logic-midlands-2021-mid-year-review-8296.pdf>)

support between 1,989 and 2,826 jobs (Para 5.9), which would fall significantly short of the job growth associated with the WMI.

- 2.33 The NPPF is clear that the “*planning system should actively manage patterns of growth*” and significant development should be “*focused on locations which are or can be made sustainable, through limiting the need to travel*” (Para 105). It goes on to state that planning policies should “*support an appropriate mix of uses across an area, and within larger-scale sites, to minimise the number and length of journeys needed for employment (inter alia)*” (Para 106). There is, therefore, a clear emphasis within the NPPF to manage and mitigate unsuitable patterns of commuting through the Local Plan process.
- 2.34 In this regard, it is noted that the PO reiterates that EDNA confirmed that the District has a sufficient supply of available employment land to meet its own employment requirements up to 2038, with a c.19ha oversupply based on past completions and growth GVA (Para 4.52). Furthermore, the PO notes that subsequent to the publishing of the EDNA, the approval of the WMI has markedly increased the oversupply of employment land within the District (Para 4.57). Moreover, the PO acknowledges that the BCAs are unable to meet their own employment land needs up to 2039, with a c.210ha shortfall (Para 4.55). In this regard, the EDNA highlighted that the oversupply in South Staffordshire could contribute towards meeting the future employment land requirements of the South Staffordshire Functional Economic Market Area [FEMA], in particular, some of the Black Country gap given the existing strong policy links (Para 8.14).
- 2.35 Whilst the WMI will serve a regional role, and indeed as the BCAs ‘West Midlands Strategic Rail Freight Interchange Employment Issues Response Paper – Whose need will the SRFI serve? (February 2021)’ (“the SRFI study”) has shown that it would serve c.72 ha of the Black Country’s employment needs, this may lead to a very high proportion of in-commuting associated with the Black Country. Indeed, a similar issue is being faced by Solihull Metropolitan Borough Council [SMBC] in respect of their ongoing Examination in Public. In particular, the SMBC’s evidence base suggested that the delivery of UK Central would result in 13,000 additional jobs above the 10,000 jobs baseline supported by the Council’s LHN figure. Their evidence, however, also suggested that only c.25% of these jobs would be for Solihull residents, resulting in 75% of in-commuting for the remainder of these jobs. To rebalance this matter, SMBCs evidence concluded that an additional 379 dpa would be required in Solihull; however, SMBC has not sought to address this within its housing requirement – a matter which is now being reviewed by the Inspector.
- 2.36 The above highlights the clear need to ensure sufficient homes are delivered within the District to align with the anticipated job growth associated with the District’s employment growth, as this could lead to migration out of the neighbouring authorities, as people move to seek a home closer to their place of work. In the absence of this, the Council could end up promoting unsustainable patterns of commuting.
- 2.37 As such, St Philips recommend that as a part of the aforementioned updates to the EDNA and SSHMA, the Council also considers the implications of the job growth associated with the WMI and whether there would be a sufficient supply of housing provided to accommodate an increase in the workforce resulting from this economic growth. St Philips consider that this approach is crucial and would be consistent with the NPPF.

The Unmet Housing Needs of the Greater Birmingham and Black Country Housing Market Area

- 2.1 The NPPF is clear that:
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“Strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas” (Para 11b) (Emphasis added)

2.2 It is also clear that Local Plans should be:

“based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground” (Para 35c) (Emphasis added)

2.3 In this regard, St Philips welcomes the Council’s commitment to addressing part of the GBBCHMA unmet needs (Para 4.10). St Philips also agrees with the Council that including a provision for the GBBCHMA from the outset of the Local Plan Review process was critical to ensuring that constructive Duty to Cooperate [DtC] discussions were held with the GBBCHMA authorities. Such an approach is entirely consistent with the NPPF (Paras 25 and 27). St Philips also welcomes the Council’s acknowledgement that since the ‘Greater Birmingham HMA Strategic Growth Study’ (February 2018) (“the SGS”) – and subsequent Position Statements – that the BCAs have also now identified a c.28,239 dwelling shortfall up to 2039 on top of that already declared in Birmingham.

2.4 However, St Philips still has concerns regarding the Council’s derivation of its 4,000-dwelling contribution. St Philips notes that the PO states that this figure is underpinned by the *“scale of growth implied in the district by the strategic locations identified in the GBHMA Strategic Growth Study”* (Para 4.10). Indeed, the IOC set out five housing level of growth policy options (A-E), with options C-E unmet housing need contributions being based upon the minimum (4,000 dwellings), mid-point (12,000 dwellings) and maximum (20,000 dwellings) *“capacity implied by the Green Belt and Open Countryside strategic areas of search set out in the HMA Strategic Growth Study”*. These options were subsequently tested through the Sustainability Appraisal of the South Staffordshire Local Plan Review: Issues and Options (September 2018) (“the IOC SA”).

2.5 However, it should be noted that the SGS has not been examined, and therefore the findings of the SGS carry little to no weight. Moreover, this is contrary to the clear caveats set out in the SGS, which stated that:

“It is important to recognise that further work will be undertaken in considering and testing the potential for strategic development by local authorities through their respective local plan processes...” (Para 1.41) (Emphasis added)

“For the avoidance of doubt, the identification of Areas of Search for strategic development in this report does not indicate that these areas could or should be brought forward for development. The purpose of the Study is to assess and shortlist potential Areas of Search for strategic development which can then be considered and assessed in further detail by individual councils through the preparation of local plans alongside further small and medium-sized sites. On the same note, LPAs may seek to explore strategic options which have not been considered through this Study, should those opportunities arise from their own plan-making processes. SA” (Para 1.42) (Emphasis added)

2.6 The quantum of growth identified within the SGS is therefore not a maximum or minimum, and it is for the Council to establish through its own Local Plan process, and – crucially – Sustainability Appraisal [SA] process, whether the sites identified, or other sites, could cumulatively form a package of sites that could sustainably contribute towards addressing this

need. At present, the Council's current approach relies upon a document that clearly caveats its findings and has not been robustly tested through the examination process. As such, St Philips do not consider that the SGS is an appropriate or robust piece of evidence to underpin the Local Plans contribution towards the GBBCHMA unmet housing needs.

- 2.7 The Council should be able to sufficiently demonstrate that it has tested reasonable alternatives through the SA process, as required by the PPG¹² and Friends of the Earth High Court judgment.¹³ At present, the Council's testing of reasonable alternatives has been limited to the aforementioned quantum, which as set out above are neither maximums nor minimums nor robustly evidenced. Moreover, as a result of this, the Council's options unreasonably and significantly increase the provision of unmet housing needs – there is no in-between. Indeed, the difference between Option C-D and D-E is c.8,000 dwellings.
- 2.8 As such, the Council runs the risk of potentially falling into a position where either the evaluation of reasonable alternatives in the SA could be interpreted to either have not been undertaken or to have been 'improperly restricted', in the context of the iterative process necessary for progressing a plan.
- 2.9 In this regard, St Philips continue to consider that there is a cogent need – if not a requirement – for the Council to prepare a robust and evidence-led approach to distributing the unmet housing needs of the Black Country and Birmingham and test the outcomes of this through the SA process. Without this, there is a very real risk that the region's housing needs may not be fully met. In this context, as the Council will be aware, Lichfields, on behalf of St Philips, has previously prepared an analysis that considers the functional housing market relationship between the various local authority areas – set out in St Philips' SHSID representations.
- 2.10 Such an approach has recently been adopted by North Warwickshire in the preparation of their Local Plan, in which they considered the proximity, connectivity and strength of functional inter-relationships with Birmingham; an approach which the Inspector endorsed.¹⁴ This was similar to the approach taken in distributing Coventry's unmet needs across the Coventry & Warwickshire HMA. Again, the Inspector for the Stratford-on-Avon Core Strategy (2017) endorsed this approach.¹⁵
- 2.11 Reflecting the ongoing and changing nature of this matter, Lichfields has updated this work – set out in Appendix 1. Importantly, Lichfields' analysis builds upon the existing model but has broken down the GBBCHMA into its two constituent sub-HMAs – the justification for which is set out in more detail within Appendix 1. Importantly, Lichfields' analysis ultimately illustrates the functional linkages between South Staffordshire and the Black Country HMA and Birmingham HMA and shows how the unmet housing needs of each of the sub-HMAs could be sustainably distributed within South Staffordshire.
- 2.12 For South Staffordshire, Lichfields' functional housing market relationship analysis indicates that the Council should be seeking to make provision for c.25% of the total unmet needs of the Black Country HMA up to 2039 and c.7% of the total unmet needs of the Birmingham HMA up to 2031. The contribution identified for the Black Country HMA is because the District demonstrates a particularly strong functional relationship with the Black Country conurbation, to a far greater extent than other authorities. Conversely, the District has a much weaker socio-economic link with the city, and as such, its contribution towards the cities unmet needs would

¹² PPG IDs: 11-017 and 11-018

¹³ Paragraph 88 of R (Friends of the Earth England, Wales and Northern Ireland Ltd) v The Welsh Ministers [2015] EWHC 776 (Admin)

¹⁴ IR129, Inspectors Report

¹⁵ IR61, Inspectors Report

be markedly lower. Nevertheless, when combined this would equate to c.8,650 dwellings above the District's own housing needs.

- 2.13 It is important to note that the aforementioned apportioned figures should be seen as a starting position, which should be tested through the SA process. Indeed, this would fall between Options C and D which have been tested through the IOC SA already. However, it serves to highlight that the Council's proposed contribution to the Black Country and Birmingham's unmet housing need is insufficient and that the Council should re-evaluate its approach to deriving an appropriate contribution to meeting these needs and test this through the SA process accordingly.

Sufficient Flexibility

- 2.14 It is expected that Local Plans should be sufficiently flexible to adapt to rapid change. In practice, this means ensuring a housing trajectory has sufficient land supply across the plan period so that it can adjust and accommodate any unforeseen circumstances, such as a degree of flexibility in delivery rates and densities. Critically, this means that to achieve a housing requirement a Local Plan must release sufficient land, or allow sufficient headroom so that there is an appropriate buffer within the overall planned supply.
- 2.15 The Council's PO sets out the Council's housing supply in Table 8, which is comprised of four key components: Existing Planning Permissions and Allocations, Safeguarded Land, New Allocations and Windfalls. Cumulatively, the Council's housing supply would deliver c.8,954 dwellings over the 2018-2038 plan period. Notwithstanding St Philips comments on the Council's housing requirement and unmet housing needs contribution above, the Council's proposed housing supply would only equate to the provision of a c.1% buffer against its 'housing requirement' – comprising the Council's correct housing need figure (see paragraph 2.19 above) and 4,000 dwelling contribution towards the GBBCHMA unmet needs.
- 2.16 What this means in practice is that there would be no scope within the Local Plan Review to respond to changing circumstances. If any single component of supply does not come forward or falls behind the timescales implied by the Council, which buffers are intended to address, this may result in the GBBCHMAs unmet housing needs not being delivered, rather than the Councils. Importantly, the buffer in supply to ensure flexibility should be detached from the Council's contribution to the GBBCHMA housing shortfall (i.e. 10% on top of its LHN figure and GBBCHMA unmet need contribution).
- 2.17 To ensure a robust approach, the Council should determine the level of its contribution to the GBBCHMA – as discussed above – and apply a 10% buffer to this and the Council's LHN figure for the plan period to ensure that there is the flexibility to respond to failures to deliver the required dwellings for both the District and the GBBCHMA unmet housing needs in the allotted time frames and across the whole plan period. The consequence of this is that it will be necessary for the Council to identify additional suitable land supply (i.e. more than needed to meet the total housing requirement) to facilitate an additional 10% headroom to be built into the supply.

Edge of Cannock

- 2.18 St Philips have concerns regarding the Council's consideration of Wedges Mills and its ability to accommodate growth. The Council's PO document has not had due regard to the role that Cannock's 'higher order' services have for the residents of settlements along its boundary, such as Wedges Mills. The settlement is sustainably located on the edge of Cannock, which utilises the variety of existing services, facilities, and employment opportunities in Cannock. Despite this, the spatial strategy contained within draft Policy DS3 has ignored the strategic role of
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settlements on the edge of Cannock such as Wedges Mills, even though several services and facilities fall within the 1 mile of the settlement's boundary.

- 2.19 The HSSTP makes specific comments relating to the edge of Cannock and states that, "...the lack of growth in this broad location recognises the recommendations of the GBHMA Strategic Growth Study (did not identify this area as a strategic location for growth)..."(Para 5.26.1).
- 2.20 St Philips is concerned that the Council has not appropriately considered growth on the edge of Cannock, which could warrant its approach unreasonable. As per St Philips comments in response to Question 5, the Growth Study is not an adopted policy document and has not been through EiP so should not be relied upon to determine decisions relating to strategic locations for growth across the District.

Question 6: Do you support the policy approach in and Policy DS4 – Longer Term Growth Aspirations for a New Settlement? Yes/No

If no, please explain how this policy should be amended?

- 2.21 The Council's PO states that, alongside setting the spatial strategy for the District up until 2038, the Council intends for the Local Plan to set out the parameters for what a new settlement to be delivered beyond the plan would need to incorporate should a suitable option come forward (Para 4.60). As a part of this, the Council's PO has identified a specific area of search along the A449/ West Coast Mainline transport corridor. This, it states, is based on the findings of the SGS in 2018.
- 2.22 The draft policy itself (Policy DS4 – Longer Term Growth Aspirations for a New Settlement) goes on to state that "*it is not anticipated that a new settlement will contribute to housing growth during the current plan period*" and "*instead, it will form a key option that the Council will want to consider alongside alternatives in future plan-making, meaning it is important that work to identify any potential options begins now*". Importantly, the PO is clear that the exact location of a New Settlement would be assessed alongside alternative growth options through the plan-making process as part of a subsequent review of the Local Plan, along with preparing the evidence base to support the deliverability of such an approach.
- 2.23 Whilst the Council has clearly caveated its approach, St Philips has some concerns regarding the proposed policy approach of defining an area of search within the emerging Local Plan. In particular, St Philips would draw the Council's attention to the recent Examination in Public [EiP] of the 'Hart Local Plan (Strategy and Sites) 2032'. Notably, Policy SS3 (New Settlement) identified an Area of Search at Murrell Green/Winchfield for the delivery of up to 5,000 dwellings through the production of a New Settlement Development Plan Document [DPD] after the adoption of the Plan. Similarly, the Council were clear that the development was not required in the Plan period to meet identified housing needs; albeit could deliver c.1,500 dwellings towards the end of the plan period.
- 2.24 However, the Inspector raised significant concern regarding the Council's approach. The Inspector argued that Plan established the 'principle' of the new settlement as the most appropriate growth strategy for meeting the Council's long-term needs within a relatively confined area of search. However, he highlighted that the Plan had not tested other reasonable alternatives to a new settlement (IR 58). As a result, he concluded that the policy, and therefore the new settlement, should be removed from the plan (IR 67).
- 2.25 Crucially this emphasises the critical need for the Council to robustly test reasonable alternatives for the spatial distribution of the District's housing needs through the Sustainability
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Appraisal [SA] process at an early stage – as per the requirements of paragraph 32 of the NPPF, the Planning Practice Guidance [PPG]¹⁶, and Friends of the Earth High Court judgment.¹⁷

- 2.26 Whilst the Council has highlighted that a new settlement would not be required to meet housing needs in this plan period, would be assessed against other spatial options in a future Local Plan Review, and further evidence to support one would be required, it raises the question as to whether including a confined area of search within a strategic policy, recommended by a piece of evidence that has not been tested through an EiP or an SA process, is a robust approach.
- 2.27 Notwithstanding St Philips' comments on the spatial strategy and housing allocations below, although not explicitly stated, the PO concludes that the preferred spatial strategy would enable the Council to meet its own housing needs, and part of the wider GBBCHMA unmet needs, without the need to allocate a new settlement within this plan period. Fundamentally, there is no evidence to suggest that such a policy approach is necessary within this plan period and why a strategic policy is necessary to set out the Council's ambitions for the next Local Plan Review.
- 2.28 Whilst St Philips recognise that the NPPF is clear that the supply of large numbers of new homes can often be best achieved through planning for larger-scale developments (Para 72), such as new settlements, St Philips does not consider that new settlements are the *panacea* for housing delivery – especially where development of such a scale is not necessary to address housing needs in this plan period even if further unmet needs were to be met within the District.
- 2.29 Taking the above together, St Philips consider that identifying a new settlement within this plan period is unnecessary, as it would not serve to meet the District's, or GBBCHMA's, housing needs in this plan period. Fundamentally, St Philips considers that the Council have provided insufficient justification for why such an approach is necessary, and invariably such an approach is likely to be found unsound at EiP. To this end, St Philips considers that the Council should omit this policy from the draft Local Plan review as it is not necessary to make the plan sound.

Question 7:

- a ***Do you support the proposed strategic housing allocations in policies SA1-SA4? Yes/No***

If no, please explain your reasons for this.

- 2.30 St Philips do not have any comments to make regarding the proposed strategic allocations in these representations.
- b ***Do you agree that given the scale of the 4 sites detailed in policies SA1-SA4, these warrant their own policy to set the vision for the site, alongside a requirement for a detailed masterplan and design code? Yes/No***
- 2.31 St Philips agree in principle with the requirement for a framework for the for future applications and infrastructure provision for the strategic residential allocations proposed with the PO.

¹⁶ PPG IDs: 11-017 and 11-018

¹⁷ Paragraph 88 of R (Friends of the Earth England, Wales and Northern Ireland Ltd) v The Welsh Ministers [2015] EWHC 776 (Admin)

Question 8: Do you support the proposed housing allocations in Policy SA5? Yes/No

Please reference the site reference number (e.g. site 582) for the site you are commenting on in your response.

- 2.32 Policy SA5 (Housing Allocations) of the PO sets out the preferred site allocations across the District over the Plan Period. The Council's previous 'Rural Services and Facilities Audit 2019' [RSFA] identifies Wedges Mills as a Tier 5 settlement, and therefore does not propose any allocations within the settlement, or at all along the edge of Cannock.
- 2.33 As stated previously in these representations, the PPG and Friends of the Earth High Court judgment are clear that reasonable alternatives must be identified and assessed to provide adequate reasoning for why sites should be preferred or rejected in favour of alternative means. The latest version of the 'Sustainability Appraisal (2021)' and 'Housing Site Selection Topic Paper (2021)' [HSSTP] have been published to reflect the site selection process underpinning the PO document. In selecting the preferred site allocations, the HSSTP has considered the findings of the SA as well as undertaken an assessment of site constraints and opportunities, and a sequential test.
- 2.34 St Philips welcome the Council's recognition of the need to review the Green Belt to ensure that its housing needs, and a contribution to the GBHMA's unmet needs can be met, and critically, that the acuteness of unmet housing needs across the GBHMA constitutes exceptional circumstances for the release of land from the Green Belt. However, St Philips has some concerns regarding the site selection process carried out and considers the methodology and assessment of individual sites to be flawed with regards to their land interests at Wolverhampton Road, Wedges Mills.
- 2.35 St Philips site at Wolverhampton Road, Wedges Mills (Site ref: 202) has been assessed as part of the updated SA and HSSTP and discounted on the basis of Green Belt harm and landscape impact. However, St Philips contend that the developable area would not significantly extend beyond the current line of development along Wolverhampton Road, and would be contained within the existing tree-lined field boundary, to the west of the parcel, running almost in parallel with Wolverhampton Road. This would ensure a clear, and defensible long-term Green Belt boundary. Coupled with the inclusion mitigation and offsetting measures included within the previous submitted Vision Document, including open space and a green infrastructure network, the release of the site would accord with paragraph 138 of the NPPF.
- 2.36 Notwithstanding the above, St Philips consider that it is entirely reasonable, and appropriate, for land which fulfils strong Green Belt purposes to be released where exceptional circumstances are evidenced. The site is located on the edge of Wedges Mills, which has high sustainability credentials in terms of proximity to the existing shops and services in Cannock, and access to existing transport routes and infrastructure.
- 2.37 As set out in St Philips' response to Question 5 above, Lichfields' updated analysis of the functional linkages between South Staffordshire and the Black Country HMA and Birmingham HMA are included at Appendix 1 shows how the unmet housing needs of each of the sub-HMAs could be sustainably distributed within South Staffordshire. Crucially, it demonstrates that the Council should be seeking to make provision for the equivalent of c.8,650 dwellings above the District's own housing needs in order to ensure they are adequately addressing GBBCHMA's unmet need. This is more than a 50% increase on the 4,000 dwellings that the Council have apportioned to the unmet needs of the GBBCHMA within their PO document.
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2.38 Consequently, St Philips strongly contends that there is an urgent need for the Council to adopt a higher housing requirement in the Local Plan Review to reflect the functional linkages between the District and Birmingham HMA and particularly the Black Country HMA. In this context, it will be necessary for the Council to identify further sites to assist in meeting this increased need. It is evident that there are opportunities to allocate additional 'suitable, available and achievable' land and sites in sustainable locations across the District, and in particular the Tier 5 settlement of Wedges Mills, which would contribute towards meeting the substantial levels of unmet need arising from the GBBCHMA.

Question 9:

a ***Do you support the proposed pitch allocations in Policy SA6? Yes/No***

Please reference the site reference number (e.g. SS001) for the site you are commenting on in your response.

2.39 St Philips does not have any comments on draft Policy SA6.

b ***Is there another option for meeting our gypsy and traveller needs, including any alternative site suggestions that could be considered? Yes/No***

Please provide details, including a plan for new site suggestions.

2.40 St Philips does not have any comments on draft Policy SA6.

Question 10: Do you support the proposed allocation in Policy SA7? Yes/No

2.41 Yes. St Philips supports the Council's proposed allocation in draft Policy SA7. It is entirely logical to rationalise the consented WMI within the emerging Local Plan Review and remove it from the Green Belt.

Question 11: Do you agree with the proposed policy approaches set out in Chapter 6? Yes/No

If no, then please provide details setting out what changes are needed, referencing the Policy Reference number (e.g. HC1 - Housing Mix).

2.42 St Philips has reviewed the emerging policy directions set out in Chapter 6 and in general support, the Council's proposed approach to the policies set out in Chapter 6. However, St Philips have the following comments on the below specific policies, which St Philips considers that the Council will need to address to ensure that the policies can be found sound:

Policy HC1 – Housing Mix

2.43 The Council states that a policy is proposed to ensure a mix of property sizes that reflects the latest needs set out in the SSHMA and avoid "a disproportionate amount of large dwellings on new schemes" and the "risk of development exacerbating existing under-occupation of market housing in the District" (Para 6.7). To this end, the Council's proposed direction of travel is set out for draft Policy HC1 (Housing Mix), which includes a requirement for all market housing to deliver no more than 25% 4-beds and that proposal "that fail to make an efficient use of land by providing a disproportionate amount of large 4+ bedroom homes" will be refused.

2.44 In this context, the NPPF highlights the importance of ensuring an appropriate housing mix is addressed by local planning authorities, stating that it is important that the needs of groups with

specific housing requirements are addressed (Para 60). It goes on to state that “*the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies*” (Para 62). Furthermore, the PPG states that “*strategic policy-making authorities will need to look at the current stock of houses of different sizes and assess whether these match current and future needs*” (PPG ID: 2a-023).

- 2.45 In this regard, St Philips consider that it is entirely appropriate for the Council to address the District’s future housing mix and tenure needs within the Local Plan Review and that such an approach would, in principle, align with the requirements set out in the NPPF and PPG. However, whilst it is noted that the Council’s PO has not set out the specific policy wording *per se*, St Philips has some concerns regarding the Council’s proposed direction of travel and in particular the implied inflexibility in the policy.
- 2.46 Firstly, as established in the ‘*William Davis Ltd v Charnwood Borough Council*’¹⁸ judgment, St Philips consider that the Council should explicitly set out market and affordable housing mixes by dwelling size within the policy itself, which can be guided by the Council’s evidence base (i.e. the SSHMA). Secondly, the policy should include wording that defers to alternative mixes should more up-to-date information become available. This is because the SSHMA is a point in time assessment, and the needs and demands for dwelling sizes within the District will evolve over time, and the policy should be suitably flexible for developments to respond to this.
- 2.47 Secondly, and notwithstanding the above, the Council’s proposed direction of travel implies that the policy would set out the housing mix which reflects the District-wide level (i.e. an average housing mix for South Staffordshire). That being the case, St Philips would have concerns in relation to a prescriptive District-wide approach.
- 2.48 It would be inflexible and unsuitable to prescriptively apply a District-wide housing mix to all parts of the District when different areas will have differing requirements and demographic profiles. Indeed, the SSHMA, which includes a review of the housing market sub-areas within the District, demonstrates this. By way of example, the SSHMA (Appendix 5) assesses the sub-area results for the type and tenure of new housing needed. In particular, it identifies that the North-Western Sub-Area has a c.30% demand for owner-occupied 4+ bed dwellings, along with a c.32% demand for 4+ bed First Homes. Similarly, the North Eastern Sub-Area had a c. 27% demand for owner-occupied 4+ bed dwellings, a 27% demand for 4+ bed private rented dwellings and a 33.5% demand for 4+ bed First Homes.
- 2.49 Notably, the above examples from the Council’s SSHMA are all well above the implied 25% limit set out in the Council’s proposed direction of travel, which states that 75% of properties should ‘have 3 bedrooms or less’ and that proposals with a ‘disproportionate amount of large, 4+ bedroom homes’ would be refused.
- 2.50 This is because the housing mixes across urban, suburban and rural areas will generally be reflective of the locations’ existing characteristics. For example, densities in urban areas will generally be higher (and more suited to smaller 1-2 bed dwellings) in urban areas and town centres, whilst being lower on the edge of settlements and in rural areas. This is generally consistent with NPPF paragraph 124, in regard to making effective and efficient use of land and achieving appropriate densities. It would therefore be reasonable for schemes across the District to deliver different mixes of housing whilst still meeting the overall District-wide need.
- 2.51 Furthermore, the SSHMA’s methodology for deriving market and affordable housing mixes – set out in paragraphs 5.14-5.18 – principally utilises a demographically-led calculation. This is an important point because households occupy market housing more in line with their wealth and age than the number of people which they contain. Whilst the SSHMA has made some

¹⁸ William Davis Ltd v Charnwood BC Queen’s Bench Division (Administrative Court) 23 November 2017 [2017] EWHC 3006 (Admin)

adjustments to the baseline 2011 Census occupational patterns to reflect more recent trends¹⁹ – as required by the PPG²⁰ – this data is not necessarily reflective of South Staffordshire’s market demand and wider trends, by virtue of the English Housing Surveys limited sample size.²¹ Indeed, the English Housing Survey is clear that “*Results based on small sample sizes should therefore be treated as indicative only because inference about the national picture cannot be drawn*” (Para 3, Technical Notes).

2.52 Moreover, the SSHMA has not considered more recent trends in housing occupation following the outbreak of Covid-19. In this context, the Covid-19 pandemic has led many people to reconsider their living environments and has increased the demand for properties with more internal and external space. This will include living and sleeping space as well as additional space at home to work. Indeed, the Council recognises that “*home working is becoming an increasing feature in rural areas, which has been further accelerated as an effect of the Covid-19 pandemic*” in the ‘Economic Vibrancy – issues and challenges’ (Table 4) of the PO. However, the SSHMA has not considered the implications of this. Rather, in respect of property prices, it states “*given the unknown future impact that COVID-19 might have on the real estate market, we recommend that the Council keeps the assessment under review*” (Para 1.14). St Philips would advise the Council, as a part of the aforementioned update to their SSHMA, to consider the implications of Covid-19 on household occupational trends to ensure that a more up-to-date understanding of market demand has been considered.

2.53 In summary, whilst St Philips would support the inclusion of a housing mix policy within the Local Plan Review, the Council should not be overly prescriptive in the application of a principally demographically derived District-wide housing mix. Indeed, the SSHMA is clear that the “*profile set out is a guide to the overall mix of accommodation required in South Staffordshire although it is acknowledged that the Council may wish to divert away from this profile in particular instances*” (Para 8.12). Should the Council elect to include a District-wide housing mix, St Philips consider that any policy should also include policy provisions that enable developments’ housing mixes to come forward having regard to local characteristics, market demand, and more up to date evidence.

Policy HC7 - Self & Custom Build Housing

2.54 The NPPF is clear that, in determining the number of homes need, strategic policies should be informed by a local housing need assessment (Para 60), and that within this context the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, *inter alia*, people wishing to commission or build their own homes) (Para 62).

2.55 The PO includes the direction of travel for draft Policy HC7 (Self & Custom Build Housing), which supports proposals for Self and Custom Build Housing [SCBH] “*where they accord with other development plan policy requirements*” and major developments having regard to the identified need for SCHB, with provision agreed on a site by site basis. In essence, and as stated in the Council’s Viability Assessment, the Council’s proposed direction of travel is a policy that does not propose any requirements and merely supports proposals for SCHB (Pg. 60).

2.56 In general, St Philips supports the proposed direction of travel for draft Policy HC7 (Self & Custom Build Housing), as it would align with the requirement set out in the NPPF (Para 62). St Philips also welcome the proposed flexible approach set out in the Council’s direction of travel

¹⁹ Data from the Regulator of Social Housing’s Statistical Data Return and trends indicated within the English Housing Survey and by the Census.

²⁰ PPG ID: 2a-023

²¹ The English Housing Survey 2019-2020 surveyed 13,332 households between April 2019 and March 2020 and 12,300 dwellings between April 2018 and March 2020.

for the proposed policy, as the need to deliver such housing should reflect the level of demand within the area.

- 2.57 In this regard, and as the Council should be aware, the Self-Build and Custom Housebuilding Act 2015 and subsequent Self-Build and Custom Housebuilding (Register) Regulations 2016 require authorities to maintain a register of those who have expressed an interest in buying serviced plots. In this context, the NPPF is clear that plans should contain “*policies that are clearly written and unambiguous, so it is evident how a decision-maker should react to development proposals*”. As such, St Philips consider that the Council’s policy should explicitly set out the evidence against which applicants should establish whether there is an ‘identified need’. In particular, St Philips notes that the Council does not publish annually any data on the level of demand for SCHB, or how it has met its statutory duty to grant suitable permissions for the SCHB plots within the monitoring year. Accordingly, St Philips would recommend that the Council publish these reports, and ensure that the wording of the draft policy refers to the need established within these reports accordingly. This would ensure that the policy is clear and unambiguous, and fundamentally sound.

Policy HC11 - Space about dwellings and internal space standards

- 2.58 It is important to note that St Philips recognises the importance of including design-based policies within the Local Plan Review “*to ensure that new development enhances the existing character of the District and provides a good quality of life to existing and future residents.*” (Para 6.12). Similarly, St Philips supports the need to ensure improved housing standards are delivered by requiring developments to meet Nationally Described Space Standards [NDSS]. As such, St Philips support the principle of the direction of travel for draft Policy HC11 (Space about dwellings and internal space standards), particularly given that it is fairly consistent with the space standards set out in Appendix 6 of the adopted Core Strategy (2012).
- 2.59 However, whilst similar space standards are already adopted, St Philips would draw the Councils attention to Footnote 49 of NPPF paragraph 130(f), which states that policies may “*make use of the nationally described space standard, where the need for an internal space standard can be justified.*” As set out under paragraph 31, all policies should be “*underpinned by relevant and up-to-date evidence*”, and “*should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned.*” Additionally, the PPG²² sets out: “*Where a need for internal space standards is identified, the authority should provide justification for requiring internal space policies. Local planning authorities should take account of [need, viability and timing]*”
- 2.60 On the basis of the above, St Philips would advise the Council that, should it wish to proceed with a policy approach that requires the delivery of dwellings to the NDSS, the Council should provide a local assessment evidencing the case for the District in accordance with the NPPF and PPG. This evidence will be crucial to underpinning the Council’s proposed policy approach and will be necessary to ensure the policy can be found sound.

Policy HC12 - Parking Standards

- 2.61 The PO recognises the importance of adapting to climate change, and that road transport is the District’s biggest generator of carbon emissions; largely due to the SRN within the District, but also a preference of residents of the District to drive to other towns for work (Para 6.15). St Philips also welcomes the Council’s acknowledgement that whilst locating development in close proximity to existing rail and bus networks could mitigate this, that electric vehicle charging

²² PPG ID: 56-020

points [EVCP] will also need to play a role to facilitate a move to sustainable transportation modes (Para 6.15).

- 2.62 The NPPF is clear that transport issues should be considered from the earliest stages of plan-making so that opportunities for changing transport technology and usage are realised (Para 102b). It goes on to state that, if an LPA is setting local parking standards for residential development, policies should take account of the need to ensure an adequate provision of spaces for charging plug-in and other ultra-low emission vehicles (Para 105e).
- 2.63 As such, St Philips is supportive of the encouragement for the use of electric vehicles [EV], particularly given the Council has declared a climate change emergency,²³ and this would align with the ambitions of the NPPF. This is also particularly pertinent given the Prime Ministers recent commitment at the Confederation of British Industry annual conference to ensure that every new home and building has EVCPs.
- 2.64 In terms of residential development, St Philips supports the principle of ensuring that infrastructure is put in place in new dwellings to support the ability of residents to charge EVs – which is supported by the NPPF (i.e. Paras 102b and 105e) – particularly given that most EV charging is done at home and it is expected that this trend will continue given it is often the most convenient and cost-effective form of charging.²⁴ However, St Philips disagrees with the Council’s proposed direction of travel for residential dwellings proposed as a part of draft Policy HC12 (Parking Standards).
- 2.65 In particular, St Philips considers that the Council should acknowledge the diversity of different charging speeds depending on the type of vehicle and type of charge point. At present, there are many different types of EVCP infrastructure depending on the manufacture of the EV. As such, one EVCP may not suit the EV demands of all future residents. This reflects the fact that the EV market is still at a relatively early stage but is becoming increasingly diverse. Moreover, one disadvantage of installing EVCPs across an entire development is that there is a significant level of uncertainty over how much infrastructure will be required by when.
- 2.66 In this context, St Philips considers that a planning policy that requires the provision of underground cabling and/or ducting for an EVCP is in place would allow for the proportional expansion of the charging network in the future as demand grows, with minimal disruption and additional cost for excavation and labour. This would allow residents to easily install the necessary EVCP required to meet their needs as when this is required; a process that does not require planning permission and can be done through Permitted Development Rights (Part 2 Class D & E). Such modified wording would ensure the Policy is justified as per NPPF paragraph 35(b), and “*aspirational but deliverable*” as per NPPF paragraph 16(b).
- 2.67 As such, St Philips considers that it would be more advocative for developments to make provision for appropriate cabling/infrastructure rather than installation of EVCP themselves. This is because this allows future residents to ensure vehicle specific EVCP are installed at the relevant time they take occupation of the house. Fundamentally, it ensures a consistent approach to future-proofing the housing stock and allows the policy to be more flexible as demand and technologies change and improve over time.
- 2.68 As an aside, the NPPF requires Local Plans to have regard to the economic viability of sites (Para 68) and that contributions should not undermine the deliverability of the Local Plan (Para 34). This position is further supported within the PPG, which states that “*Plans should set out policies for the contributions expected from development to enable fair and open testing of the*

²³ Declared 10th September 2019

²⁴ A number of studies show that the vast majority of current EV owners charge their car at home. These findings are summarised in Hardman, S, et al (2018) - ‘A review of consumer preferences of and interactions with electric vehicle charging infrastructure’, Transportation Research Part D: Transport and Environment (Volume 62).

*policy at examination*²⁵ (i.e. a supporting viability assessment of planning contributions and policies). It is noted that the cost of EVCPs has been included within the Council's Viability Assessment which includes an allowance of £500 per dwelling for an EVCP.

- 2.69 However, neither the Viability Assessment nor its Appendix 1 justify this cost. St Philips note that the Government's estimated cost for the installation of EVCPs is £976 per car parking space for an average home.²⁶ Notwithstanding St Philips' comments on an alternative policy approach above, it is considered that should the Council proceed with the proposed policy approach, it should provide further justification for this cost within the Viability Assessment, or alter the cost to match the Government average costs accordingly. This will be necessary to ensure that the requirements of NPPF (Para 31, 34 and 68) have been addressed and that the proposed policy is sound.

Question 12:

- a ***It is proposed that the fully drafted policies in this document (Policies DS1-DS4 and SA1-SA7) are all strategic policies required by paragraph 21 of the NPPF. Do you agree these are strategic policies? Yes/No***

- 2.70 Yes. St Philips agrees with the Council that the draft Policies set out in Policies DS1-DS4 and SA1-SA7 are strategic policies as defined by paragraph 21 of the NPPF.

- b ***Are there any other proposed policies in Chapter 6 that you consider should be identified as strategic policies? Yes/No***

If yes, then please provide details including the Policy Reference (e.g. HC1 – Housing Mix)

- 2.71 No. St Philips do not consider that any of the draft policies set out in Chapter 6 should be identified as Strategic Policies.

²⁵ PPG ID: 23b-004

²⁶ DfT (July 2019) *Electric Vehicle Charging in Residential and Non-Residential Buildings*, page 7

Appendix 1 Lichfields' Unmet Housing Needs Report

**Distributing the unmet
housing needs of the
GBBCHMA
Functional Housing Market
Analysis**

St Philips and Taylor Wimpey

December 2021

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Appendices

Appendix 1 Birmingham HMA Functional Model

Appendix 2 Black Country HMA Functional Model

1.0 Introduction

- 1.1 This report has been prepared by Lichfields, on behalf of St Philips Land Ltd (“St Philips”) and Taylor Wimpey, to consider how the unmet housing needs of the Greater Birmingham and Black Country Housing Market Area [GBBCHMA] could sustainably be distributed amongst neighbouring districts based upon the functional relationships between the authorities. This is not an ‘Objectively Assessed Needs [OAN] report. It has been prepared in support of both St Philips and Taylor Wimpey’s respective representations to the South Staffordshire Local Plan Preferred Options (“the PO”) consultation which runs between 1 November and 13 December 2021.
- 1.2 It is important to note that both St Philips and Taylor Wimpey welcome the South Staffordshire Council’s (“the Council”) commitment to assisting in addressing the unmet housing needs of the GBBCHMA – which at present is proposed as c.4,000 dwellings over the plan period. However, the purpose of this report is to demonstrate to the Council that there is a clear and cogent need to underpin their proposed contribution with a robust evidence base that sustainably capitalises on the socio-economic links the District has with the main conurbations. Importantly, this report provides an evidence-led approach to the Council to assist in addressing this important and strategic cross-boundary matter.
- 1.3 It should be noted that a Briefing Note, which set out a high-level functional housing market analysis for the District, was previously submitted in support of St Philips representations to the South Staffordshire Spatial Housing Strategy & Infrastructure Delivery (“the SHSID”) consultation in 2019. This initial high-level functional housing market analysis explored how the needs of Birmingham and the Black Country could be distributed across the GBBCHMA and concluded that South Staffordshire would need to accommodate c.23% of the total unmet needs of the GBBCHMA – or c.14,000 dwellings. However, following updates in the level of unmet housing need within the GBBCHMA, coupled with the clear breakdown in the GBBCHMA-wide approach to addressing cross-boundary matters, Lichfields has updated this analysis accordingly.

Structure

- 1.4 This report is structured as follows:
- Section 2.0 – Sets out the Council’s proposed approach to addressing the unmet housing needs of the GBBCHMA through the emerging Local Plan Review;
 - Section 3.0 – Defines the extent of the GBBCHMA and the Birmingham and Black Country sub-markets;
 - Section 4.0 – Sets out the current unmet housing need position across the GBBCHMA, explores the genesis of, and the quantum of the need, and defines the scale of unmet housing needs within the Birmingham and Black Country sub-markets to be met up to 2031 and 2039 respectively;
 - Section 5.0 – Sets out the approaches taken by other GBBCHMA authorities, the need for an evidence-led approach, and Lichfields’ approach to modelling the location of where the Birmingham and Black Country sub-markets unmet housing needs should be addressed;
 - Section 6.0 – Sets out Lichfields’ step-by-step analysis of key indicators to conclude on where the how much of the Birmingham and Black Country sub-markets unmet housing needs should be addressed within South Staffordshire; and
 - Section 7.0 – Provides Lichfields’ conclusions on the quantum of unmet housing needs which the Council should be testing and planning to meet through its Local Plan Review.

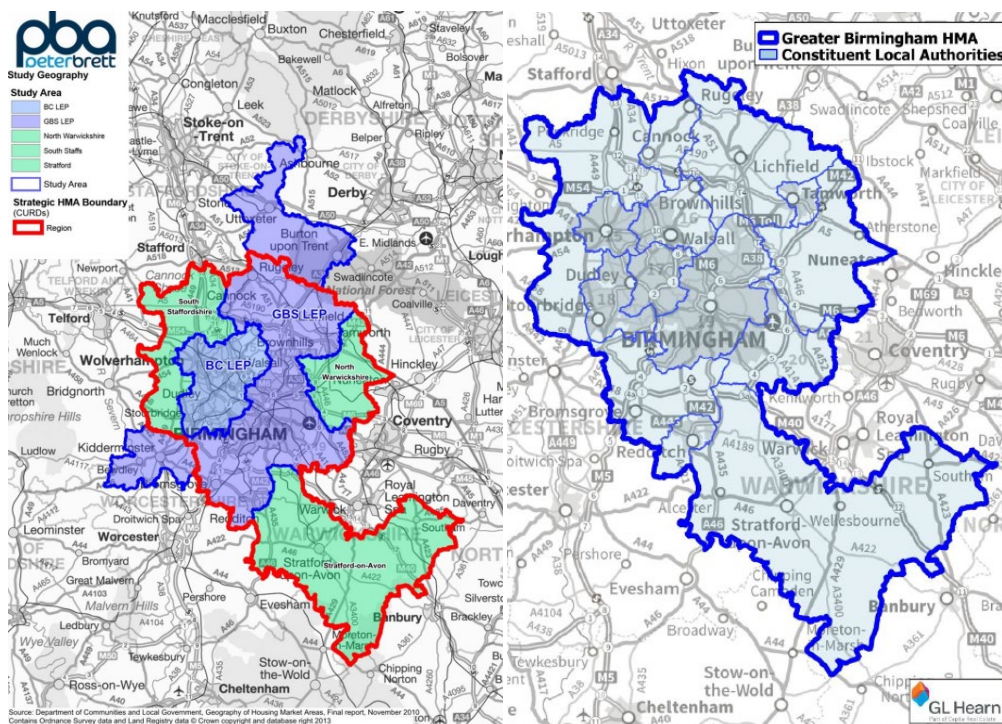
2.0 The Council's Current Approach

- 2.1 As stipulated by the Examining Inspector, Policy SAD1 of the Council's *'Site Allocations Document'* (2018) [SAD] required the Council to carry out an early review of its Local Plan in order to respond to the evidenced unmet housing needs across the Greater Birmingham Housing Market Area. Consequently, following the adoption of the SAD in September 2018, the Council began its Local Plan Review in October 2018.
- 2.2 As a part of the 'Issues and Options Consultation (October 2018)' [IOC] the Council set out five housing growth policy options (A-E). Option A provides only enough housing to meet South Staffordshire's OAN. Options B-E include additional housing contributions on a sliding scale to help meet the unmet needs of the wider GBBCHMA that were underpinned by the Areas of Search identified in the '2018 Strategic Growth Study' [SGS]. For South Staffordshire, the SGS identified 6 Areas of Search across the District, comprising a range of Urban Extensions, New Settlements and Employment-led opportunities (Table 5), which it recommended should be *"assessed in further detail by individual councils through the preparation of local plans"* (Para 1.42). Option B only made provision for c.1,250 dwellings, whereas Options C-E made higher provision based on the minimum (4,000 dwellings), mid-point (12,000 dwellings) and maximum (20,000 dwellings) *"having regard to the capacity implied by the Green Belt and Open Countryside strategic areas of search set out in the HMA Strategic Growth Study"*.
- 2.3 These options were subsequently tested through the *'Sustainability Appraisal of the South Staffordshire Local Plan Review: Issues and Options'* (September 2018) [the IOC SA]. Importantly, the IOC did not define the Council's preferred approach, but rather considered a range of five potential future spatial strategies to meet the District's OAHN plus a sliding scale of unmet housing need across the wider HMA up to 2037.
- 2.4 Following this, the Council consulted on the South Staffordshire Spatial Housing Strategy & Infrastructure Delivery [SHSID] and the Infrastructure Delivery Plan 2019 [IDP] between October and December 2019. This consultation 'confirmed' the Council's housing requirement, based on the local housing need [LHN] figure based on the standard method, and a c.4,000 dwelling contribution towards the GBBCHMA's unmet housing needs and sought views on how the Council's housing target could be best planned for through a variety of Spatial Housing Options.
- 2.1 The Council is now undertaking a consultation on the PO, which builds upon the responses received to the IOC and SHSID and arrives at an amended infrastructure-led strategy. Alongside proposed site allocations to meet the District's housing, employment and the Gypsy and Traveller community's needs, it once again reaffirms the Council's proposed provision of c.4,000 dwellings towards meeting the unmet needs of the GBBCHMA.

3.0 The Housing Market Area

- 3.1 In 2014, the ‘Strategic Housing Needs Study Stage 2 Report’¹ (“Stage 2 Report”), commissioned by the Greater Birmingham and Solihull Local Enterprise Partnership [GBSLEP] and the Black Country Authorities [BCA], was published. The purpose of the Stage 2 Report was to assess future housing needs across the area and to set out options on where those needs could be met.
- 3.2 Importantly, it concluded on a functional strategic housing market area [HMA] that, in addition to the seven Greater Birmingham districts, includes the four Black Country districts, South Staffordshire, North Warwickshire and Stratford-on-Avon² (of whom the latter two also fall within the Coventry-Warwickshire HMA). This strategic functional HMA was subsequently endorsed by the Inspector at Birmingham City Council’s [BCC] Birmingham Development Plan [BDP] (2011-2031) Examination in Public [EiP].

Figure 3.1 Greater Birmingham and Black Country Constituent Parts and Overall Housing Market Area Geography



Source: Strategic Housing Needs Study Stage 2 Report November 2014 (Figure 2.1) and Greater Birmingham HMA Strategic Growth Study February 2018 (Figure 11)

- 3.3 Following the adoption of the BDP, which included an accepted housing shortfall of c.37,900 dwellings and included a policy requirement for neighbouring authorities to assist in taking up the unmet need (Policy TP48), the GBBCHMA authorities jointly commissioned the SGS. The SGS drew on this long-established functional strategic HMA as the framework and starting point for distributing Birmingham’s unmet housing needs.
- 3.4 The GBBCHMA is therefore considered to comprise of 14 constituent authorities³, as well as the Greater Birmingham and Solihull LEP and Black Country LEP areas, but can be further refined into two submarkets: the Birmingham sub-market (“the Birmingham HMA”) and Black Country sub-market (“the Black Country HMA”). In the context of South Staffordshire, whilst the

¹ Prepared by Peter Brett Associates

² East Staffordshire and Wyre Forrester were not included as they fell outside of the core Greater Birmingham housing market area.

³ Birmingham, Bromsgrove, Cannock Chase, Dudley, Lichfield, North Warwickshire, Redditch, Sandwell, Stratford-on-Avon, , South Staffordshire, Solihull, Tamworth, Walsall and Wolverhampton

District falls within the GBBCHMA, the Council's 'South Staffordshire Housing Market Assessment (May 2021)' [SSHMA] clearly identifies that the District is more closely linked with the Black Country (Para 1.28).

4.0 **The Origins and Scale of Unmet Housing Needs**

4.1 As set out above, the GBBCHMA can be further refined into the two sub-market areas; the Birmingham HMA and the Black Country HMA. Crucially, it is these areas, comprising the main conurbations within the GBBCHMA, which are unable to meet their housing needs as a result of constrained land supplies. However, by virtue of the fragmented plan-making process across the region, the respective Local Plans and consequent levels of unmet housing needs span different periods and it can be difficult to disentangle the levels of unmet housing need and the extent to which it is being addressed, and by whom. To this end, this section sets out the different levels of unmet housing need across the two sub-markets within the GBBCHMA.

Birmingham HMA

4.2 As set out above, the BDP identified a need for 89,000 homes over the period 2011-31, against a supply of just 51,100 homes – hence a shortfall of 37,900 homes to 2031. To address this, Policy PG1 (Overall levels of growth) of the BDP stated that the BCC would “*work actively with neighbouring Councils through the Duty to Co-operate to ensure that appropriate provision is made elsewhere within the Greater Birmingham Housing Market Area*”. This was further expanded on in Policy TP48 (Monitoring and promoting the achievement of growth targets), in which BCC stated that they would monitor the progress of meeting these needs through neighbouring authorities respective Local Plan Reviews, which needed to adopt a plan within three years of the adoption of the BDP. As such, how to sustainably address this very substantial level of unmet housing need has been the subject of considerable and complex debate since the adoption of the BDP.

4.3 However, following the adoption of the BDP, the SGS calculated a range of housing need scenarios (e.g. 2011-2031 and 2011-2036), a number of assumptions on the supply of housing (which included increasing the density on sites⁴) and a non-implementation discount ranging from 5%-15%. The SGS concluded that the shortfall across the GBBCHMA (as the SGS does not provide a breakdown of need by individual district) would be up to 15,150 by 2031, and 47,855 by 2036. The 2031 figure represents a marked reduction on the adopted 37,900 dwelling shortfall, which was largely underpinned by increasing densities.

4.4 Over the following years, the Council released several updates to this position, which updated the GBBCHMA’s unmet need figure up to 2031. Principally these included the ‘*Housing Need and Housing Land Supply Position Statement*’ (September 2018) (‘the 2018 Update’) and most recently the ‘*Greater Birmingham and Black Country Housing Market Area (GBBCHMA) Housing Need and Housing Land Supply Position Statement*’ (July 2020) (‘the 2020 Position Statement’).

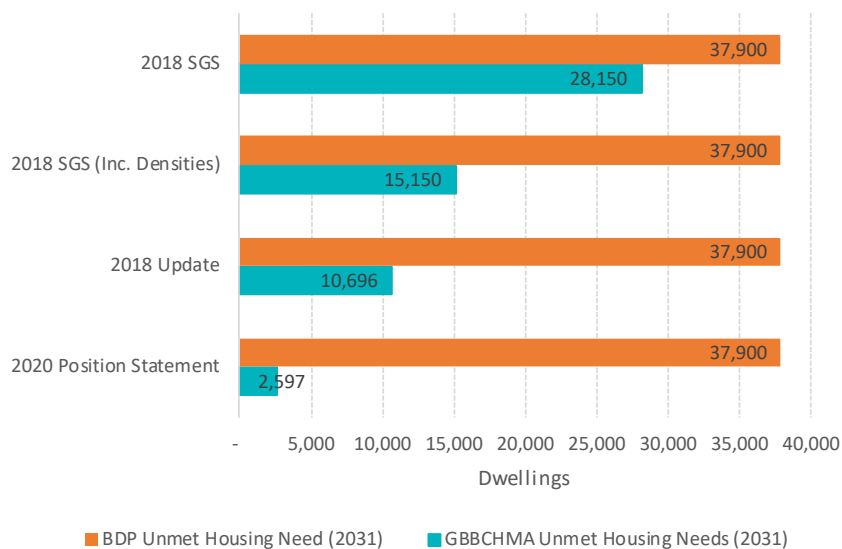
4.5 Each of these updates has featured very different land supply positions, generally reflecting either changing supply evidence or differing assumptions on densities.⁵ Indeed, the latest position reflected BCC’s ‘*Strategic Housing Land Availability Assessment*’ [SHLAA] 2019 data, which concluded that completions over 2011 to 2019 had exceeded the requirement by c.1,374 dwellings and that the Council’s supply of land has increased by c.14,300. Nevertheless, throughout each update, the level of unmet housing needs up to 2031 appears to have decreased.

⁴ Which would boost supply by a further 13,000 homes.

⁵ The land supply data in the 2018 Update suggested that the supply had increased by 5,629 since the 2018 SGS. However, the land supply figures are not quite directly comparable, as the 2018 Update removes the 5%-15% non-implementation discounts on supply. Furthermore, it does not apply the 13,000 additional dwellings resulting from the increased densities.

Indeed, the July 2020 Position Statement concluded that the unmet need was now ‘just’ 2,597 dwellings to 2031.

Figure 4.1 Comparison of GBBCHMA Unmet Needs



4.6

Despite the above, arguably, the only adopted – and examined – shortfall is that which has been set out in the BDP. Therefore, the actual figure BCC ought to be considering the contributions against remains the adopted 37,900 shortfall. Moreover, as set out in Lichfields’ *All the West-Laid Plans* blog,⁶ this position is now over a year old, and there are critical flaws in the assumptions underpinning the direct contributions summarised within the 2020 Position Statement – set out in Table 4.1 below.

Table 4.1 Unmet Need contributions in the GBBCHMA Authorities

LPA	Current / Emerging Plan	Provision for GBBCHMA Unmet Need
Bromsgrove	Issues and Options	TBD
Cannock Chase	Preferred Options	500-2,500
Lichfield	Draft Plan	4,500
Redditch	Not started	N/A
Solihull	Examination	2,000
Tamworth	Not started	N/A
North Warwickshire	Adopted	3,790 + 620
Stratford on Avon	Adopted/Preferred Options ⁷	2,720
Black Country authorities	Draft Plan	N/A
South Staffordshire	Preferred Options	4,000
HMA Total		18,130-20,130

Source: Appendix 2, Greater Birmingham and Black Country Housing Market Area (GBBCHMA) Housing Need and Housing Land Supply Position Statement’ (July 2020) and Lichfields Analysis

⁶ Available at: <https://lichfields.uk/blog/2021/august/9/all-the-west-laid-plans-the-unmet-housing-needs-of-the-greater-birmingham-and-black-country-housing-market-area/>

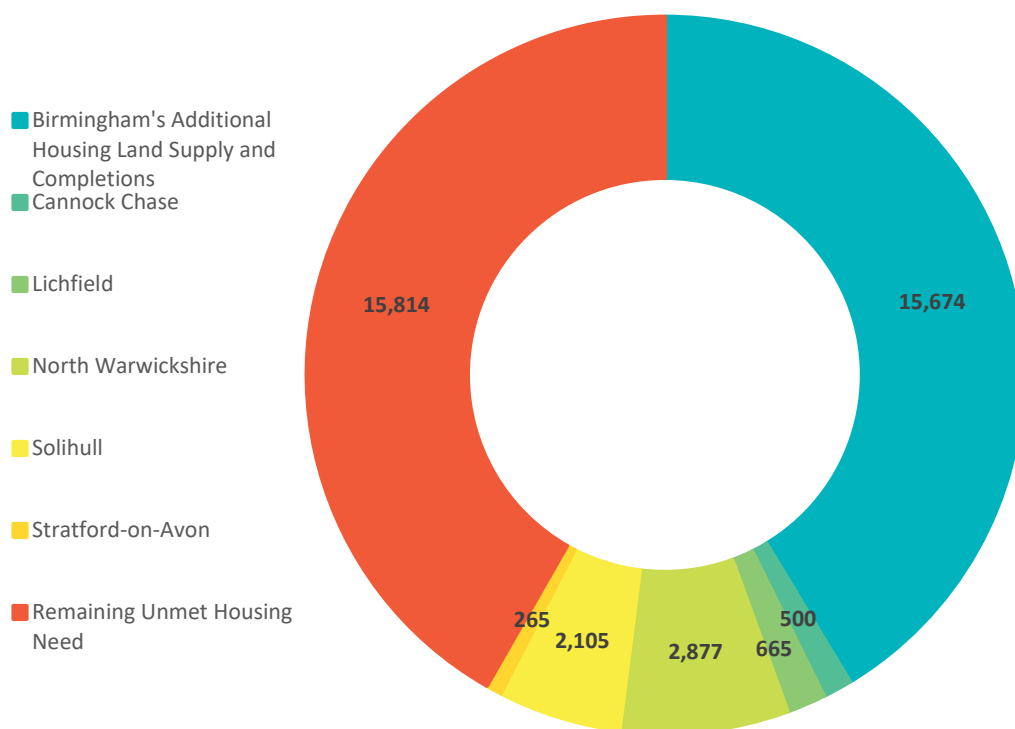
⁷ The Stratford-on-Avon Core Strategy was adopted 11 July 2016. However, the Council is preparing a Site Allocations Plan, per the requirements of Policy CS.16 (Housing Development) of the Core Strategy, to identify reserve housing sites to meet the needs of (*inter alia*) the GBBCHMA and C&WHMA. Stratford-on-Avon recently consulted on its Site Allocations Plan Preferred options in October 2020.

- 4.7 However, and most importantly, of the contributions set out above, BCC has ‘banked’ all of the commitments for the whole of the GBBCHMA, including any commitments for the Black Country HMA. Furthermore, several of the contributions are now markedly lower than were originally stated. By way of example:
- 1 **South Staffordshire – ‘Up to 4,000’:** The Council’s PO report is clear that its current proposed contribution is for the wider GBBCHMA (e.g. Birmingham and the Black Country) (Para 4.6). However, the Council has not specified the proportion which would be for each of the sub-HMAs. Furthermore, there are no signed Statements of Common Ground [SoCG] or Memorandums of Understanding [MoU] agreeing to any or all of this contribution to help meet Birmingham’s needs. Given the Council’s geographic, social and economic links with the Black Country, it is therefore unclear how much of the Council’s emerging contribution can realistically be said to be exclusively Birmingham’s. At best, only a small part of this contribution is likely to be meeting the Birmingham HMA’s unmet needs, with the bulk going towards the Black Country HMA’s. Indeed, the BCAs have requested the entire 4,000 dwelling contribution should go towards meeting their needs alone.⁸
 - 2 **Lichfield – ‘4,500’:** In the Lichfield District Local Plan 2040 Regulation 19 consultation, Lichfield City Council has reduced its contribution from c.4,500 to c.2,665. Moreover, the Council is apportioning 75% of this contribution to help meet the Black Country HMA’s emerging unmet housing need, reducing its contribution to Birmingham from 4,500 to just **665** (paragraph 4.22);
 - 3 **North Warwickshire – ‘3,790 + 620’:** The North Warwickshire Local Plan has now been adopted. The Inspector’s Report notes that the MoU between “*NWBC and BCC and TBC acknowledge that the ‘discrete’ figure of 913 homes is subsumed within the overarching figure of 3,790*” (IR127). In essence, only 2,877 dwellings are actually going towards meeting the Birmingham HMA’s unmet housing needs; and
 - 4 **Stratford on Avon – ‘2,720’:** The 2020 Position Statement states that this c.2,720 dwelling contribution arises from the Coventry and Warwickshire MoU, which estimated that c.50% of the Council’s c.5,440 dwellings, above its demographic need, could be apportioned 50/50 between the GBBCHMA and Coventry and Warwickshire HMA. However, this is completely at odds with the Inspector’s conclusions at the Core Strategy Examination and the purpose of Policy CS.16, which is to provide a mechanism to meet these needs. Indeed, the Inspector was clear that the “*MoU has identified a figure but this is based on an incorrect assumption that everything over and above the demographic need is ‘surplus’ and available to meet the needs of others.*” (IR62). Stratford-on-Avon is currently progressing a Site Allocations Plan [SAP], in accordance with Policy CS.16 (Development Strategy) of the Core Strategy. The policy required the Council to release reserved housing sites to meet four purposes, including meeting the needs of the GBBCHMA. As a part of this emerging SAP, Stratford-on-Avon is proposing to allocate 4 sites, totalling 265 dwellings, to meet the unmet needs of Birmingham up to 2031 (purpose d). In essence, only the 265 dwellings being brought forward through the emerging Site Allocations Plan would contribute towards Birmingham, as the economic-based growth above the district’s demographic need cannot be attributed to meeting Birmingham’s needs.
- 4.8 Taking all of this into account, whilst Birmingham’s unmet housing need may well have reduced from the original 37,900 in 2017 due to BCC’s increased completions over the 2011-2019 period and an increased land supply, Lichfields considers that even with the emerging commitments there would remain a likely – and at present, unaccounted – shortfall of between c.11,814-15,814

⁸ A letter (dated December 2019) from the Association of Black Country Authorities requests that the whole contribution is made towards the Black Country’s unmet needs, rather than Birmingham’s.

dwelling up to 2031⁹ – the actual committed contribution are shown in Figure 4.2 below, but excludes the Council’s proposed 4,000 dwelling contribution as it is unclear as to whether this will be solely to meet the Birmingham HMA’s needs. Fundamentally, this is because several of the ‘banked’ housing contributions from other HMA districts are earmarked to help meet the Black Country HMA’s needs.

Figure 4.2 Contributions towards Birmingham's unmet housing needs up to 2031



Source: Lichfields’ analysis

4.9 There are two issues with this. Firstly, this is, of course, only addressing the Birmingham HMA’s unmet housing needs up to 2031, and it is very likely that there will be a very considerable level of additional unmet housing need arising in Birmingham as a result of the City being subject to the Government’s 35% urban uplift¹⁰ on its local housing need figure, whilst the LHN figure will rise still further to 6,750 dpa when the standard method Local Plan ‘cap’ is removed in January 2022.¹¹ However, the scale of the future unmet need beyond 2031 is not known at this time, as BCC has only recently begun its Local Plan Review process in January 2021. And finally, given Lichfields’ contention that these emerging commitments have not been underpinned by a robust evidence base, if BCC’s completions and commitments and North Warwickshire’s adopted commitment were factored against the BCC’s adopted shortfall, there remains a shortfall of **c.19,349** dwellings to be distributed across the GBBCHMA up to 2031.

⁹ Dependent on how much of South Staffordshire’s 4,000 dwelling contribution can go towards Birmingham’s needs.

¹⁰ Birmingham is subject to the 35% urban centres uplift, following the Government’s changes to the standard method in December 2020 as set out in the Planning Practice Guidance.

¹¹ PPG ID: 2a-004: “Where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is the higher of: a. the projected household growth for the area over the 10 year period identified in step 1; or
1. the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).”

Black County HMA

- 4.10 Whilst the primary purpose of the SGS was to assist the GBBCHMA authorities in addressing the c.37,900 dwelling unmet housing needs of Birmingham up to 2031, it became evident throughout its production, along with the emergence of the Black Country Plan Review, that other authorities within the GBBCHMA were also facing significant land supply pressures. This was alluded to in the SGS and subsequent Position Statements, and the genesis of this additional unmet housing need has seen the precise figure fluctuate, but it has more recently been confirmed in the publication of the Draft Black Country Plan in August 2021 which identified an unmet need of 28,239 dwellings up to 2039.
- 4.11 In this context, the BCA's '*Issues and Options Black Country Core Strategy*' (June 2017) consultation identified an additional shortfall of around 21,670 homes over the period 2014-2036 for the BCAs, separate from the existing unmet need in Birmingham. This was based on the 2017 Strategic Housing Market Assessment [SHMA] for the area, which identified a need for 78,190 homes between 2014 and 2036. Deducting 5,678 housing completions between 2014-16; 42,507 existing housing supply in the urban area; and a further 8,335 further housing supply in the urban area (totalling 56,520) left 21,670 to be found between 2016 and 2036. The BCS also committed to providing a further 3,000 homes beyond the local need to 2031 for Birmingham's shortfall, thus resulting in an overall unmet need of c.24,670 homes.
- 4.12 This was followed by the publication of the '*Black Country Urban Capacity Review*' (December 2019), which reviewed the assumptions about the supply of land for housing and opportunities to maximise delivery in the urban area to quantify the potential development capacity across the urban area. Notably, it identified a c.26,920 dwelling unmet need up to 2038. This was consequently followed up by an update in May 2021, in which the '*Black Country Urban Capacity Review Update*' (May 2021) concluded that this 'remained significant', but had increased to c.36,819 dwellings up to 2039, despite "*reviewing all potential sources of housing capacity, making a series of structured assumptions around density and windfalls, and comprehensively exploring the capacity on occupied employment land in the context of up-to-date employment land evidence*" (paragraph 4.3).
- 4.13 However, as noted above, in the Draft Black Country Plan, published for consultation in August 2021, the BCAs identified that the housing shortfall had decreased to c.28,239 dwellings up to 2039 across the Black Country. It is fundamentally unclear as to the actual source of land supply attributable to the reduction of the shortfall from 36,819 dwellings to 28,239 dwellings, though it is inferred this is derived from sites released from the Green Belt in addition to other sources such as increased densities and/or employment land.
- 4.14 In any event, this is, of course, on top of the existing shortfall in Birmingham up to 2031. However, as a part of this consultation, the BCAs recently set out¹² the direct and indirect 'offers' from neighbouring authorities, which could total up to 14,750 dwellings, suggesting that the shortfall would still be in the order of c.13,489 dwellings up to 2039. However, notably, these contributions comprise the Birmingham HMA's 'banked' contributions, alongside looking beyond the GBBCHMA towards Stafford, Shropshire, Telford and Wrekin and Wyre Forrest¹³ – authorities which fall outside of the GBBCHMA – many of which have not been confirmed in SoCGs or MoUs. This is clearly leading to a degree of double counting.
- 4.15 Notwithstanding this, the precise scale of the Black Country HMA's unmet needs remains at least 28,239 dwellings up to 2039 until such time as these commitments have been adopted through the respective Local Plans.

¹² In the Duty to Cooperate Statement (July 2021)

¹³ Draft Policy 6A of the Wyre Forrest District Local Plan 2016-2036 includes an early review requirement to help meet these needs if required.

Table 4.2 Direct and Indirect Contributions to Black Country's housing shortfall

HMA Authority	Emerging Plan Status	Potential Contribution
South Staffordshire	Preferred Options	4,000
Cannock Chase	Preferred Options	500
Lichfield	Pre-submission	2,665
Shropshire	Examination	1,500
Stafford	Issues and Options	Under review
Solihull	Examination	2,105
Telford and Wrekin	Issues and Options	Under review
Bromsgrove	Issues and Options	Under review
Redditch	N/A	N/A
North Warwickshire	N/A	N/A
Tamworth	Review	Unlikely
Wyre Forest	Main Modifications	None
Total		10,770

Summary

- 4.16 Across the GBBCHMA the level of unmet housing needs from the two conurbations has fluctuated significantly since 2017. Whilst the Birmingham HMA identified an unmet need of 37,900 dwellings in 2017 and has made some progress in reducing this figure through windfall completions and an increased land supply, a shortfall of between c.11,814-15,814 dwellings still exist up to 2031 based on emerging commitments; albeit, there are legitimate questions regarding whether all of BCC's purported land supply is actually deliverable and whether these commitments are robustly evidenced. However, and importantly, if BCC's completions and commitments and North Warwickshire's adopted commitment were factored against the BCC's adopted shortfall and the emerging commitments are disregarded, there is actually a shortfall of **c.19,349** dwellings to be distributed across the GBBCHMA up to 2031 – see Table 4.3 below.
- 4.17 Furthermore, a considerable level of unmet need is also likely to arise beyond 2031 and up to 2039, as alluded to in the SGS but worsened by the Government's changes to the standard method calculation. Indeed, Birmingham's LHN figure, prior to the implementation of the 35% urban centres uplift was 3,577 dpa, due to the implementation of the standard methods cap, which had the effect of artificially lowering the city's housing requirement. Of course, the urban centres uplift has increased this (c.4,829 dpa); however, as of January 2022, when the BDP becomes more than 5 years old, the standard method cap would then be applied to the projections, which would have the effect of significantly increasing the city's need to 6,750 dpa – a 52% increase on the BDPs objectively assessed needs. There is, therefore, very likely to be an even more significant shortfall in Birmingham post-2031 on this basis.
- 4.18 In addition to this, the Black Country HMA's position has markedly worsened, with the most recent consultation identifying a **c.28,239** dwelling unmet need up to 2039. In essence, collectively, the GBBCHMA currently has, at the very least, a **c.47,588** dwelling unmet need arising up to and between 2031 and 2039 – see Table 4.3 below.
- 4.19 However, notably, the above also highlights that there has been a fundamental breakdown in the whole-GBBCHMA approach originally set out in the SGS and subsequent Position Statements, with the sub-HMAs separately vying for the same contributions from members of the GBBCHMA, and the Black Country HMA looking markedly beyond the boundaries of the strategic HMA to help address its needs. At present, this disjointed and un evidenced approach

by the sub-HMAs is likely to result in the region's housing needs not truly being met. The outcome of this will be that these needs will not disappear, and the GBBCHMA will either see a worsening of housing outcomes, such as increasing affordability pressures for those residents in Birmingham and the Black Country, or these households will need to look elsewhere within the GBBCHMA would result in higher levels of commuting into the conurbations.

Table 4.3 Summary of the sub-markets unmet housing needs up to 2031 and 2039

	Birmingham HMA	Black Country HMA
Identified Unmet Housing Need		
No. Dwellings	37,900	28,239
Period	2011 - 2031	2018 - 2039
Changes to Position Since Identification		
Windfall Completions	1,374 (2011-2019)	N/A
Increased Land Supply	14,300	N/A
Adopted Commitments from other authorities	North Warwickshire – 2,877	N/A
Outstanding Unmet Housing Need		
Unmet Housing Need yet to be addressed	19,349 Up to 2031	28,239 Up to 2039
GBBCHMA-wide	47,588	

Source: Lichfields' analysis

5.0 **Distributing Unmet Housing Needs**

5.1 The National Planning Policy Framework (2021) [NPPF] is clear that:

“Strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas”
(paragraph 11b) (Emphasis added)

5.2 It goes on to state that:

“The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals.” (paragraph 31) (Emphasis added)

5.3 It is also clear that Local Plans should be:

“based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground” (paragraph 35c) (Emphasis added)

5.4 In essence, the NPPF is clear that local planning authorities [LPAs] are required to work together to identify and meet (where it is sustainable to do so) the housing needs of the relevant HMA, underpinned by adequate, relevant and up-to-date evidence.

The Need for an Evidence-led Approach

5.5 In the context of the above, whilst it is welcomed that the Council has continued to commit to addressing part of the GBBCHMA unmet needs, Lichfields has concerns regarding the Council’s derivation of its 4,000-dwelling contribution. As set out above in Section 2, and reiterated within the PO (Para 4.10), the Council’s proposed c.4,000 dwelling contribution is underpinned by the *“scale of growth implied in the district by the strategic locations identified in the GBHMA Strategic Growth Study”*. Firstly, it is important to note that the SGS has not been formally examined, and therefore the findings of the SGS carry little to no weight. Secondly, such an approach is contrary to the clear caveats set out in the SGS, which stated that:

“It is important to recognise that further work will be undertaken in considering and testing the potential for strategic development by local authorities through their respective local plan processes...” (Para 1.41) (Emphasis added)

“For the avoidance of doubt, the identification of Areas of Search for strategic development in this report does not indicate that these areas could or should be brought forward for development. The purpose of the Study is to assess and shortlist potential Areas of Search for strategic development which can then be considered and assessed in further detail by individual councils through the preparation of local plans alongside further small and medium-sized sites. On the same note, LPAs may seek to explore strategic options which have not been considered through this Study, should those opportunities arise from their own plan-making processes.” (Para 1.42) (Emphasis added)

5.6 The quantum of growth identified within the SGS is therefore not a maximum or minimum, and it is for the Council to establish through its own Local Plan process, and – crucially – Sustainability Appraisal [SA] process, whether the sites identified, or other sites, could cumulatively form a package of sites that could sustainably contribute towards addressing these needs. Indeed, although not explicitly, the Council has acknowledged this point in its response

to the Solihull EiP in which the Council was clear that even “*if the Council does not consider the exact location proposed by that study [the SGS] to be deliverable, it should examine other land supply alternatives within its area more thoroughly before concluding that it cannot increase its contribution to GBHMA unmet needs*” (See the Council’s responses to Matter 3, Question 7). At present, the Council’s current approach relies upon a document that clearly caveats its findings and has not been robustly tested through the examination process. It is, therefore, not an appropriate or robust piece of evidence to underpin the Council’s Local Plans contribution towards the GBBCHMA unmet housing needs.

- 5.7 In addition to defining the scale of the GBBCHMA’s unmet housing needs, identifying how to sustainably address these needs has equally been the subject of a considerable debate; it has been at the heart of plan-making for the constituent authorities of the GBBCHMA and beyond for the last four years. Indeed, despite the production of the SGS, many authorities have – politically – distanced themselves from the outcomes of the study and it has not resulted in an agreed spatial distribution of these strategic needs. Although there are emerging contributions proposed, fundamentally there has not been a consistent or coordinated approach that has been used to define and test the appropriate level of unmet housing need which should be addressed. Few authorities have wedded themselves to existing outcomes, opting to define and test levels of growth with no clear links to the existing (untested) evidence base.
- 5.8 By way of example, Solihull has taken a capacity-led approach to determine its contribution to the GBBCHMA’s unmet needs. In particular, Solihull is proposing to contribute 2,105 dwellings, which equates to the difference between Solihull’s identified supply and its LHN figure for the plan period. Although it should be noted that the Inspector has questioned whether this is appropriate and indeed, the Council itself has suggested that such an approach is inappropriate (See the Council’s responses to Matter 3, Question 8).
- 5.9 In contrast, the recently adopted North Warwickshire Local Plan considered the proximity, connectivity and strength of functional inter-relationships with Birmingham; an approach which the Inspector supported.¹⁴ This was similar to the approach taken in distributing Coventry’s unmet needs across the Coventry & Warwickshire HMA. Again, the Inspector for the Stratford-on-Avon Core Strategy (2017) endorsed this approach.¹⁵
- 5.10 It is clear from the above, that whilst the GBBCHMA’s approach began with an evidence-led whole-HMA approach, this is no longer the case, with individual authorities taking different and inconsistent approaches to addressing this matter, with some even looking beyond the strategic HMA to address their needs (e.g. the Black Country).
- 5.11 In this regard, Lichfields considers that there is a requirement for the Council to prepare a robust and evidence-led approach to distributing the unmet housing needs of the Black Country and Birmingham and test the outcomes of this through the SA process. Without this, there is a very real risk that the region’s housing needs may not be fully met. Our view is that it should be a demand-led analysis similar in scope to the North Warwickshire work, rather than the current, constrained, supply-led analysis.

Functional Housing Market Relationships

- 5.12 Given the above, there is a clear and cogent need for these strategic cross-boundary issues to be addressed in an efficient, sustainable and appropriate way, underpinned by a robust evidence base. It is clear that a ‘fair share’ approach would not work as authorities such as Redditch and Tamworth are nearly as constrained as both Birmingham and the Black Country – this is a point

¹⁴ IR129, Inspectors Report

¹⁵ IR61, Inspectors Report

the Council agrees with in respect of a ‘pro-rata’ approach considered by the Solihull EiP Inspector (See the Council’s responses to Matter 3, Question 5).

- 5.13 Moreover, as stated by the Stratford-on-Avon Core Strategy Inspector, “*there is no point trying to meet the unmet needs of Birmingham in Glasgow because the socio-economic links would be lost.*” (IR61, Inspectors Report). Again, this is a point that aligns with the Council’s position taken at the Solihull EiP, in which the Council were clear that the approach to distributing these unmet housing needs should “*have regard to the existing and potential infrastructure opportunities, sustainability principles, public transport infrastructure and Green Belt purposes of broad locations across the GBHMA*” so as not to reinforce an “*unsustainable pattern of development across the GBHMA*” (See the Council’s responses to Matter 3, Question 5).
- 5.14 The NPPF requires housing needs to be met but does not explicitly set out a single, or definitive, approach to distributing this unmet need. Having regard to the above, the key question, therefore, is where outside of the Black Country HMA and Birmingham HMA will those needs arise and how much (and what proportion) of those unmet needs should that location seek to plan for? In this regard, Lichfields considers that there is a need to explore distributing the unmet housing needs of the Birmingham HMA and Black Country HMA based upon the functional relationships between the authorities to provide an evidence-led approach to addressing this matter. To this end, Lichfields has developed a three-stage ‘Functional Relationship and Gravity Model’, which builds on the foundations of the functional relationship approaches taken by North Warwickshire, the Coventry-Warwickshire HMA, and Lichfields’ previous high-level analysis in 2019.
- 5.15 However, whilst Lichfields’ 2019 high-level analysis took a GBBCHMA-wide approach, it is important to acknowledge that the sub-HMAs have differing levels of unmet need over different periods and are separately vying for each of the contributions being proposed by the GBBCHMA authorities (i.e. a clear breakdown in the strategic HMA approach). Moreover, the Black Country HMA is exploring spatial options for meeting its needs in authorities beyond the GBBCHMA.¹⁶ In this context, there is, therefore, a strong and cogent argument to explore a sub-HMA approach to distributing the respective unmet housing needs, as, by way of example, it would be inappropriate for the Birmingham HMA’s needs to be distributed to areas such as Wyre Forest, as firstly BCC has not requested their assistance as they fall outside of the GBBCHMA, and Wyre Forrest has limited socio-economic links with the city.
- 5.16 To this end, Lichfields has undertaken separate analysis for each of the sub-HMAs. Firstly, Lichfields has analysed the functional housing market relationship between the constituent authorities of the GBBCHMA and the Birmingham HMA. And, secondly, Lichfields has analysed the functional housing market relationship between the GBBCHMA authorities and authorities that the BCAs have approached and the Black Country HMA.¹⁶ Both sets of the analysis show how these sub-market unmet housing needs could be sustainably distributed when reflecting key choices people make in respect of where they live and work. Importantly, Lichfields’ analysis ultimately illustrates the functional linkages between South Staffordshire and the Black Country HMA and Birmingham HMA and shows how the unmet housing needs of each of the sub-HMAs could be sustainably distributed within South Staffordshire.

Methodology

- 5.17 The three stages of Lichfields’ ‘*Functional Relationship and Gravity Model*’ are as follows:

¹⁶ In addition to the constituent members of the GBBCHMA, the BCAs have also requested the assistance of Stafford, Shropshire, Telford and Wrekin and Wyre Forrest in meeting its unmet housing needs.

- 1 **Stage 1: Quantifying Linkages** – It is important to begin by identifying and analysing the functional linkages between the GBBCHMA and other authorities and the sub-HMAs. This draws on an analysis of out-migration and in-commuting flows,¹⁷ which are then converted into a percentage of the total flows into and out of the Birmingham and the Black Country HMAs. A blended average is then taken. This then represents a baseline degree of housing market linkage (“baseline share”) that an area has with either of the two sub-HMAs and forms the starting position;
- 2 **Stage 2: Sustainability and Market Signals Adjustments** – There is a need to consider how, and whether, additional factors might influence the proportion of the baseline share that an authority has. Stage 2 includes adjustments for:
 - a **Sustainable transport links:** Authorities that benefit from good public transport links to Birmingham and the Black Country can enable the promotion of sustainable commuting patterns. This is particularly important when having regard to Green Belt release, as the NPPF is clear that plans should give first consideration to land which has been previously developed and/or is well-served by public transport.¹⁸ The adjustment utilises the quickest train travel times from a station within the District to a Birmingham or Black Country terminus.
 - b **Affordability pressures:** Higher affordability ratios are a core indicator of a worsening housing market. It is necessary to consider how some areas (i.e. with greater affordability pressures) should be expected to do more than their ‘share’, as pressures are more pronounced. Doing so could reasonably be expected to improve affordability and ensure that housing needs are met. This adjustment utilises the ONS median workplace-based affordability ratios (i.e. the 2020 ratios¹⁹) and the Standard Method’s affordability adjustment.²⁰
- 3 **Stage 3: Environmental, Policy and Physical Constraints** – The NPPF is clear that strategic policies should, as a minimum, provide for objectively assessed needs for housing and any unmet housing needs, unless it is not sustainable to do so.²¹ There is a need to consider whether environmental and physical constraints could prevent development. The Stage 3 analysis includes adjustments for:
 - a **Fundamental environmental constraints:** The analysis delineates between fundamental (e.g. NPPF footnote 7 environmental constraints) and policy (e.g. Green Belt) constraints, and also considers the proportion of the district’s area that is fundamentally constrained (e.g. NPPF Footnote 7 – excluding Green Belt).
 - b **Policy constraints:** The analysis considers the proportion of Green Belt within a district’s area; however, it recognises that if those areas with high levels of Green Belt are excluded, this would unsustainably burden authorities with no Green Belt land and shift needs onto districts that may be less sustainable; and
 - c **Under-bounded authorities:** Some authorities’ urban areas have grown to the extent of their administrative boundaries and have limited available land to accommodate the pressure for further expansion. These authorities are considered ‘under-bounded’ and are unable to accommodate significant further growth.

5.18

A summary of the Stage 2-3 adjustments is shown in Table 5.1 below. As a part of Stage 3, authorities that are under-bounded are excluded from the analysis; accordingly, a -100%

¹⁷ PPG ID: 61-018

¹⁸ Para 141b, NPPF (2021)

¹⁹ Published in March 2021

²⁰ PPG ID: 2a-004

²¹ Para 11b, NPPF (2021)

adjustment factor is applied to these authorities. In addition, the final stage accounts for existing/emerging commitments in Local Plans and includes the application of a cap that limits the increases any one individual local authority can face up to 25% and rebalances the proportions accordingly. The model then summarises the proportion of the overall sub-HMAs unmet housing needs that each of the GBBCHMA authorities and others should seek to meet through their Local Plans.

Table 5.1 Stage 2-3 adjustments applied to each district’s base share of unmet needs

Adjustment	Stage 2		Stage 3	
	Time from Station in District to Birmingham/Black Country Terminus (Minutes)	Standard Method Theoretical Uplift	Footnote 7 Constraints (% of Districts Available Land)	Green Belt (% of Districts Available Land)
+20%	<10 mins	>20%	<10%	<25%
+10%	10-20 mins	15-20%	10-20%	25-50%
0%	20-30 mins	10-15%	20-30%	50-75%
-10%	30-40 mins	5-10%	20-40%	70-90%
-20%	>40 mins	<5%	>40%	>90%

5.19

Importantly, Lichfields’ model reflects the key choices people make in respect of where they live and work and utilises this to demonstrate how far, and the degree to which, this impacts on the authorities within the strategic HMA and beyond. Fundamentally, the model is weighted towards location and communities that can accommodate greater levels of growth across the region, but it also ensures that each authority would still take a ‘fair share’ and would not be disproportionately impacted by the outcomes of the model.

6.0 South Staffordshire's Functional Relationship

Stage 1: A baseline degree of Linkage

- 6.1 As a result of some residents being unable to find appropriate housing in Birmingham and the Black Country, this will place additional pressures on those areas that are linked in housing market terms to both areas. This is because, compared to past trends, this will result in either more migration out of these areas (as people move to seek a home) or less migration into these areas as people cannot find a home to move to and therefore choose a different location but commute to a place of work. As such, areas that are strongly related to Birmingham and the Black Country will face greater pressures from the unmet needs. Identifying how inter-dependent a location is within the housing market within Birmingham and the Black Country is a function of movement, both to live (migration) and to work (commuting).

1. Migration

- 6.2 In respect of migration patterns for the Birmingham HMA, Lichfields' analysis of migration flows between 2012 and 2020 shows that, whilst the city is a major inward migration destination, it also sees significant levels of outward migration to neighbouring authorities reflecting different stages of life and living preferences. In particular, nearly half of all of the city's outward migration is into Solihull (25%) and Sandwell (24%), with a majority of the remaining people migrating to Walsall (13%) and Dudley (8%). It is therefore clear that Birmingham exerts a significant migration pressure on these urban areas, to a much greater extent than it does the more rural areas such as South Staffordshire (**c.1%**).
- 6.3 However, in terms of the Black Country HMA, Lichfields' analysis demonstrates a contrasting migratory flow to that of Birmingham. In particular, nearly 44% of all residents migrating out of the Black Country over this period chose to go to Birmingham. However, the preference for migration to more rural authorities is stronger in the Black Country, with flows suggesting that the housing preferences for households leaving the Black Country, after Birmingham, tend to gravitate towards South Staffordshire (**17%**) in the first instance, followed by Shropshire (6.4%) and Cannock Chase (5.2%), as one might expect given the close proximity of those predominantly rural authorities to the Black Country conurbation.

2. Travel to Work

- 6.4 With regards to the travel to work patterns, Lichfields' analysis demonstrates that Birmingham's economy is wide-reaching across the GBBCHMA, with a gross inflow of c.130,000 commuters into Birmingham every day. As a result, the City's economic prosperity is placing pressure on local housing markets in areas where there is good commuter access. In this regard, the Birmingham HMA analysis shows that the strongest travel inflows are from Solihull (20%), followed by Sandwell (16%) at c.28,000, then Dudley (15%) and Wolverhampton (12%). Conversely, as was seen in migration flows, more rural areas to the north of Birmingham, such as South Staffordshire (**4%**), see significantly weaker inflows of residents commuting into the city daily.
- 6.5 Whilst the Black Country's strongest commuting links are internal (e.g. it has a high degree of self-containment), the Black Country experiences an overall net decrease of c.25,000 commuters daily. Despite this, in general, travel to workflows into the Black Country tend to correlate with the above-mentioned migration patterns. The 2011 Census showed that the major

travel inflow from the HMA and wider area into the Black Country arises from Birmingham, at around a third, with South Staffordshire at c.25%.

Baseline degree of linkage

- 6.6 Drawing on the analysis of out-migration and in-commuting flows into and out of the Birmingham HMA and Black Country HMA, which are converted into a simple percentage and then averaged out, we can determine a percentage for each District (adding up to 100% for the whole of each of the sub-HMAs). This percentage represents the baseline degree of housing market linkage an area has with both the Birmingham HMA and the Black Country HMA and therefore represents its starting share of their unmet needs which will need to be met.
- 6.7 For South Staffordshire District, Lichfields' analysis results in the following baseline starting point shares, which the Stage 2 and 3 adjustments will be applied to:
- Birmingham HMA – 2.7%; and
 - Black Country HMA – 20.9%.

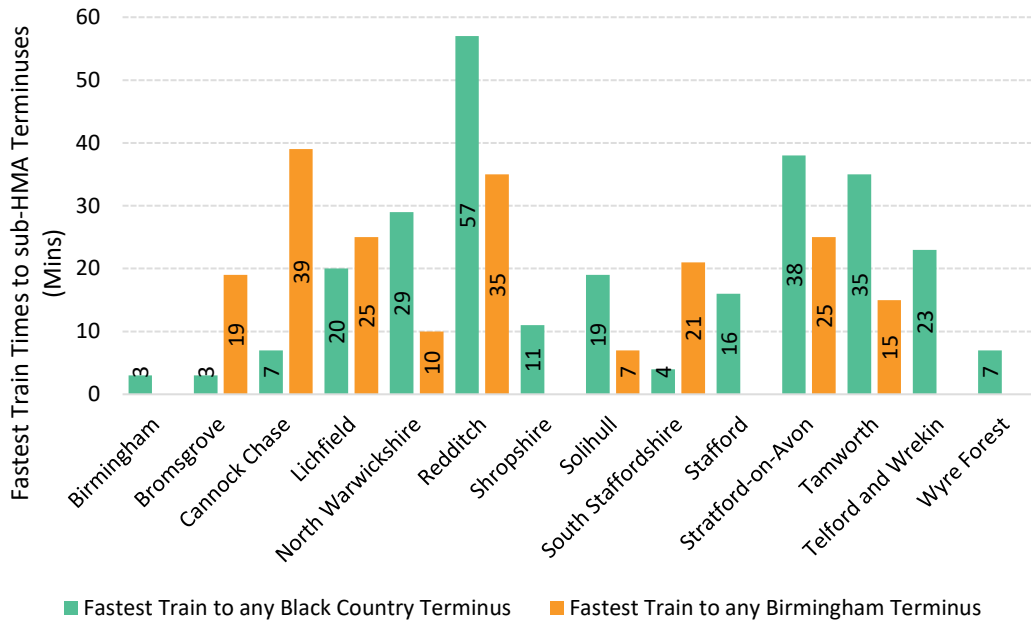
Stage 2: Uplift and Restraint Factors

- 6.8 When accounting for the Stage 2 adjustments, the District's baseline share for the Birmingham HMA would increase to 3.2% and for the Black Country HMA, it would increase to 29.2%. The detailed analysis for the Stage 2 adjustments is set out below in more detail:

1. Sustainable Transport Links

- 6.9 The NPPF sets out an approach to sustainable development patterns that specifically identifies support for patterns of development that facilitate the use of sustainable modes of transport. In this regard, the West Midlands benefits from one of the most highly-integrated rail networks in the country. However, South Staffordshire District only has four stations: Bilbrook, Codsall, Landywood and Penkridge. Alongside all other stations within the other districts, Lichfields has reviewed the fastest train times between these stations and all terminuses within the Birmingham and the Black Country (as shown in Figure 6.1).
- 6.10 Notably, all four stations provide rapid access to Birmingham and several Black Country terminuses (via a change in some instances). Indeed, the fastest train to Birmingham from the District is from Bilbrook, at c.21 minutes, whilst most of the stations can access Birmingham City Centre within c.30 minutes. In terms of the Black Country, South Staffordshire District is most accessible to Walsall and Wolverhampton, which can be accessed within 4-10 minutes from most stations. This is closely followed by Dudley, which can be accessed within c.13 minutes.

Figure 6.1 Fastest Train Times to sub-HMA Terminuses



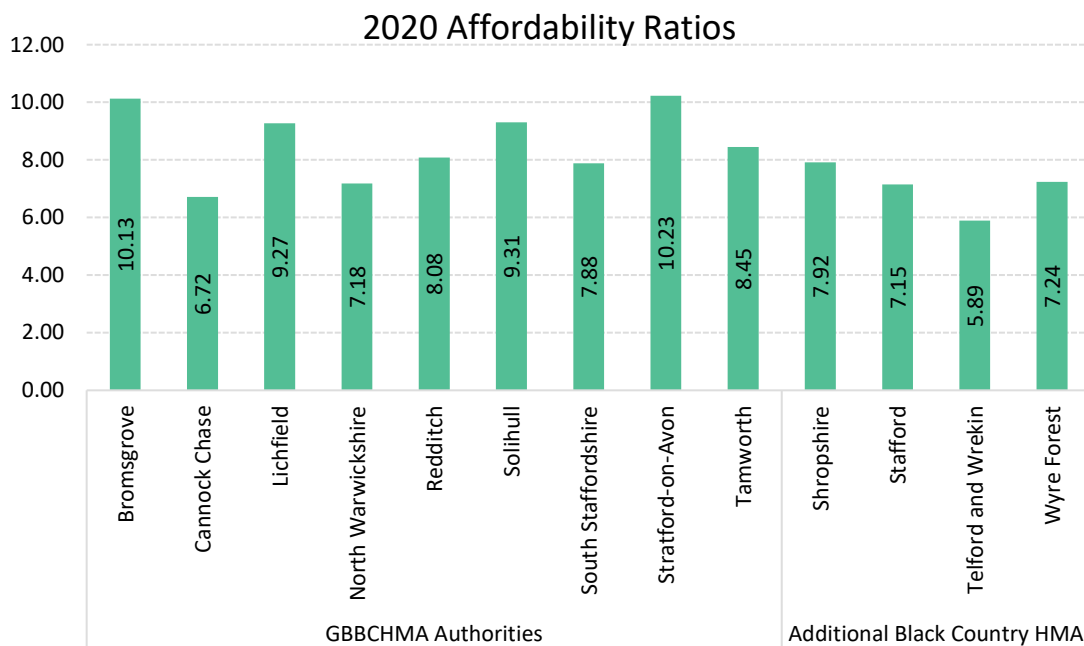
Source: Lichfields based on the Train Line

6.11 Compared to other areas across the GBBCHMA and beyond, the District is one of the most accessible authorities for access to the Black Country, with only Birmingham (c.3 minutes) and Bromsgrove (c.3 minutes) offering faster commuter times – which is logical given their geographical relationship of these authorities to the Black Country. Accordingly, in the Black Country HMA analysis, Lichfields’ model has ascribed a **20%** uplift to the baseline degree of linkage as the fastest commuting times is under 10 minutes. Other authorities across the GBBCHMA offer much faster commuting times to Birmingham. Although the District has access to Birmingham within c.21 minutes, for the Birmingham HMA analysis, Lichfields’ model has ascribed a **0%** uplift to the baseline degree of linkage. This aligns with some of the other more rural authorities in the GBBCHMA, such as Lichfield and Stratford-on-Avon, but the Districts rail-links with the city are stronger than Redditch and Cannock Chase (ascribed a -10% adjustment) as these authorities are located on the outer edges of the GBBCHMA. Conversely, and logically, those authorities closer to the city, such as Solihull, have faster access to the city and are therefore ascribed a 20% uplift.

2. Adjusting for Affordability

6.12 As set out above, higher affordability ratios are a core indicator of worsening housing market pressures. In this regard, the 2020 median workplace-based affordability ratio for the District is 7.88, which is close to the District’s peak ratio in 2019 (8.21). Following the worsening of the District’s affordability between 1999 and 2007 – from 4.24 to 8.11 – the District’s ratio did begin to see an improvement following 2007, with a 6-year downward trend up to 2013 (6.86). Despite this, it has subsequently begun to increase again, reaching similar levels to those seen in 2007.

Figure 6.2 GBBCHMA and Additional Black Country HMA Authorities Affordability Ratios



Source: Lichfields based on the ONS 2020 median workplace-based affordability ratios

6.13 However, in the context of the Black Country HMA, as shown in Figure 6.2, whilst there are some authorities with more acute affordability pressures, such as Stratford-on-Avon (10.23), Bromsgrove (10.13), Solihull (9.31) and Lichfield (9.27), affordability pressures are still higher in South Staffordshire than half of the other authorities. This is relatively the same in the context of the Birmingham HMA. Nevertheless, based on an affordability ratio of 7.88, the affordability uplift to the baseline 2014-based household projections in the standard method would be c.24%. Accordingly, in both the Birmingham HMA and Black Country HMA analysis, Lichfields’ model has ascribed a **20%** uplift to the baseline degree of linkage for each sub-HMA. This was similar to the adjustment ascribed to Stratford-on-Avon as both areas affordability uplifts exceed 20%, whereas more affordable areas, such as Telford and Wrekin (5.89) only had a c.11% affordability uplift and were ascribed a 0% uplift accordingly. In general, most authorities were ascribed a **20%** uplift to the baseline degree of linkage.

Stage 3: Environmental, Policy and Physical Constraints

6.14 When accounting for the Stage 3 adjustments, the District’s baseline share following the Stage 2 adjustments for the Birmingham HMA would increase to **5.5%** and for the Black Country HMA, it would increase to **37.2%**. The detailed analysis for the Stage 2 adjustments is set out below in more detail:

1. Environmental Constraints

6.15 Lichfields’ analysis shows that very few if any, districts are fundamentally constrained by environmental designations to the point where they cannot accommodate any additional growth. Whilst constraints will cover parts of a district, in most areas, there are also less environmentally sensitive areas that could potentially accommodate development. With the exception of Cannock Chase (62%) and Shropshire (28%), by virtue of both districts containing Areas of Outstanding Natural Beauty, few authorities have more than 10% of their remaining land constrained by NPPF Footnote 7 constraints. Indeed, of South Staffordshire’s land, only **8%** is constrained by statutory environmental designations.

2. Policy Constraints

- 6.16 Lichfields' analysis does not consider Green Belt a fundamental constraint. This is because it is a function of the Local Plan process, where there will be legitimate reasons for reviewing its boundaries, such as the acuteness of unmet housing needs.²² Moreover, to include Green Belt as a fundamental constraint would unsustainably burden authorities with no Green Belt land, shifting needs onto districts that may be less sustainable.
- 6.17 In respect of the Birmingham HMA, Lichfields' analysis indicates that all districts (to a greater or lesser degree) contain Green Belt, with many heavily constrained as a consequence. All except Tamworth (17%) and Stratford-on-Avon (23%) have more than 90% of their remaining land covered by Green Belt. Areas such as Lichfield, North Warwickshire and Redditch are less constrained than Birmingham, the Black Country and even South Staffordshire (84%). Comparatively, with regards to the Black Country HMA, Telford and Wrekin do not benefit from a Green Belt, and Shropshire only has a small amount (8%).
- 6.18 This emphasises the need to review the Green Belt through the Local Plan process, as to exclude or even markedly reduce the amount of development a district could accommodate of either sub-HMAs unmet needs would unduly and unsustainable burden a small minority of authorities.

3. Physical Constraints

- 6.19 It is important to acknowledge that a significant challenge for authorities within the GBBCHMA is that, whilst some authorities might not be overly constrained by Footnote 7 designations, they may have grown to extent of their administrative boundaries and have limited available land to accommodate the pressure for further expansion. These authorities are considered 'under-bounded' and are not likely to be in a position to help meet the unmet needs of the Birmingham HMA or Black Country HMA. Indeed, this is, arguably, the reason why both Birmingham and the Black Country are unable to meet their needs.
- 6.20 In this regard, reflecting the problems such areas face meeting their own needs, these districts are ascribed a -100% adjustment factor, essentially meaning that the 'gravity model' assumes these areas will be unable to help meet the Birmingham HMA and Black Country HMAs unmet needs. Areas such as Birmingham, the Black Country and Tamworth are therefore excluded from Lichfields' analysis at this stage; however, with only c.8% of the District's area developed, **South Staffordshire is not considered under-bounded.**

Outcomes

- 6.21 For both the Birmingham HMA and Black Country HMA, Lichfields' models have analysed the degree of migration and commuting linkages within the GBBCHMA and beyond, opportunities to capitalise on sustainable transport links and improve affordability, and the degree of environmental, policy and physical constraints which might impede on an authority's ability to accommodate unmet housing need.
- 6.22 Drawing on the above analysis, importantly, Lichfields' model concludes on the functional linkages between the districts and the Birmingham HMA and Black Country HMAs separately – shown in Appendix 1 and 2 respectively – and shows how the respective unmet housing needs of each of the sub-HMAs could be sustainably distributed to South Staffordshire District.

²² Nottingham City Council v Calverton Parish Council [2015] EWHC 503 (Admin) (02 March 2015)

- 6.23 However, regard should also be had to whether an authority has already made a commitment through an adopted Local Plan, or is progressing a contribution towards these needs that is higher than Lichfields' model would suggest.
- 6.24 In this respect, for the Black Country HMA, there are no contributions that meet these parameters. However, for the Birmingham HMA, Lichfields' model suggested a figure which is markedly lower than the adopted contribution set out in North Warwickshire's Local Plan. As such, the Birmingham HMA model adjusts for this, with the other authorities experiencing a commensurate reduction in their contributions.
- 6.25 In addition to this, whilst the fundamental aim of Lichfields' model is to apportion these needs to areas with higher levels of socio-economic linkages with the origin of the unmet housing needs, there is clearly a need to ensure that each authority would still take a 'fair share' and would not be disproportionately impacted by the outcomes of the model. Much in the same way that the NPPF's Standard Method utilises one, the model ascribes a 25% 'cap' to authorities that the models indicate would exceed this figure, with the other authorities experiencing a commensurate increase in their contributions. In this regard, Lichfields' model caps South Staffordshire's contribution towards the Black Country HMA at 25%, reduced from 37.2%.
- 6.26 When accounting for the above, Lichfields' model indicates that to address the unmet housing needs of the Birmingham HMA and Black Country HMA, a reasonable distribution would see **South Staffordshire accommodating 7% of Birmingham's unmet needs up to 2031, and 25% of the Black Country's unmet needs up to 2039.** This would equate to a contribution of **c.1,600 dwellings towards the Birmingham HMA²³** and **c.7,050 towards the Black Country HMA²⁴** above the District's own housing needs.
- 6.27 The higher contribution identified for the Black Country HMA is because the District demonstrates a particularly strong functional relationship with the Black Country conurbation, to a far greater extent than other authorities. Conversely, the District has a much weaker socio-economic link with Birmingham City, and as such, South Staffordshire's contribution towards its unmet needs would be markedly lower.

²³ Based on an unmet need of 19,349 dwellings up to 2031 in the Birmingham HMA.

²⁴ Based on an unmet need of 28,239 dwellings up to 2039 in the Black Country HMA.

7.0 Conclusions

- 7.1 The NPPF is clear that LPAs are required to work together to identify and meet (where it is sustainable to do so) the housing needs of the neighbouring authorities, underpinned by adequate, relevant and up-to-date evidence.
- 7.2 Both Birmingham and the Black Country authorities have identified that they are unable to meet their housing needs across their respective plan periods (2031 and 2039 respectively). In particular, despite improvements in Birmingham's land supply, there is still an unaccounted for shortfall of between c.19,349 dwellings up to 2031, which, when coupled with the Black Country's emerging c.28,239 dwelling shortfall up to 2039, means that there is c.47,588 dwellings of unmet need up to and between 2031 and 2039.
- 7.3 If the two sub-HMAs fail to address these needs, the implications are that those needs will not simply disappear; they will either result in increasingly negative housing outcomes for people living in these conurbations, or they will mean households will have to look elsewhere to meet their housing needs. The practical implication is that unmet needs in Birmingham and the Black Country will mean greater net outward migration than the ambient trends accounted for within the population projections, which will affect those areas in close proximity, and particularly South Staffordshire.
- 7.4 Whilst some of the GBBCHMA, and indeed authorities beyond the strategic HMA, have made some commitments to addressing the unmet housing needs of the Birmingham HMA and Black Country HMA, this report has demonstrated that many of these assumptions are flawed and are not underpinned by an evidence-led approach. Moreover, Lichfields' model indicates that in nearly all instances the proposed quantum is seriously insufficient and would need to at least be doubled to fully grapple with this strategic matter.
- 7.5 In this regard, Lichfields considers that there is a strong and cogent need to distribute the sub-HMAs unmet needs based on functional relationships between the authorities; an approach that aligns with the North Warwickshire and Coventry and Warwickshire HMA authorities Inspector-endorsed methods. In addition, given the clear breakdown in the GBBCHMA-wide approach, there is a need to factor in – where necessary – authorities beyond the strategic HMA.
- 7.6 To this end, Lichfields has prepared this report and accompanying models to demonstrate how each of the sub-HMAs needs could sustainably be distributed amongst neighbouring authorities based upon the functional relationships between those authorities.
- 7.7 For South Staffordshire, Lichfields' model indicates that to address the unmet housing needs of the Birmingham HMA and Black Country HMA, a reasonable distribution would see South Staffordshire accommodating 7% of Birmingham's unmet needs up to 2031, and 25% of the Black Country's unmet needs up to 2039. As a proportion of the unmet housing needs set out above, this would equate to a cumulative contribution of **c.8,650 dwellings towards the Birmingham HMA and Black Country HMA** shortfalls above the District's own housing needs.
- 7.8 It is important to note that the abovementioned apportioned figures should be seen as a starting position, which should be tested through the SA process. Indeed, this would fall between Options C and D which have been tested through the IOC SA already. Again, whilst St Philips and Taylor Wimpey support the Council's efforts to meet the needs of the GBBCHMA through the emerging Local Plan Review, this report and analysis underpinning it demonstrates how an evidence-led approach (e.g. functional relationships) would strongly suggest that the Council should increase its contribution towards meeting the unmet housing needs of Birmingham and the Black Country, which should be tested through the SA process accordingly.

Appendix 1 Birmingham HMA Functional Model

Birmingham HMA Functional Model			South Staffordshire	Source
Stage 1: Functional Relationship	Migration	% of Gross out-migration from Birmingham to LPA in GBBCHMA	1%	ONS Migration Estimates
	Commuting	% of Gross in-commute from LPA in GBBCHMA to Birmingham	4%	Census 2011 Table WU03UK
	Baseline Share		2.7%	
Stage 2: Sustainability and Market Signals	Rail Links	Fastest Train from District to Birmingham Terminus (Mins)	21	Trainline
	Affordability	Uplift Factor	0%	
		Affordability Ratio	7.88	2020 Median Affordability Ratios
		Standard Method Theoretical Uplift	24.25%	PPG Standard Method Calculation
	Uplift Factor	20%		
	Total Uplift Factor	20%		
% Baseline Share following adjustments		3.2%		
Stage 3: Environmental, Policy and Physical Constraints	Environmental Constraints	Fundamental Constraints (SSSI, AONB, National Park) % Coverage	8.0%	Magic Maps and Lichfields Analysis
	Policy Constraints	Uplift Factor	20%	
		Green Belt % Coverage of Non-Urban Land	83.6%	
	Physical Constraints	Uplift Factor	-10%	
		Underbounded Authorities (Unlikely to meet even their own needs)	No	
	Total Uplift Factor	10%		
% Baseline Share following adjustments		4%		
Share of Birmingham Unmet Housing Need 2031 (Rebased Proportion)			5.5%	
Share of Birmingham Unmet Housing Need 2031 - Re-Balanced if Commitments exceed model			5%	
Share of Birmingham Unmet Housing Need 2031 - Re-Balanced Commitments and 25% Cap			7%	

Appendix 2 Black Country HMA Functional Model

Black Country HMA Functional Model			South Staffordshire	Source
Stage 1: Functional Relationship	Migration	% of Gross out-migration from Black Country to LPA in GBBCHMA and beyond	17.0%	ONS Migration Estimates
	Commuting	% of Gross in-commute from LPA in GBBCHMA and beyond to Black Country	24.8%	Census 2011 Table WU03UK
	Baseline Share		20.9%	
Stage 2: Sustainability and Market Signals	Rail Links	Fastest Train from District to Black Country Terminus (Mins)	4	Trainline
		Uplift Factor	20%	
	Affordability	Affordability Ratio	7.88	2020 Median Affordability Ratios
		Standard Method Theoretical Uplift	24.25%	PPG Standard Method Calculation
		Uplift Factor	20%	
	Total Uplift Factor		40%	
		% Baseline Share following adjustments	29.2%	
Stage 3: Environmental, Policy and Physical Constraints	Environmental Constraints	Fundamental Constraints (SSSI, AONB, National Park) % Coverage	8.0%	Magic Maps and Lichfields Analysis
		Uplift Factor	20%	
	Policy Constraints	Green Belt % Coverage of Non-Urban Land	83.6%	
		Uplift Factor	-10%	
	Physical Constraints	Underbounded Authorities (Unlikely to meet even their own needs)	No	
			0%	
Total Uplift Factor		10%		
		% Baseline Share following adjustments	32.1%	
Share of Black Country Unmet Housing Need 2039 (Rebased Proportion)			37.2%	
Share of Black Country Unmet Housing Need 2039 - Re-Balanced if Commitments exceed model			37.2%	
Share of Black Country Unmet Housing Need 2039 - Re-Balanced Commitments and 25% Cap			25%	

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