Matter 1: The housing requirement

This statement focuses on those issues identified by the Inspector reproduced below which are of direct relevance to the City Council (and wider conurbation) and seek to amplify the representations already made.

"Matter 1: The housing requirement
Main issues:
Whether or not the housing requirement set out in the Local Plan reflects an objective assessment of the need for market and affordable housing over the Plan period.
Whether the housing requirement should be increased or reduced.
Whether or not the proposed phasing of the housing requirement is justified.

1) Is the proposed housing requirement of 23,200 dwellings based on a sound analysis of the available and relevant evidence, and does it reflect the full, objectively-assessed need for housing over the Plan period?

(f) Does the proposed housing requirement take adequate account of the likely level of migration into the Plan area, including from the West Midlands conurbation?

(i) Does the proposed housing requirement take adequate account of future employment growth in the Plan area? (NB: the City Council’s on this matter are covered by the statement on employment)

2) Should the Plan make provision for a higher or lower housing requirement, and if so, what is the justification for an alternative figure?

6) Does the Plan place unjustified reliance on a review in 2019 in order to meet the full housing requirement for the Plan area?"

The City Councils observations are set out under the following headings:

1. The current position on the Birmingham Development Plan
2. The GBSLEP Spatial Plan – Current Position
3. The GBSLEP Strategic Housing Study – Current Position
4. Migration
5. Birmingham City Council position on Local Plans of other adjoining authorities
6. The Metropolitan Area Statement
7. Conclusions - Housing Requirement

1. Birmingham Development Plan – Current Position

In December 2010 the City Council published a draft Core Strategy for consultation. This took as its starting point the growth levels proposed in the Phase 2 Revision of the West
Midlands Regional Spatial Strategy, and proposed an additional 50,600 dwellings in the period 2006 – 26. These new dwellings were to be provided within the existing built-up area of the city largely on brownfield sites.

Following the introduction of the Localism Act and the National Planning Policy Framework, and the publication of new ONS population projections which show higher rates of population growth for Birmingham, the Council took the view that it would not be realistic to proceed on the basis of the RSS requirements. Additional work was commissioned in relation to both housing and employment land needs.

In relation to housing this took the form of a new Strategic Housing Market Assessment which was published in October 2012. This indicates that Birmingham’s housing requirement for 2011 – 31 is at least 80,000. Alongside this the Council’s latest Strategic Housing Land Availability Assessment identifies capacity for only around 43,000 dwellings on sites within the urban area, leaving a significant shortfall to be found elsewhere.

In relation to employment, a new Employment Land Study for Economic Zones and Key Sectors also identified a shortfall in the availability of employment land.

In view of this In November 2012 the Council undertook further consultation on the Birmingham Development Plan (as the Core Strategy is now being called). This looks specifically at options for increasing housing and employment land provision, and in so doing it puts forwards options for developing up to 10,000 new dwellings on land currently within the green belt, within Birmingham, to the north and east of Sutton Coldfield. This consultation ended on 14th January 2013.

The Council is now in the process of considering the consultation response, and the results of additional technical work commissioned in the light of that response. This includes studies in relation to transport, landscape, ecology, archaeology and the market capacity of the green belt option locations.

The current expectation is that the pre-submission version of the Plan will be approved by the City Council in December 2013, which will require approval by Cabinet in October. The statutory consultation period would then begin after the Christmas holiday.

It will be clear from the above that at this stage the City Council has made no definite decision to identify green belt land in the Sutton Coldfield area for development – nor has it come to a view on which of the option locations would be most suitable for development should green belt development be considered appropriate.

It should also be pointed out that the City Council has not made a specific request to any adjoining local authority with regard to the scale and distribution of any shortfall in housing provision. This is because any such request will need to be substantiated by the necessary joint evidence which it is envisaged will be provided by ongoing work on a Strategic Spatial Plan for the GBSLEP and additional technical evidence commissioned to underpin this. The position on these matters is dealt with in the following sections of this submission.

2. The GBSLEP Spatial Plan – Current Position
In anticipation of the revocation of the Regional Spatial Strategy for the West Midlands (WMRSS) the Board of the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) resolved in late 2011 that a ‘Strategic Spatial Framework Plan’ should be prepared for the LEP area. The first iteration of the Spatial Plan has been agreed by the Board (in June 2013) as a basis for public consultation. The documentation is being prepared for publication and will be available on the GBSLEP website at the following url:

http://centreofenterprise.com/strategic-spatial-framework-plan/

From the outset this spatial plan was seen to be different from the types of strategic plan previously seen in the UK. A number of guiding principles have provided a focus for the plan. There are that the spatial plan should:

- Sit alongside and will provide the spatial expression of the GBSLEP’s Strategy for Growth
- The Plan would be informal, prepared through voluntary collaborative working amongst the LEP local planning authorities aided and assisted with pro-active contributions from partners.
- The plan would be strategic providing a helpful context for individual local plans and core strategies - working alongside existing and emerging plans and helping inform subsequent reviews.
- The collaborative work on the Plan would help all local planning authorities satisfy the Duty to Cooperate.
- The documentation would be short, easy to read and be accompanied by appropriate illustrations.
- The plan should take a long term perspective, looking ahead at least 20 years and consider the broad scale and distribution of growth.
- Provide a focus for relationships with adjoining LEPs.
- Finally, the plan would be subject to annual review and update and in this sense should be seen as an evolving plan, with a recognition that not all matters neither can nor need to be resolved at the same time. This should help ensure a flexible but robust approach.

Further detail on all these matters can be found in the published documentation.

3. The GBSLEP Strategic Housing Study – Current Position

The implication from the work on the Birmingham Development Plan and the technical evidence underpinning it is there could be a substantial shortfall in provision to meet the emerging housing requirement in Birmingham and the City Council is involved in continuing discussions with neighbouring authorities both collaboratively and bi-laterally in relation to this matter.

Through the joint planning work in the GBSLEP a brief for the commissioning of joint research to be funded through the Growing Places Fund has been agreed (Solihull MBC are handling the procurement process) which will establish the scale of the matter across administrative boundaries and which will ultimately lead, through the GBSLEP Strategic Spatial Plan to an agreement on how the shortfall may best be accommodated.

The three North Worcestershire authorities are full and active partners in taking this work forward. In due course this may lead to a situation where local plans may need to be amended to take account of the additional development needs but until the joint working is complete there is no agreed basis for disaggregating any ‘overspill’ requirement.
It is anticipated that the three North Worcestershire authorities will work closely with the South Worcestershire authorities.

4. Migration

As migration movements are in the main short range, a much greater proportion of the Birmingham and the wider conurbation’s movements are to the northern part of Worcestershire rather than South Worcestershire. As the County Council Demographic Report 2005 – 10 (2011) states there is evidence of a ‘ripple effect’ whereby a smaller number of people move from areas bordering urban areas to more remote locations. Although the highest number of net moves into Wychavon is from Birmingham, this is by no means Birmingham’s largest outflow. By means of context, about half as many people move to Wychavon from Bromsgrove as move from Birmingham, despite Birmingham having over ten times Bromsgrove’s population.

Table 1: Migration patterns between Birmingham, the Conurbation and Worcestershire

<table>
<thead>
<tr>
<th>Origin</th>
<th>Destination</th>
<th>Ten-year outflow persons (2001 – 2011)</th>
<th>% of total outflow to West Midlands Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birmingham</td>
<td>North Worcestershire</td>
<td>25,590</td>
<td>11.3%</td>
</tr>
<tr>
<td>Birmingham</td>
<td>South Worcestershire</td>
<td>7,890</td>
<td>3.3%</td>
</tr>
<tr>
<td>Conurbation</td>
<td>North Worcestershire</td>
<td>45,750</td>
<td>20.1%</td>
</tr>
<tr>
<td>Conurbation</td>
<td>South Worcestershire</td>
<td>15,800</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Source: National Health Service Central Register (NHSCR)

The plan accommodates the annualised level of household growth over its selected time period compared to the 2008 based CLG household projections, which include observed migration over the last five years. These are considered more reliable than subsequent projections as they cover a time period comparable to the plan. It is also noted that a Scenario 3 (Migration led) was considered in the SHMA, which reduced migration based on reduced mobility since 2008 yet this was not pursued, this approach is supported.

It is noted that this requirement is lower than the 2006 based household projections and also the RSS2 Panel Report but as previous representations submitted confirm, Birmingham City Council has no basis upon which to challenge this. Indeed, the City Council and other Metropolitan Authorities welcome the fact that the housing requirement has been increased when compared to the Preferred Option.

5. Birmingham City Council position on the emerging Local Plans of other adjoining authorities

Taking account of the circumstances above, the City Council, working in liaison with the other local authorities in the GBSLEP area (and in some cases authorities outside the GBSLEP area) have been looking to enable on-going work on Local Plans that is well-advanced to proceed and plans adopted subject to a reserve position being built-in – and clearly identified in the body of the plan - to enable early reviews where these might be required. However, given the relatively low levels of direct migration from Birmingham into South Worcestershire the City Council has not made any such request of the South Worcestershire
Development Plan but in its representations has referred to the need for ongoing liaison under the Duty to Cooperate.

Dependent on the outcome of the GBSLEP Strategic Housing Study, some Local Plans, or elements of them, may need to be reviewed. The National Planning Policy Framework (paragraph 182) requires local planning authorities to take a strategic approach in their Local Plans. And the recently published National Planning Policy Guidance states that:

“Therefore if a local planning authority preparing a Local Plan provides robust evidence of an unmet requirement, such as unmet housing need, other local planning authorities in the housing market area will be required to consider the implications, including the need to review their housing policies.”

Since the Duty to Cooperate is a continuous not a one-off process it seems unnecessary for the South Worcestershire Development Plan to put a specific time scale on review dates in relation to housing provision (i.e. 2019) as the evidence should dictate when this becomes necessary.

6. The Metropolitan Area Statement

In anticipation of the revocation of the WMRSS in June 2012 the West Midlands Joint Committee comprising the Leaders of the seven Metropolitan Authorities acting in the strategic interests of the Metropolitan Area endorsed a Strategic Policy Framework. This continues to support the established urban renaissance strategy, whereby the Metropolitan Area will seek to meet a greater proportion of its own development needs.

In achieving this, however, paragraph 40 of the Framework, states that:

“Not all needs, particularly from Birmingham, Coventry and Solihull, can be met in their entirety with the collective boundaries of the Metropolitan Area, and there will be an ongoing requirement for a reasonable level of migration to some Shire Districts to be accommodated whilst not undermining regeneration of the Black Country. A failure to address this could have adverse implications on housing affordability and the actual provision of affordable housing and on the local economy, especially as migrants from elsewhere may outbid local people.”

This Metropolitan Area Statement provides a platform from which the collaborative working in the GBSLEP is being progressed.

7. Conclusions - Housing Requirements

For clarity, Birmingham City Council representations have not questioned the soundness of the South Worcestershire Development Plan in respect of the level of housing provision proposed.

The City Council considers that the SHMA underpinning the South Worcestershire Development Plan is up-to-date. The document does not, however, take account of an emerging housing shortfall in Birmingham but this is a matter for a subsequent review of the plan.