

---

Black Country Core Strategy Issues and Options  
Housing and Economic Land Assessment for WM CPRE

██████████  
*Aug 2017*

---

## **Background**

1. The four Black Country Boroughs, Dudley, Sandwell, Walsall and Wolverhampton are reviewing their Joint Core Strategy.
2. To deliver the Options for the review the Local Authorities commissioned a Strategic Housing Market Assessment (SHMA) including South Staffordshire which reported back in March 2017.
3. Each authority also completed its own Strategic Housing Land Availability Assessment (SHLAA) in 2016 and a joint report assesses the overall impact of the SHLAAs on land supply was published in July 2017.
4. The SHMA was completed by PBA who also did the broader GBS LEP Housing Study in 2014 and, while that has now been overtaken by more recent national population predictions, it takes a similar approach to several issues, notably Unattributable Population Change (UPC), which is the unexplained differences between the 2001 and 2011 censuses.
5. At the same time they undertook an Economic Development Needs Assessment (EDNA) which reported back in May 2017.
6. Broadly the Options continue to support the policy of corridors and centres, promoted in the original Core Strategy which was adopted in 2011, but whereas that ran from 2016 to 2026, the review takes the policies forward from 2016 - 2036. The main effect of doing so is to project demand for housing and industrial land forwards without the supply increasing to meet that demand. Whereas in 2006 the sub-region had sufficient land to meet its needs now, according to the analysis by PBA, it cannot provide land for approximately 22,000 homes.
7. Approximately 10,000 could be theoretically met by releasing land which is currently in use for industry and which might be more appropriate for housing. This approach is one

currently being progressed in the Black Country Core Strategy and is one option for the future. However, the EDNA concludes that there is a shortfall of 300 hectares of industrial land, particularly for larger sites and for logistics, so, on the face of it, utilising employment land for housing appears to create a need for additional industrial land.

8. Even if the analysis is correct, this is not, however, a simple argument because the two uses may simply not be equivalent. If you do not include that industrial land as housing, it may become empty anyway and simply sit idle.

9. There is also a proposal for a Rail Freight Terminal in South Staffordshire at Four Ashes which would alleviate that pressure but is also in the Green Belt and subject to objections (including from CPRE Staffordshire.) Other cross border developments in South Staffordshire would also reduce the shortfall if constructed, and there are large industrial sites in adjacent authorities (for example Peddimore in Birmingham) which would compete with any Black Country provision.

10. This report considers the robustness of the SHMA evidence, as well as the SHLAA capacity and other sources of housing land (including industrial land).

## SHMA

11. At the time of the GBS LEP Study the Black Country sub-market did not have a problem with housing land supply. It had a small deficit up to 2031 (the study date was in line with the Birmingham Core Strategy Review) of 2167 homes (661 of which were in South Staffordshire). This was on the assumption that current policies were continued, including the release of employment land. The quantum also was affected by the attitude of PBA to UPC which I deal with later,

12. The new SHMA has taken forward the GBS LEP approach to cover the period up to 2039 for the five authorities. This creates some confusion in the document because some figures are given to 2039, some of 2036, some include South Staffordshire and others do not and they often do not marry together.

13. There is also a difficulty in reaching a robust Objectively Assessed Need (OAN) figure for the sub-region when the Housing Market Area (HMA) covers Birmingham as well, something the report acknowledges.

14. Arriving at an OAN it says is best done for the whole HMA because of volatility in individual sub-markets.

### *Background and UPC*

15. The background to the assessment is that following a decline in population the population in the Black Country is now growing. Between 2001 and 2011 31,300 people were added through natural change while the balance of migration into and out of the sub-region was roughly level. 37,000 entered from international migration and 35,400 left through internal migration. However, that figure is complicated because the UPC for the sub-region amounts to a further 30,400 people or 2,912 per annum (excluding South Staffordshire.) UPC, therefore, accounted for 48% of the population change.

16. There are two potential causes of UPC. One or other (or both) of the censuses may have simply been incorrect. Alternatively migration may have been miscounted, in which case the trend could be higher. The inclusion of a UPC element in housing calculations remains controversial, partly because, even if the errors were in immigration figures it is thought they probably occurred in the earlier part of that decade so are less relevant now.

17. In 2014 PBA concluded that in the GBS LEP case it was probably a mixture of both causes. Since then the Office for National Statistics (ONS) provided a tool which examined the likely cause of errors in individual local authorities and, perhaps because of that, PBA in this new report assume the UPC in the Black Country is largely a result of immigration mistakes and so should be included in the calculation. To support this further they cite the disparity between migration into and out of the sub-region from 2011-2014 after the UPC period.

18. Starting from where we are now there seem to be two possible impacts of UPC. One is to increase the predicted inwards international migration and increasing population (assuming this is not influenced by Government Policy,) the other is to increase migration outward to neighbouring districts.

19. Unfortunately, although PBA modeled two trend based scenarios, in both they include a UPC so it is not possible to filter out how much UPC has increased numbers (or even decreased them) in their analysis. It also makes the comparisons given with the Government's SNPP figures less convincing as those do not include UPC.

### *SNPP*

20. In getting to a projection of need the SHMA firstly considers the demographic predictions of the SNPP 2104. The results are summarised in Table 4.2. This results in a 157,700 increase in population in the four Black Country Boroughs by 2039, (165,286 including South Staffordshire.)

**Table 4.2 Change analysis 2014-39**

	2014 population	Births	Deaths	Natural change	Net migration	Total change	2039 population
Dudley	315,799	94,368	78,098	16,270	6,346	22,616	338,415
Sandwell	316,719	124,724	68,899	55,826	5,495	61,320	378,039
Walsall	274,173	96,407	63,753	32,653	6,018	38,671	312,844
Wolverhampton	252,987	91,243	58,623	32,620	2,434	35,054	288,041
South Staffordshire	110,692	23,442	33,384	-9,942	17,567	7,625	118,317
Study area	1,270,370	430,184	302,758	127,426	37,860	165,286	1,435,656

Source: SNPP 2014

21. Notably most of the population growth is fuelled by natural change rather than migration, and the majority of that is an increase in older people with an 88,000 increase in people in the 70+ bracket. 29,000 are under 16.

22. This is converted via the CLG 2014 projections to an increase in households of 89,000 by 2039 reducing to 78,000 for the period of the Core Strategy (up to 2036). Of those 73.7% are over 65 with households (partly as households in that age bracket bet smaller) over 85 almost doubling.

#### *Migration Trends*

23. To test this projection the SHMA then provides two alternative scenarios which are based on past migration trends. They use the period 2004-14 and 2005-15, and include UPC, adjusting it to the age data from CLG. The results are not dissimilar. In terms of households in 2036 the difference is between 76,500 and 78,000 (2036 figures).

24. The SHMA concludes that the housing growth is stable, although what remains unclear is whether a migration trends approach without UPC would result in a lower total figure since this is not tested.

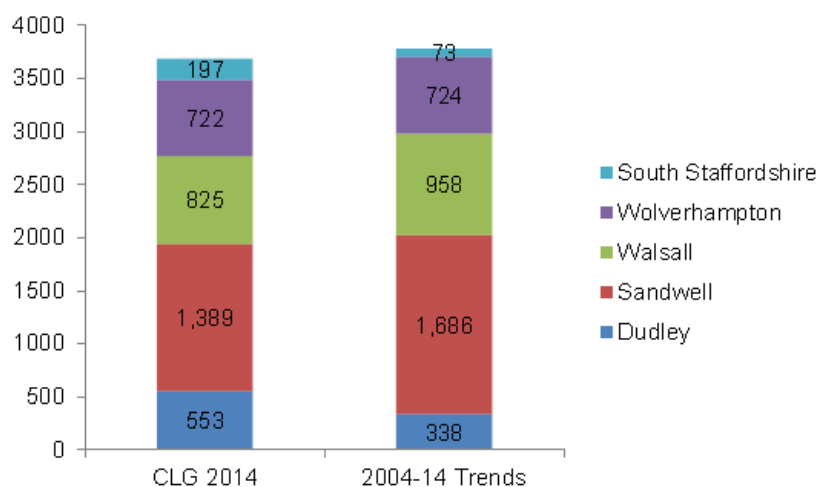
25. And despite overall consistency it is notable that the individual local authorities vary dramatically between scenarios, with Dudley and South Staffordshire having less homes if migration trends are used and Walsall and Sandwell more. This may, of course, simply represent the volatility of such projections at local level.

**Table 4.5 Alternative projections summary**

	ONS/CLG 2012	ONS/CLG 2014	2004-14	2005-15
<b>Population</b>				
2014	1,265.6	1,270.4	1,270.4	1,270.4
2021	1,309.9	1,318.4	1,321.0	1,322.0
2031	1,367.0	1,385.1	1,401.3	1,402.7
2036	1,393.2	1,416.7	1,445.8	1,446.7
<b>Households</b>				
2001				
2011	506.7	506.7	506.7	506.7
2014	515.8	516.6	516.0	516.0
2021	540.6	541.3	536.7	537.5
2031	575.2	577.1	571.6	572.7
2036	591.6	594.6	592.5	593.6
2001-11	25.8	25.8	25.8	25.8
2011-21	33.9	34.7	30.1	30.8
2011-31	34.6	35.8	34.8	35.2
2014-36	75.8	78.0	76.5	77.6
2014-39		88.8	90.9	92.0
<b>Homes</b>				
2014-39		91.6	93.8	95.0
per annum		3,663	3,753	3,798
2014-36	77.8			
per annum	<b>3,535</b>			

Source: PBA

**Figure 4.6 Average homes 2014-39**



Source: PBA

26. The SHMA concludes by identifying a need figure of 80,055 homes by 2036 based largely on the ONS/CLG 2014 figures. (This is slightly higher than the figures in Table 4.5 of the SHMA and it is unclear to me why this is.) There is a reference to taking account of the CLG 2012 figures so it may be that some authorities have been increased without others being reduced, but this can't be assessed from the report.

**Table 4.6 Preferred demographic scenario**

	Period	Component	Dudley	Sandwell	Walsall	Wolverhampton	South Staffs	Total
1	2014-36	Additional dwellings (CLG 2014)	12,035	29,851	18,003	15,613	4,553	80,055 (3,639 pa)
2	2011-14	Additional dwellings anticipated (SHNS)	1,902	3,894	2,163	1,542	624	10,125
3	2011-14	Dwellings completed (AMR)	1,777	1,847	1,647	1,627	538	7,436
4	2011-14	SHNS gap (2-3)	125	2,047	516	-85	86	2,689
5	2014-36	Demographic starting point + SHNS gap (1+4)	12,160	31,898	18,519	15,528	4,639	82,744 (3,761 dpa)

Source: PBA

27. PBA add a further 2,689 additional houses which they justify as being the shortfall between 2011 and 2014, although it should be noted that in 2015 the sub-region provided above its target. The use of such shortfalls certainly risks appearing arbitrary.

28. The grand total is 82,744, (78,105 without South Staffordshire)

### *Market Signals*

29. The SHMA goes on to consider Market signals (under-delivery, house prices, rents, affordability, concealed households.) It concludes that housing has not been undersupplied across the sub-region and planning has not been restrictive with housing still cheaper in the Black Country than the rest of the UK.

30. However, when the SHMA considers local authorities individually, it highlights South Staffordshire where, perhaps not surprisingly given its attractive location, it identifies housing affordability issues. This is despite the District over-supplying on housing targets, in contrast to most of the Black Country authorities. The SHMA concludes, after comparison with other recent cases, that a market uplift of 25% is required (amounting to 1138 homes). However, it also acknowledges (Paras 7.24 and 7.25) that this amounts to double counting of homes elsewhere in the sub-region. It claims current Government policy does not allow for rebalancing a market uplift.

### *Economic Need*

31. The SHMA goes on to consider economic need. It uses two forecasting models to test whether the housing numbers provide sufficient employees for business. The first one is from Experian and the SHMA uses two versions of this, one before and one after Brexit. These forecasts assume the local SNPP population increases are fixed and then tests the level of unemployment. While new jobs are created in the sub-region unemployment stays relatively high suggesting there is an adequate workforce.

32. The Oxford Model (which is also used in the EDNA and is consistent with the approach to the SuperSEP work) takes a different approach in that it does not assume the local SNPP figures but allows the migration pull of areas of the UK where there is lower unemployment and more jobs to impact on population. In their model the population of the Black Country declines by 48,361 by 2030 because of better job prospects elsewhere.

33. Unemployment is deemed to be lower in South Staffordshire but this is not surprising when many people are commuting into the conurbation.

34. PBA conclude that their OAN provides sufficient workers and no uplift is needed.

35. However, there is an alternative conclusion which should be considered. If the Oxford analysis is right, and it seems reasonable, the population in the Black Country may not become as high as anticipated and in particular, the level of households may be lower. Unfortunately, the SHMA does not test this hypothesis itself or convert the Oxford population decline into housing numbers.

36. An appendix considers similar work on a wider basis for the SuperSEP which suggests 6,000 less households are required to meet the SEP outputs than SNPP. Given that the SEPs are themselves aspirational this suggests that migration away from the Black Country may occur even if it is successful in its ambitious Economic Policies.

37. The SHMA dismisses 6,000 less households as not significant given the population size but it is surely significant in relation to housing need. The final OAN figures are set out below.

**Table 7.1 OAN summary**

	Without SHNS adjustment		With SHNS adjustment	
	Total	Per annum	Total	Per annum
Dudley	12,035	547	12,160	553
Sandwell	29,851	1,357	31,898	1,450
Walsall	18,003	818	18,519	842
Wolverhampton	15,613	710	15,528	706
South Staffordshire	5,691	259	5,933	270
Total	81,193	3,691	84,123	3,824

**Conclusions**

38. Much of the increase in population assumed in the SHMA is based on natural changes in birth and death rates, and the aging of the population which one would expect to be reliable. However there are other elements that are more open to question:

- a) the reliance on UPC (although it is not made clear how much of a difference this makes) in the trends analysis.
- b) the inclusion of a 2,689 housing back-log for 2011-2014, even though the market signals do not suggest this has impacted on housing in the area, and when South Staffordshire, where house prices are highest, has been building above its target.
- c) the inclusion of an 1,138 uplift for South Staffordshire (25%) which amounts to double-counting as it is not compensated for by a reduction elsewhere.
- d) a failure to examine the implications of the Oxford analysis which suggests people may move away from the sub-region even in the most favourable economic circumstances, approximately 6,000 less households according to the SEP analysis.

39. These seem to be discrete items and together they account for upwards of 10,000 households.



## Supply Background Paper and SHLAAs

40. The SHLAAs were all produced in 2016. They largely concentrate on supply up to 2026 but include some known longer term supply. The totals are set out in Table 1 of the Supply Background Report (SBR).

**Table 1 Summary of Black Country SHLAAs (as of April 2016)**

	Net housing completions 2006-16	Total housing capacity from identified sites, broad locations and windfall allowances 2016-26	Total housing supply 2006-26	Total Core Strategy housing target 2006-26	Identified housing supply 2026-36
Dudley	5,652	11,021*	16,673	16,127	867
Sandwell	7,168	15,562**	22,730	21,490	-
Walsall	6,165	7,422~	13,587	11,973	-
Wolverhampton	4,266	9,983	14,249	13,411	561
<b>Black Country</b>	<b>23,251</b>	<b>43,988</b>	<b>67,239</b>	<b>63,001</b>	<b>1,428</b>

\* including a 10% discount for non-implementation for all sites except homes under construction

\*\* including a 10% discount for non-implementation for all sites programmed for delivery by 2021

~ includes small windfall site allowance of 118 homes pa from 2020/21 onwards (708 total), which is referred to in Walsall SHLAA but not included in published Walsall trajectory. There is no allowance for small sites before 2020/21 to avoid potential double counting with existing small sites with planning permission.

41. The assumptions behind these are set out in the SBR. Notably the level of discount for non-implementation, demolitions, density and windfalls which I paraphrase below.

### *Discount Rates*

42. Because the Strategy was developed in a period of recession, there was a risk sites would not come forward. However, as the economy is more buoyant and extending that period forward on would expect discount rates to improve and undeveloped sites to come on stream later in the plan period.

*Demolitions*

43. There was an assumption in the original Strategy that 6three would be 6,900 demolitions at a replacement rate of 52% removing 3340 homes. In fact since 2009 it has only been 1374 and the replacement rate has been higher.

*Density*

44. The density levels have also been influenced by the recession, particularly a reduction in homes built in centres, where densities are higher. However, as the report sets out, since 2011 developers have been seeking densities above 35 dph in allocated sites. This means that additional homes could be found on sites allocated with lower densities. The report estimates 700 and a further 309 if a density of 40dph was adopted.

*Windfalls*

45. Windfalls remain a key and consistent part of housing supply and the SHLAAs show there is a steady supply of small sites which can be converted into a future windfall prediction of 4990 sites up to 2026. There have also been an on-going supply of larger sites, some 5089 committed up to 2026. Cautiously the local authorities are assuming half the current rate in the future (from 2026-36), which provides additional capacity of 2233.

46. Table 2 pulls together the identified additional supply.

**Table 2 Potential Additional Housing Supply 2016-36 (beyond existing SHLAAs)**

	<b>Application of a blanket 10% discount on committed sites</b>	<b>Small site windfall allowance (2026-36)</b>	<b>Larger windfall sites (2016-36)</b>	<b>Increased densities (under existing policy)</b>	<b>Total supply 2016-36</b>
<b>Dudley</b>	-41	1,500	636	350	2,445
<b>Sandwell</b>	-887	1,200	636	350	1,299
<b>Walsall</b>	-671	1,180	636	0	1,145
<b>Wolverhampton</b>	-898	1,110	325	0	537
<b>Black Country</b>	<b>-2497</b>	<b>4,990</b>	<b>2,233</b>	<b>700</b>	<b>5,426</b>

47. Table 3 pulls those two tables together to show the total supply and concludes there is a deficit of 21,670 homes.

**Table 3 Current and Potential Black Country Housing Supply against Objectively Assessed Need: 2014-36 (as of March 2016)**

Local Authority	Net Completions 2014-16	Current Identified Housing Supply 2016-36	Potential Additional Housing Supply 2016-36	Total Supply 2014-36	Objectively Assessed Need (OAN) taken from 2017 SHMA	OAN minus Supply
Dudley	1219	11888	2445	15552	12160	+ 3392
Sandwell	1519	15562	1299	18380	31898	- 13518
Walsall	1700	7422	1145	10267	18519	- 8252
Wolverhampton	1240	10544	537	12321	15613	- 3292
<i>Black Country</i>	<i>5678</i>	<i>45416</i>	<i>5426</i>	<i>56520</i>	<i>78190</i>	<i>- 21,670</i>

48. The current strategy has relied on the use of industrial land for housing and the SBR sets out some options for further employment land that might be released. It includes 93 has in Dudley and a further 26 has with potential to come forward, 75 has with potential in Walsall, 229 has in Sandwell and 38 has in Wolverhampton. The SRB says work is currently underway to consider the potential supply this might achieve. In the Preferred Option the amount suggested is 10,400 homes, although I cannot find the calculation behind this. It also says that because there is a shortfall of employment land any loss to housing would need to be made up.

49. The Walsall SHLAA includes a detailed map of such sites which tend to be clustered around specific areas of old industrial land, for example, around Willenhall, or to represent sites which are already located within areas of housing or mixed use. Some may have an alternative future as small industrial units, but for others it is hard to envisage them being utilised in part or in full for industry if they became vacant.

50. The overall position is summarised in Figure 9 of the Preferred Options Document, although unhelpfully the numbers are slightly different, giving a slightly higher housing shortfall.

*Conclusion*

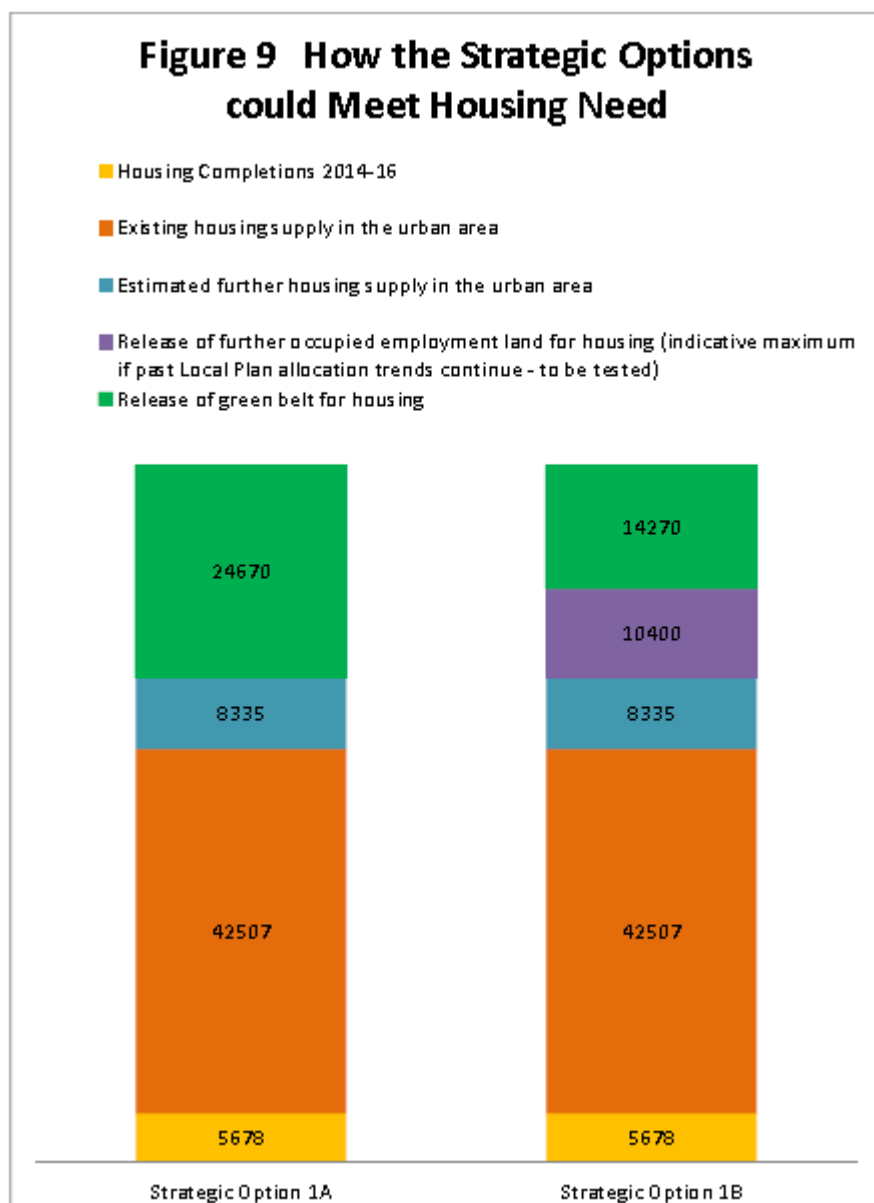
51. In general the supply side work seems to be soundly based. As well as committed sites, a higher level of replacements and a windfall allowance have been taken into account. I do think, however, there may be a case for suggesting the figure for larger windfalls should not be discounted.

52. The question of releasing employment land is harder to gauge. There does not appear to be a consistent approach which leads to higher level in some Boroughs. There is also a question mark as to whether keeping some of these sites in industrial uses is sustainable over the longer term. I would like to see further work to address that issues.

53. Clearly, from a strictly housing point of view, 10,400 homes would make a significant dent in the housing shortfall. And if the demand side figures were incorrect (for the reasons set out) above it would, in effect, remove the need for large scale Green Belt releas-

es. Many of the redundant industrial sites would also be in sustainable locations and even if available might be considered unsuitable now for industrial use.

54. It seems incumbent on the Local Authorities to consider this particular matter in more detail so that a more certain basis for action can be ascertained before the revised plan is fully tested.



## Economic Development Needs Assessment

55. An Economic Development Needs Assessment (EDNA) was published in May 2017 for the Black Country and South Staffordshire. It takes the employment rate and the anticipated GVA for the sub-region and then models the resulting land use need, utilising the Oxford Economic Model. It models two scenarios, one allowing for existing trends to continue and one based on the aspirations of the Joint Strategic Economic Plan (SuperSEP) for the Black Country and Birmingham. A margin of two years is added to account for the uncertainty of such projections. The approach varies slightly across land use categories to account for changes in floorspace needs.

56. Because a quantitative assessment of needs may not address the quality and marketability of existing and future employment land the assessment also considers the type of land needed, some of which might be delivered in South Staffordshire while serving the Black Country.

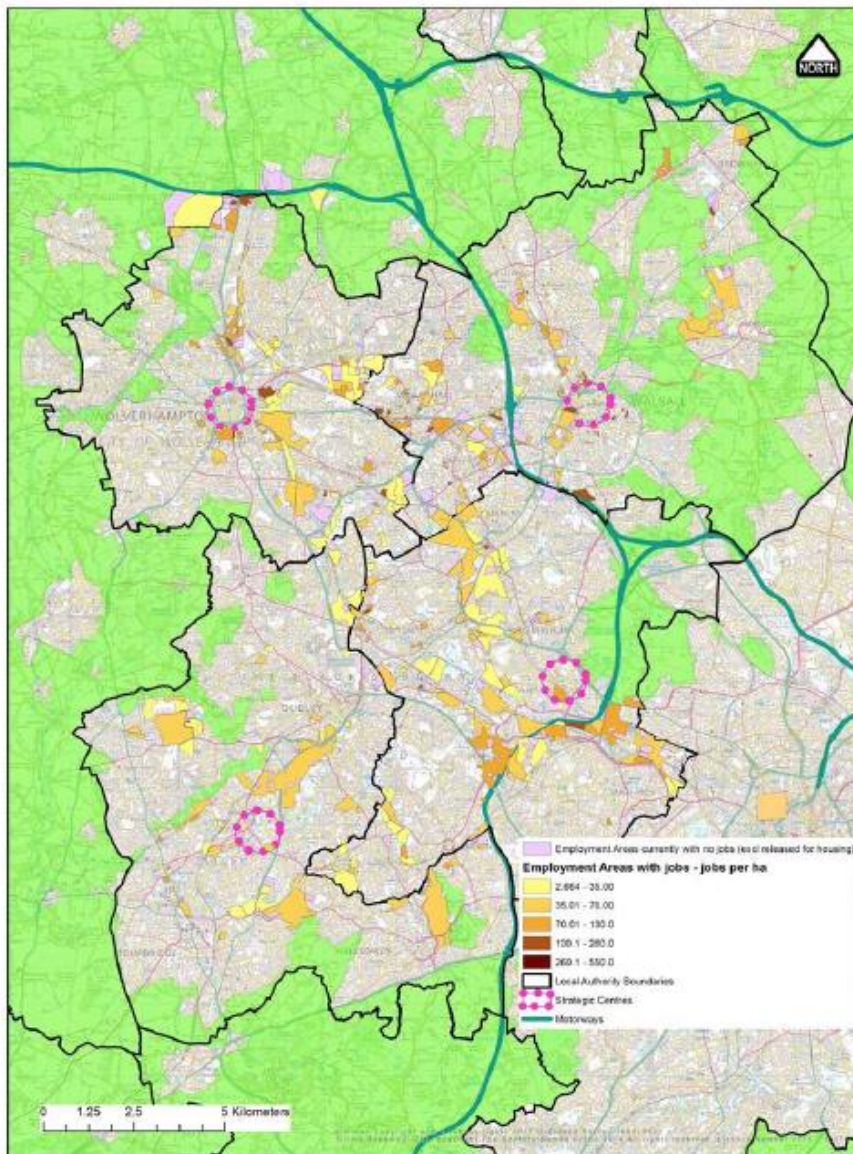
57. The report considers a number of factors which it considers could contribute to the success of the sub-region, notably the Devolution Deals, the arrival of HS2 and associated infrastructure upgrades and the wider policies of the Midlands Engine. Most central to its case is the delivery of the SuperSEP with its aspirations in areas like aerospace where closeness to the supply chain is considered a strength in the Black Country.

58. Between 2009 and 2014 employment and GVA have both increased across the Black Country with the exception of Dudley, although productivity lags behind other parts of the UK. Growth and opportunity is over a variety of sectors with High Value Manufacturing representing a key opportunity. Somewhere between 71 and 78% of residents live and work in the Black Country. The Black Country has economic links with some other areas but by far the largest ones links with South Staffordshire and Birmingham.

59. The report refers the 2014 Black Country and South Staffordshire Sub-Regional High Quality Employment Land Study (HQELS) which identified that there was a shortage of High Quality site and those that exist are often under 5 hectares, none over 20 has. From 2011 to 2013 a third of inquiries for land could not be met and some of this may have been due to a lack of sites. As well as demand for manufacturing land there is also pressure from the logistics sector who see access to the M5/M6 as key to distribution around the country.

60. Figure 3.5 gives a current snapshot of existing industrial areas.

Figure 3.5: Job Estimates for Employment Areas in the Black Country



### Future Demand

61. The report outlines its two scenarios, as well as different levels of GVA and employment. They result in different population figures. The trend analysis creates a population increase across the West Midlands Combined Authority of 369,000 and the SuperSEP a population of 542,000. In the case of the Black Country employment levels remain the same in the trend but increase by 111,600 jobs in the SuperSEP, a clearly demanding target. There is also a dramatic increase in manufacturing to support this. Figure 6.11 converts this into land requirements.

**Figure 6.11: Estimates of Industrial Land Requirements in the Black Country to 2036, based on estimates of future employment growth in the area**

	Manufacturing (B1c/B2)			Distribution (B8)			Total
	FTEs	Floorspace	Ha	FTEs	Floorspace	Ha	B1c/B2 & B8 (ha)
<b>BASELINE SCENARIO</b>							
Dudley	-2,300	-98,099	-26.86	-700	-50,936	-13.95	-40.81
Sandwell	-3,700	-158,656	-43.44	200	15,844	4.34	-39.10
Walsall	-2,300	-98,224	-26.89	70	5,774	1.58	-25.31
Wolverhampton	-900	-37,842	-10.36	-10	-944	-0.26	-10.62
Black Country	-9,200	-392,822	-107.56	-440	-30,262	-8.29	-115.84
<b>SUPER SEP SCENARIO</b>							
Dudley	1,600	67,610	18.51	1,200	94,958	26.00	44.51
Sandwell	1,200	50,651	13.87	3,100	242,371	66.36	80.23
Walsall	800	32,462	8.89	2,300	179,644	49.19	58.08
Wolverhampton	2,900	127,279	34.85	1,600	121,453	33.26	68.11
Black Country	6,400	278,002	76.12	8,300	638,426	174.81	250.93

Source: WECD Analysis.

62. Simply taking an arithmetic approach to employment growth, 116 has of over-supply could be released to other uses in the baseline scenario, whereas the Super SEP would require 251 has of additional land. A GVA based approach would create higher requirements whereas a simple trend based approach would produce a much lower figure.

**Figure 6.13: Estimates of Industrial Land Requirements in the Black Country to 2036, GVA-based Growth of Manufacturing**

	Manufacturing (B1c/B2)			Distribution (B8)	Total (B1c/B2 & B8)
	Estimated GVA Change £	Floorspace	Ha <sup>97</sup>	Ha <sup>91</sup> (employment-based)	Ha
<b>BASELINE SCENARIO</b>					
Black Country	2.96bn	2,030,690	408 - 510	-8	400 - 502
<b>SUPER SEP SCENARIO</b>					
Black Country	7bn	5,676,080	1,135 - 1,418	175	1,310 - 1,593

Source: WECD Analysis.

**Figure 6.14: Estimates of Industrial Land Developments in the Black Country to 2036, based on average past developments trends**

	Dudley	Sandwell	Walsall	Wolverhampton	Black Country
<b>Total ha (2015/16-2036)</b>	65 ha	180 ha	170 ha	125 ha	540 ha
<b>Average ha per annum</b>	3 ha	9 ha	8 ha	6 ha	26 ha

Source: WECD based on Black Country data.

63. Taking all these outputs together the report then considers what is an appropriate industrial land level. It argues that the baseline figure is too low because it lacks aspiration and would suggest a negative need for industrial land whereas, even in difficult times, there has been positive demand. It recommends a base level figure of 540 hectares (derived from the current average requirement) and a further 251 hectares to meet Super-SEP’s aspirations of which 70% should be for logistics and 30% manufacturing. This, it says, also allows for business closures, relocations and improvements and for land that will be becoming unsuitable for industrial uses.

*Future Supply*

64. The report then considers the supply of land. Details are set out in Figure 7.1

65. One thing that is evident is the poor quality of much of the industrial land.

**Figure 7.1: Total Employment Space(Stock) in the Black Country (ha) – November 2016**

Type of Site	Dudley	Sandwell	Walsall	Wolverhampton	Black Country
Local quality (LQEL)	284	684	348	281	1,597
Existing high quality (SHQEL)	158	174	122	187	641
Potential high quality (PHQEL)	176	306	194	167	843
<b>Total</b>	<b>618</b>	<b>1,164</b>	<b>665</b>	<b>635</b>	<b>3,082</b>
Sites that could be considered for release subject to there being an adequate supply of employment land	142	63	75	0	280
Employment sites identified for housing in Local Plans	0	165	0	38	203

**Source:** Black Country Local Authorities. Figures rounded up/down as appropriate.

66. Figure 7.2 shows the current land available and 7.3 the size of those sites, which are predominately small. There are no sites over 20 has and the two sites over 10 has are not currently High Quality sites.

**Figure 7.2: Industrial Space contributing to 2036 Needs by Local Authority (ha) (A, B and C categories)**

Type	SHQEL	PHQEL	LQEL	Total ha (sites)
Dudley	4 (2)	18 (9)	18 (13)	40 (24)
Sandwell	-	14(6)	15 (5)	29 (11)
Walsall	0	97 (32)	27 (19)	124 (51)
Wolverhampton	8 (5)	41 (14)	21 (14)	70 (33)
<b>Total Black Country</b>	<b>12 (7)</b>	<b>170 (61)</b>	<b>81 (51)</b>	<b>263 (119)</b>

**Source:** Black Country Local Authorities. Figures in brackets indicate number of sites.



**Figure 7.3: Industrial Space contributing to 2036 Needs by Local Authority (ha)  
(A, B and C categories) – Number of sites by size**

Type	SHOEL	PHOEL	LOEL	Total no of sites
Less than 1 ha	5	13	19	37
1-5 ha	2	40	29	71
5-10 ha	-	6	3	9
10-15 ha	-	1	-	1
15-20 ha	-	1	-	1
More than 20	-	-	-	-
<b>Total Black Country</b>	<b>7</b>	<b>61</b>	<b>51</b>	<b>119</b>

**Source:** Black Country Local Authorities.

67. Arithmetically the gap between supply and demand then is 800 has minus 263 has (or 527 has.) 90 has of additional land is identified in South Staffordshire (including the extension of i54) and the report suggests up to 100 has of the 270 has Four Ashes Logistic site could be included in the supply, thus reducing the notional shortfall figure to 337 has.

68. The study concludes that the Black Country needs to find 350 - 450 has of additional employment land, (although the Core Strategy consultation refers to 300 has.)

### *Conclusions*

69. The basis for the 800 has of industrial land is very unclear with a wide range of competing figures. It is certain that some industrial land will be needed to provide high quality, readily available sites of an appropriate size. The very largest sites may be hard to find within the Urban Area. But the total additional land to meet the SuperSEP targets is based on a level of aspiration which may simply not come to fruition.

70. In terms of supply there is clearly a need to improve the sites currently available so more are deemed High Quality sites. There is significant space coming on line in South Staffordshire but I am dubious why the Four Ashes Logistic Site only counts for 100 has of supply not 270 has, since:

- a) it is located in the study area
- b) the biggest need appears to be for logistics provision
- c) the need for a logistics site in South Staffordshire has historically been promoted as ‘Serving the Need of the Black Country’ and
- d) it will be a major employer of Black Country workers. If Four Ashes were removed the deficit is some 130 has, which could be utilised to identify larger high quality sites.

71. Lastly, there is some discussion in the EDNA of the poor utilisation of industrial land at present with low productivity per hectare. That raises the possibility of additional gains from rationalising sites which stay in industrial use although I couldn’t find much consideration of the amount of land this might free up.

72. And there is a problem with this whole approach in that the larger sites have a wider regional role (as the old WM RSS acknowledged through designating Regional Logistics and Employment Sites). They cannot be simply seen as part of the Black Country portfolio but serving the whole conurbation. It may be that the overall need for such sites is lower than the sum of sites being put forward and that the optimum sites should be chosen.

## Overall Conclusions

73. Looking across the span of these land demand and supply issues it seems to me a lower OAN should taking account particularly of the economic drivers for out migration even in the most favourable circumstances envisaged in the SuperSEP.

74. While each site would need assessing it seems to me that the principle of releasing industrial land for housing, given that it may become redundant anyway, is sound but that a full assessment requires further analysis from the Local Authorities as they take the plan forward.

75. On that basis the need for Green Belt release for housing seems to me more limited than is being presented and the Exceptional Circumstances test is not being met, which requires more than simply a deficit in numbers.

76. In terms of industrial land, the level of need is more complex to assess but the current quality of land and lack of larger sites means that a limited release of additional land may be justified, although the 300 has seems exaggerated. The Assessment should certainly take full account of the Four Ashes sites and needs to consider the impact of competition with other sites such as Peddimore.