

APPENDIX A

HOUSING EVIDENCE BASE REVIEW PAPER

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BLACK COUNTRY CORE STRATEGY REVIEW

ISSUES AND OPTIONS CONSULTATION (SEPTEMBER 2017)

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1. Introduction

1.1 The purpose of this report is to review the housing evidence base that supports the proposed Issues and Options within the Core Strategy. The reports considered in this paper includes:

- SHMA Part 1 (Section 2)
- SHMA Part 2 (Section 3)
- Housing Background Paper (Section 4)

1.2 The conclusions of this paper, summarised in Section 5, will be fed into the representations to the Issues and Options Core Strategy Review.

2. Black Country and South Staffordshire Housing Market Area Report, March 2017 (PART 1)

Introduction

- 2.1 The SHMA prepared has been prepared by PBA, which is the same author of the Greater Birmingham Strategic Housing Needs Studies (SHNS). Whilst this approach is supported for consistency, the methodology used by PBA has previously been subject to some criticism. In addition, it is considered the evidence is not sufficiently transparent and, accordingly, it is difficult to appropriately review the assumptions used and results generated. Such concerns are set out within this report.

Housing Market Area

- 2.2 In terms of establishing the SHMA, reference is made back to the conclusion of the SHNS, which confirmed this (the Black Country and South Staffordshire) as an appropriate sub housing market area of the wider Greater Birmingham HMA. It is understood that the SHMA has been prepared covering the sub area to inform the Issues and Options Review of the Black Country Core Strategy. Whilst this is appropriate to identify local needs, there is concern that there is not a SHMA for the HMA, as required by the NPPF and Planning Practice Guidance, over the same time period.
- 2.3 As there is not a wider strategic plan to apportion dwelling requirements across the HMA and nor is there a memorandum of understanding agreeing a dwelling distribution, there is concern that if smaller/ sub areas prepare their own evidence based on different timescales some unmet need may be lost. It is welcomed that the Black Country authorities have taken matters into their own hands by commissioning evidence to allow the Core Strategy to be reviewed, however, it is important that the other authorities also commit to preparing a full HMA, which includes the latest demographic data and extends to 2036 and beyond where possible.

Demographic Change

- 2.4 It is pleasing to note that following many years of decline, the Black Country is now growing. This is potentially due to both the policy shift in limiting development in rural areas and focusing growth on the MUA and also as a consequence of not enough homes being built in the West Midlands, due to a policy vacuum as a result of national changes and the economic recession, which has meant that households are out priced from more desirable areas of the West Midlands and, therefore, choosing to remain in the Black Country.
- 2.5 It is noted that between 2001 and 2011, there was positive natural change of circa 30,000 people for the HMA overall, although it should be noted South Staffs bucks the trends and has negative natural change.

- 2.6 In terms of net migration for the same period, domestic outflows totalled 35,400 and international inflows totals 37,000, resulting in almost no net change. In addition, there was a UPC change of +30,000 people. The report justifies the use of UPC on the basis that there were discrepancies in migration.
- 2.7 It is understood that the Strategic Housing Needs Study for the Greater Birmingham HMA included different scenarios for the HMA as a whole, which counted and discounted UPC. The Inspector for the Birmingham Local Plan considered a scenario excluding UPC as appropriate. Clearly, this approach differs to that proposed in this SHMA and it is unclear if there are any wider implications of this. It is agreed that circumstances relating to UPC differ in each location, however, there is concern that as a full SHMA has not been undertaken the individual circumstances have not been appropriately considered.
- 2.8 It is identified that population growth between 2011 and 2014 was 20,400 and there was other additional growth, which was as a result of a new prison opening in South Staffs. It is suggested that, as prison population is institutional, this growth is not included in future growth projections. This approach is supported as these people will not occupy dwellings as such.
- 2.9 The report reviews the 2014 Based Projections and identifies that it includes increased levels of domestic net migration than the previous vintage (which was used in the SHNS). The projected population growth using 2014 Based data, between 2014 and 2039, is 165,300 for the sub area.
- 2.10 There is positive natural change for all authorities except for South Staffs. It is noted that this is due to there being an aging population in South Staffs. The rate of population growth is largely in line with past trends and the majority of growth is the elderly population.
- 2.11 It is noted that the 2014 Based Household Projections show household growth of 89,000 or 3,550 per annum between 2014 and 2039. This in our view provides the baseline projection as it is based upon short term past trends.
- 2.12 It is welcomed that two further alternative long term projections have been prepared: one takes account of 2014 MYE and a ten year trend period of 2004 to 2014; the second takes account of 2-15 MYE and uses a ten year trends period of 2005 to 2015. Both include UPC. There is concern, however, that in future testing of past trends a longer period of say 15 years should be used now as this takes account of a balanced period of economic prosperity and decline. Given that migration trends are quite volatile to economic changes, it is appropriate to consider the implications arising from a neutral period (i.e. where equal economic experiences are felt). It is considered that a 15 year period to 2015 accounts for 7 years pre recession and 7 years post recession.

- 2.13 The two alternative projections identify a greater dwelling requirement circa 100 dwellings extra than the 2014 Based Household Projections per annum. It is supported that considerable weight is given to the alternative 2014 based projection as the demographic starting point, however, as advised above there is concern that this period of past trends is mainly made up of a period of negative or poor economic growth. Should over the proposed plan period economic circumstances improve and be sustained, which is possible given that the plan period extends to 2036, there is concern that the dwelling requirement may be insufficient to meet dwelling requirements.
- 2.14 In terms of the household representative rates, it is unclear if any changes have been made as a result of considering the Stage 1 and 2 data sets. Further clarity is required in this regard.
- 2.15 Further, it would be expected that the demographic modelling methodology would include appropriate adjustments to allow for households in a particular age category (25-34 and 35-44) that have been constrained, as a result of high house prices, to form. There does not, however, appear to be any such adjustment and accordingly these households will remain constrained and their needs will not be met.
- 2.16 It is unclear what level of vacancies have been applied to determine the number of dwellings appropriate for each local authority area. There are a number of different ways household can be converted to dwellings and it is, therefore, appropriate that the method is transparently set out. It is advised that the percentage of vacancies identified by the 2011 Census should be applied for each LPA. Where the percentage is below 3%, the figure of 3% should be maintained as this has been previously recommended by the National Housing and Planning Advice Unit as an appropriate level to allow the housing market to function effectively.
- 2.17 It is identified, however, the larger SHNS uses a 2012 based demographic starting point and therefore there is a need to address any unmet need arising between 2011 and 2014. A under supply and 'gap' of 2,689 dwellings is added to the starting point, which is proposed to be added over the plan period (i.e. before 2036). A phased approach was considered, however, this was considered a 'policy on' mater. Although it is suggested that weight should be given to frontloading the supply of sites where possible.
- 2.18 It is supported that the SHMA is seeking to ensure that any dwelling requirement is not lost from the overarching SHNS, however, it is suggested that this unmet need should be provided for early to allow those households form as they were projected to, alternatively such households will remain as concealed or in shared accommodation, which is determinantal to their quality of life. Further consequences are that the reduced supply to meet the increasing demand will inflate house prices and, accordingly, households may choose to move elsewhere to locations where there are available homes that are affordable. Clearly, out migration of people due to a shortage of homes, will not assist to grow the local economy in accordance with aspirations.

2.19 In terms of bringing land forward for development as part of the Black Country Core Strategy Review, it is appropriate to ensure that as many sites as possible are encouraged to come forward for development immediately, where there are no barriers to implementation. Indeed, for any strategic sites, given the lead in times required to prepare and determine planning applications, these must be planned early to ensure that they are entirely built out in the plan period and fully contribute to the dwelling requirements.

Market Signals

2.20 With regard to considering if further adjustments are to be made to the demographic requirements, the report considers market signals. It outlines that:

- in terms of completions there is a similar profile to national following economic cycle;
- for house prices house price change was close to national trend until 2007, but in the recession it fell faster than the national figure, and in the recovery it has not caught up with the national trend, however, they out performed comparators. House prices in South Staffordshire were highest in HMA;
- in respect of affordability, the Black Country is far more affordable than England, however, South Staffs is different but an improvement in affordability between 2012 and 2013;
- for rents, the national average was higher than the study area and there has been marginal increases locally except in South Staffs which has increased at twice the rate;
- in terms of overcrowding, this is relative to the national average;
- for concealed households, similar number of concealed than the regional average.

2.21 The report concludes, there is no evidence that housing has been undersupplied or that planning has been particularly restrictive to justify an uplift in demographic projections in the Black Country, however, an uplift is suggested for South Staffs (LPA breakdowns and summaries are provided).

2.22 The conclusion states that there is no evidence housing has been undersupplied. This statement is factually untrue, particularly in light of the 'gap' identified above, as we are experiencing a housing crisis as set out in the NPPF. Simply because the Black Country's indicators are in line with the regional and national level of overall under provision, does not mean that there is not an excessive need. It is wrong to state that there is no evidence of housing undersupply and, accordingly, the application of an uplift for the Black Country should be reconsidered.

Jobs and Houses

2.23 With regard to considering jobs and houses, three economic projections have been tested. It is concluded that there are no suggestions from any of the data that the area needs a larger labour force to meet the economic requirements. The Oxford Economics model does support, however, market signal adjustment for South Staffordshire on the basis that it indicates that more residents would prefer to live

(but not work) there. It is concluded that a 25% uplift should be applied to the demographic starting point and added under supply for South Staffs.

- 2.24 As highlighted in response to previous PBA Reports, which examine the relationship between jobs and homes, there are concerns that the model used does not strictly follow the advice set out by the Planning Advice Service, which was ironically prepared by PBA. Firstly, in respect of the Experian model, the population is set to the SNPP and, consequently, it is understood that commuting levels and working ages flex where necessary to ensure the economic needs are met. Very limited information is provided for all of the variables and it is difficult to understand the changes taking place. There is concern that as the model cannot be transparently scrutinised it cannot be objective.
- 2.25 In terms of the Oxford Economics projections, generated from the West Midlands Combined Authority model, it is outlined that the trend based projections generate a higher dwelling requirement than that arrived at from the job growth forecasts. This is largely because the jobs growth forecasts are very low. The report does not state what date the Oxford Econometrics forecasts were taken from and it could be that there is more recent information. As suggested in the Issues and Options Report, the economy has fared better than anticipated and hence less employment sites than expected came forward for development. It is unclear whether this has been picked up in the forecasts. There is concern that the data is potentially a number of years old and may be out of date. Clarification of the vintage of the data would be helpful.
- 2.26 Clearly, these scenarios are based on a 'policy off' position and accordingly do not reflect improved economic ambitions for the future. In light of this, it is appropriate that further testing takes place to consider the dwelling requirement of a more aspirational economy. It is acknowledged that Appendix B includes an analysis based on the outputs of the Strategic Economic Plan, whilst this is useful there are a number of assumptions used due to the inability of the model to provide detailed age/ sex break downs and accordingly generate the number of dwellings required to meet the needs of that population. There is concern that this assessment based on quite broad assumptions is insufficiently accurate that further modelling should be used to appropriately identify 'policy on' implications.

Conclusion

- 2.27 To conclude, the demographic starting point is 80,055 dwellings between 2014 and 2036. An adjustment of an additional 2,689 dwellings is suggested over the plan period to account for the previous shortfall. In addition, to account for market signals it is suggested that an additional 25% uplift is applied.
- 2.28 The recommendations suggest that 84,123 homes are provided for between 2014 and 2036, which is 3,824 dwellings per annum. As highlighted above, based on the scenarios tested, this is considered to be a reasonable starting point, however, there are concerns in relation to the methodology and a further alternative scenario should also be tested to identify implications of a longer term trend that incorporates experience from both periods of economic prosperity and decline. If such recommendations are applied it could well result in an increased dwelling requirement.

- 2.29 It is suggested that the LPAs may consider front loading the housing requirement to address the undersupply more rapidly. This suggestion is very much supported and it is advised that the Black Country Core Strategy Review does all it can to urge the early delivery of housing, particularly as this will plug any gaps arising whilst larger sites are coming forward.
- 2.30 It is suggested that by providing a 25% increase to the OAN for South Staffordshire in response to providing sufficient labour to meet economic needs the OAN for the Black Country may need to be reduced so not to be counted twice. Taking the economic argument out of the equation, an uplift was applied to South Staffs in response to market signals on the basis that it is becoming less affordable. Based on this scenario, there is no double counting as the additional uplift is to take the pressure off existing housing market (i.e. providing more supply to meet the high demand). By simply providing for future needs on a one home for one household basis, this will not dilute the pent up demand nor impact on house prices. Given this scenario, it is suggested that a reduction of the Black Country OAN, in place of the uplift in South Staffordshire, will simply result in unmet need in the Black Country, which could be transferred to South Staffordshire but provide no slack. It is therefore suggested that the South Staff uplift is maintained and there is no reduction to Black Country OAN.
- 2.31 It is disappointing that the SHMA does not consider the affordable housing and whether any uplifts to OAN are required. Whilst this is a 'policy on' adjustment it is appropriate to know as part of the SHMA what the implications are. It is advised that the SHMA is updated to incorporate this.
- 2.32 With regard to unmet cross boundary need, it is suggested that in setting housing targets, there is scope for South Staffs to offset some of its unmet need against their recommended market signals adjustment. It is further suggested that migration flows from other areas outside the HMA may be stronger than assumed in the base projections, however, all migration should be picked up in the projections and, as highlighted above, this additional allowance is to provide slack in the housing market that will allow existing concealed/ shared households to form and potentially prevent house prices from increasing at the faster rate identified. It should, therefore, not form part of any unmet need from outside the HMA.

3. Strategic Housing Market Assessment, June 2017 (PART 2)

Introduction

- 3.1 It is welcomed that the Black Country authorities have undertaken this second stage of work looking at the needs for all types of housing, including affordable housing and the needs of different groups in the communities.

Socio Economic Context

- 3.2 The statistics identified in this section is factual and, therefore, no comments are offered in respect of this section.

The Cost and Affordability of Housing

- 3.3 The costs and affordability of homes is noted and there are no comments offered in respect of this section.

Type and Tenure of Future Housing Need

- 3.4 It is unclear if the data relied upon to determine the future requirements for homes is that, which has been generated by the preferred scenario identified in the SHMA Part 1. It is advised that, where possible, such data is used to identify the size of future households likely to arise over the plan period as opposed to potentially using other sources. It is, therefore, more likely that needs will be met.
- 3.5 Further, in paragraph 4.6 there are references to adjustments made to counter the existence of overcrowding. Such changes were not documented within the SHMA Part 1.
- 3.6 In terms of suggested household size requirements, it is interesting to note that for the 'owner occupied' category the need is mostly for larger three and four bedroom properties. There is concern that given the density and other proposed policies to improve the efficiency of land will restrict the delivery of larger homes and as a result needs will not be met.
- 3.7 Finally, whilst it is useful to know the likely size and tenure dwelling requirements of arising households, the Black Country authorities should not include any prescriptive policies requiring a particular split as the circumstances for each site vary and it is therefore appropriate to consider dwelling size and type on a site by site basis.
- 3.8 It is important that the level of affordable housing identified as necessary is tested against the dwelling requirement to determine if the delivery of these affordable homes is viable. It is important that the policy initiative to deliver affordable housing does not compromise the delivery of housing overall, otherwise it would be contradictory to the policy provisions of the NPPF.

Requirements of Specific Groups of the Population

- 3.9 As highlighted above in respect of the size and tenure of homes, whilst it is useful to be aware of the requirements of specific groups of the population, it is important that this information is not used to determine overly prescriptive policies. As highlighted above, the circumstances of each site vary and it is important that there is flexibility to meet market requirements based on needs in that particular location in order to deliver mixed sustainable communities.

Conclusion

- 3.10 Within the conclusions for each of the Black Country authorities it is explained that vacancy rates are applied to the number of households required in order to generate the number of dwellings. Firstly, it is unclear what the source is for identifying vacancy levels. In the case of South Staffordshire, for example, it is suggested that a rate of 2.6% is applied, however, it is widely recognised that a 3% vacancy rate is considered to be the ideal level of vacant homes to allow for transactions, for homes to be renovated. It is therefore advised that a minimum of 3% or higher should be used, when applying a vacancy rates.
- 3.11 It is helpful that the SHMA has identified the relevant affordable housing requirement for each of the individual authorities. It is, therefore, considered that this District level data should be used in preparing an affordable housing requirement reflective of the different level of need. This will ensure that more affordable homes are provided in the locations where they are needed. Further, such affordable housing levels should be tested to ensure such a level is viable and deliverable and that the overall delivery of homes will not be compromised as a consequence of the planning obligation.
- 3.12 As highlighted previously, it is important that the proposed policies are not too prescriptive in relation to housing type, tenure and size in order to allow the characteristics of each location to be taken into account.

4. Housing Supply Background Report, July 2017

- 4.1 It is noted that the work is preliminary and that a more detailed consideration of sites will take place in 2017/ 2018 to further identify the housing land supply available to contribute to meeting the housing requirements of the Core Strategy Review. Initial comments in response to the evidence presented is, however, provided below.

Evidence, Assumptions and Allowances

- 4.2 The methodology of the SHLAAs are currently predicated upon the strategy of the existing Core Strategy. Given that the strategy is likely to change as a result of the requirement for more land to meet the increased dwelling requirement, the methodologies should also be more flexible to maximise opportunities, but also remain realistic in respect of the delivery of the development opportunities identified. Detailed comments are provided below.

Discount Rates

- 4.3 A 10% discount rate was applied to sites which were commitment in 2009 and a rate 15% was applied to unidentified sites that were expected to come forward within the regeneration corridors or freestanding employment sites. It is unclear as to whether these remain appropriate. As set out in the Core Strategy Review, a number of sites, particularly employment sites, have not come forward as anticipated and, therefore, discounting rates may need to be revised to be more realistic – especially for sites that are occupied.
- 4.4 It is suggested that the Councils undertake further work examining past trends of non implementation of different categories of sites to determine the correct level appropriate to the area and circumstances. This evidence based approach is considered to be the most robust and sound way to identify discount rates.
- 4.5 Further, as recommended by the Local Plans Expert Group, an additional land supply buffer of 20% is suggested to be provided as a contingency mechanism for scenarios where there is a deficiency in delivery. Should this approach be adopted as advised, there may not be a need for discounting as set out above. It is proposed, however, that given the delivery difficulties experienced previously in the Black Country an increased buffer of 25% should be applied in place of the 20%.

Demolitions

- 4.6 It is identified that assumptions relating to demolitions over estimated the reduction in housing stock as a result of urban renewal. It is unclear whether there are any further urban renewal schemes which are to take place over the new plan period. If so, where possible, demolitions arising from these should be identified on a site by site basis, rather than applying assumptions, to ensure lost dwellings are accurately identified.

Density

- 4.7 As set out the adopted Core Strategy identifies that sites of 15 homes or more to achieve a density of 35 dwellings per hectare (DPH), net of open space and major roads. The policy also requires developments of 60 dph or more to be located in the strategic or town centres, and for other high density developments (45-60 dph) to have good access to residential services by foot or public transport. It is understood that this policy approach is applied to sites in the HSLA to calculate the number of dwellings that can be accommodated on each site.
- 4.8 Whilst the principle of this is sound, there is a need to ensure that the assumptions do not over estimate the yield of sites, particularly in locations of the Black Country where there is an opportunity to diversify the existing housing mix through the provision of lower density family homes. It is appreciated that there is a need to deliver an efficient use of land, however, there is an over provision of particular types of homes in certain locations, which has led to wider social issues.
- 4.9 Further, on a separate matter, since the recession the apartment market has suffered, particularly given the amount of upfront investment required to deliver such schemes. In light of this, sites that were originally identified for higher density homes may not come forward as originally envisaged. It is important, therefore, that such schemes are reassessed and a more reasonable and deliverable level of homes is identified and counted within the SHLAA and Housing Trajectory.

Windfall Allowances

- 4.10 A windfall allowance is generally accepted in respect of small sites as it is impossible to identify many of these as some will arise through the general churn of land. A figure of 6% of the total housing supply from the Core Strategy or 418 homes as a windfall allowance for small sites of less than 15 homes was considered to be acceptable by the Inspector.
- 4.11 It is welcomed that small sites have been defined as sites of 9 homes or less in accordance with the Housing White Paper. This clarification has reduced the threshold for windfall sites, which was previously less than 15 homes. This change will help to identify more sites within the SHLAA and provide more certainty to the housing land supply and is supported.
- 4.12 As a consequence of the change in threshold, an allowance based on a proportion of the overall dwelling requirement should be amended as, accordingly, less homes will come forward. It is suggested that historic trend information is obtained for sites of 9 or less in order to identify the average number of homes that have come forward and a proportional split can be determined thereafter.
- 4.13 It is recognised that larger windfall sites do also arise, however, these are less able to predict and we would express caution over using past trends to identify future supply from this source.

Surplus Employment Land

- 4.14 The existing strategy relies on a large proportion of land for housing to be provided through the redevelopment of employment land, however, it has been identified that there is a need to increase the employment land over the period to 2036. It further states that it could require the retention of more of the existing employment land that may have been expected previously to be released for housing.
- 4.15 Whilst it is acknowledged that a review of the quality of employment sites has been undertaken. It is known from developers active in the Black Country that there are a number of sites that are currently vacant with employment land designations. These sites have been advertised, however, there has been no interest. In light of this, it is recommended that the Black Country authorities reconsider land allocations for sites that are not fit for purpose in their current use. Accordingly, it may be the case that employment development would be better located on new sites.

Current Identified Housing Supply 2006-26

- 4.16 It is reassuring that the Black Country has planned for the dwelling requirements well in providing a total housing supply some 7% in excess of the dwelling requirements. As set out above and in the accompanying representations the Local Plans Expert Group's recommendation, which is to have a 20% buffer of land supply over and above the dwelling requirement identified, should be adopted. Given the challenging market conditions in some areas of the Black Country, it is considered that such an approach would be beneficial to provide a contingency for when particular sites are stalled due to unforeseen circumstances. Indeed, the buffer could be increased to 25% to adopt a cautious, yet reasonable, approach.
- 4.17 In terms of the five year land supply calculations, it is suggested that there is a five year land supply based on both the adopted Core Strategy dwelling requirement and the emerging SHMA 2017 annualised requirement. There is no information/method as to how this has been calculated and what level of buffer has been applied if any. This needs to be taken into consideration when determining the five year land supply position and transparently set out.

Potential Changes to Housing Supply 2016-36

- 4.18 In terms of the suggested housing capacity from Walsall Town Centre, as highlighted above in relation to densities, there is concern that it is more challenging to bring forward apartment development and accordingly the authorities should be cautious when identifying number of homes that can be delivered.
- 4.19 With regard to reducing discount rates, it is welcomed that research is ongoing to determine whether the rates remain appropriate. It is considered that the rates should not be reduced unless there is evidence to support it. It is recognised that the implementation of the Core Strategy was impacted by the recession, however, the housing market in some areas of the Black Country remains challenging and it is appropriate to retain contingencies to account for this.

Potential to Increase Densities

- 4.20 As highlighted above, there are concerns with regard to increasing densities. It is welcomed that work has been carried out to review the historic and current density rates. Looking at the results, although the same period is small, it appears that higher densities were achieved in earlier years, however, more recently, densities are lower. Indeed, the research based on current commitments also reflect the current trends for more lower density development. This data reflects concerns identified above relating to the apartment market and difficulties associated with bringing these sites forward.
- 4.21 In paragraph 4.19 it is suggested that if density policies could be changed to raise the minimum density requirement to 40 dph instead of 35dph. This, however, is clearly a matter for further consideration as part of the Issues and Options Core Strategy Review. There is concern that applying a blanket density requirement will, on a number of sites, lead to new developments that are potentially out of character with the local environment and result in the delivery with more smaller dwellings in an attempt to get more homes on the land. It is suggested that the Black Country authorities remain consistent with national density requirements and that higher densities should be encouraged in more accessible locations, however, there should be flexibility for each site to be considered on its own merits.

Small Site Windfall Allowance (<10 homes)

- 4.22 As highlighted above, it is understood that the small site threshold has changed from 15 dwellings to 9 dwellings, however, the allowance has not changed to reflect this lower threshold. It is advised that the allowance is amended to be reflective of evidence of windfalls under 10 dwelling. The additional 4,990 homes over 10 years is, therefore, likely to be less.

Large Windfall Sites (10+ homes/ not currently employment land)

- 4.23 Again, as identified above, given that all sites that are likely to come forward for development should be identified within the SHLAA, it is considered that large windfall sites should be minimal. In addition, the authorities updated the SHLAA on an annual basis and therefore new sites should be captured. In addition, there is a finite supply of such land and accordingly it cannot be relied upon heavily as there is concern the sites coming forward will reduce.
- 4.24 It is welcomed that the allowance for large sites is half of current rates, however, there remains concern that the delivery of this land is not certain. It is advised that the Councils do not rely on this source as a component of supply and that it is a bonus to the supply should opportunities come forward.

Occupied Employment Land

- 4.25 As highlighted above, to implement the findings from the qualitative assessment of employment land to ensure that it is fit for purpose and when it does not meet

future employment needs it should be transferred to a more compatible use. It may be the case that new land outside the urban area may be appropriate for employment land. The qualitative assessment will assist to define an appropriate employment land strategy.

- 4.26 Conversely, some sites that have been identified for housing remain in employment use and are actively occupied. It may be the case that some existing sites assigned for housing remain as employment land. Again, the qualitative assessment will assist in identifying this.

Other Sources

- 4.27 In terms of releasing open space for housing, evidence would need to demonstrate that change the use is acceptable in planning terms.

Summary

- 4.28 It is concluded that through changes to the methodology, additional supply can be found, however, there are a number of concerns relating to these changes as identified above. Whilst more homes would be delivered, there are potentially other detrimental and undesirable consequences that could occur. It is important, therefore, that the Black Country authorities consider the wider implications of the changes proposed.

Conclusions

- 4.29 There is clearly a significant challenge in finding sufficient sites to meet the arising need for homes identified by the 2017 SHMA. Whilst it is commendable that the Black Country authorities are attempting to maximise the housing land supply from existing sources in the urban area, there is concern that there are wider policy implications for increasing densities, relying on large windfalls and sites in other uses. It is suggested that the Councils need to review the suggested changes in the Housing Supply Background Report in the context of the responses to the Issues and Options Core Strategy Review and other policy matters, as well as undertake more work on certain policy aspects as suggested to ensure the strategy is deliverable and ultimately a successful plan for growth.

5. Overall Conclusion

- 5.1. In summary, the evidence has identified that there is a challenging dwelling requirement in the sub HMA, that there is a need for affordable homes that is likely to be met through the dwelling requirement and that there are limited urban sites to accommodate additional homes. This evidence clearly identifies the need for a Green Belt Review, to find out if land outside the urban area and inside the Green Belt could come forward to assist in meeting the dwelling requirements. If there are insufficient sites within and outside the urban area, it is possible that some of the unmet needs are exported outside of the Black Country but within the sub HMA and other potential locations considered thereafter.
- 5.2. Finally, a number of queries/ suggestions have been made in respect of how the evidence has been prepared/ or is to be taken forward. It is recommended that this advice is taken on board in order to ensure the Core Strategy Review is sound in accordance with the NPPF requirements.