

Greater Birmingham and Solihull LEP Black Country Local Authorities

Strategic Housing Needs Study Stage 3 Report

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August 2015

Project Ref 29710

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1 INTRODUCTION

Study overview

- 1.1 This study was commissioned by the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) and the Black Country Authorities. These commissioning bodies jointly cover the local authority areas of Birmingham, Bromsgrove, Cannock Chase, East Staffordshire, Lichfield, Redditch, Solihull, Tamworth, Wyre Forest, Dudley, Sandwell, Walsall and Wolverhampton. The study has three main purposes: to assess future housing need across the sub-regional housing market area in the plan period 2011-31; to compare it with the land supply currently identified; and, if supply falls short of need, to explore spatial options for meeting that shortfall.
- 1.2 The first two questions were addressed in the Stage 2 report of the study, published in November 2014. For the study area specified above over the plan period, that report showed a shortfall of some 27,000-61,000 dwellings: the difference between objectively assessed housing need for 204,000-238,000 net new dwellings and identified land supply for 177,000 dwellings¹.
- 1.3 In the present Stage 3 study we consider spatial options (scenarios) for distributing this shortfall between local authority areas, which were initially defined by the study brief as follows:
 - *Scenario 1: Intensification* – deliver extra dwellings through increased densities and / or intensification of existing urban areas;
 - *Scenario 2: Peripheral Urban Extensions* – distribute the shortfall to the urban periphery of the conurbation, close to areas where growth pressures are greatest;
 - *Scenario 3: Public Transport Corridors* – distribute the shortfall according to spare capacity and growth potential in the rail network;
 - *Scenario 4: Enterprise* – base the distribution on future employment growth, to ensure a broad balance between housing and employment;
 - *Scenario 5: Dispersed Growth* – distribute the growth to shire districts, in proportion to the population of main urban settlements;
 - *Scenario 6: New Towns / Settlements* – distribute the shortfall to expansion of existing New Towns at Redditch and Telford, together with potential new settlements.
- 1.4 Chapters 3-9 below will consider these scenarios in turn. But first, in the next chapter, to set the context we briefly recap and update the main findings of the Stage 2 report. This is a necessary step because, in the months since that report was completed, there have been important changes in circumstances.

¹ Numbers in the text are rounded.

- 1.5 The study throughout was overseen by a steering group comprising officers from the client authorities. We thank group members for their invaluable contribution.

2 STAGE 2 FINDINGS UPDATED

Geography

- 2.1 In accordance with national policy and guidance, where housing market areas (HMAs) straddle administrative boundaries housing needs assessments should deal with HMAs, rather than individual local authority areas. Therefore, in Stage 2 of this study an early step was to determine if the study's client authorities, listed at paragraph 1.1 above, formed an HMA within the meaning of the NPPF and PPG. The analysis confirms that most of the client authorities are linked by migration and commuting into a single 'Greater Birmingham HMA'. However the edges of the two geographies do not quite match:
- The local authority areas of East Staffordshire and Wyre Forest do not belong to the HMA, despite being part of GBSLEP. A more accurate market geography would group East Staffordshire with Derbyshire and Wyre Forest possibly with Worcestershire.
 - Conversely, the local authority areas of South Staffordshire, North Warwickshire and to a lesser extent Stratford-on-Avon do belong to the HMA, although they are not part of either GBSLEP or the Black Country. South Staffordshire is closely linked to the Black Country and North Warwickshire to the GBSLEP area. Stratford is more difficult to classify. The evidence suggests that it's very large land area is split between several HMAs, and only the northern section has close links to GBSLEP.
- 2.2 The Planning Inspector who recently examined the Birmingham Development Plan endorsed the above conclusions, and asked for housing needs evidence to cover the 'true HMA' - excluding East Staffordshire and Wyre Forest but including South Staffordshire, North Warwickshire and Stratford-on-Avon. The steering group for the present strategic study has also resolved that Stage 3 should focus on that true HMA, rather than the client authorities covered by GBSLEP and the Black Country and listed at paragraph 1.1. Accordingly, throughout this report we classify the local authorities as follows:
- The *Birmingham sub-market* comprises Birmingham, Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull, Tamworth, North Warwickshire, and Stratford-on-Avon.
 - The *Black Country sub-market* comprises Dudley, Sandwell, Walsall, Wolverhampton and South Staffordshire.
 - The two sub-markets combined form the *Greater Birmingham HMA*.
 - The HMA, together with East Staffordshire and Wyre Forest, form the *extended study area*.
- 2.3 The use of a Black Country and Birmingham sub-market in this report is purely illustrative. These two geographies have no formal status and the NPPF requires planners to provide for the needs to the HMA as a whole.

Objectively assessed housing need

- 2.4 As noted earlier, in Stage 2 of this study we assessed housing need as a range, which for the client authorities in 2011-31 was between 204,200 and 237,500 net new dwellings. Once recalculated for the HMA the range becomes 207,100-234,800 dwellings – very close to the original figures, because the impact of removing East Staffordshire and Wyre Forest is almost exactly balanced by adding South Staffordshire, North Warwickshire and Stratford.
- 2.5 In the present stage of the work we revisit if this needs assessment is still fit for purpose; and also to express it as a single best estimate, because in developing spatial options it is impractical to work with a range. For this we need to consider two issues, which are discussed in turn below: firstly unattributable population change (UPC) and secondly the implications of the new 2012-based CLG household projections.

Unattributable Population Change

- 2.6 In the Stage 2 findings, the difference of 27,800 dwellings between the minimum and maximum estimates of housing need is largely accounted for by one factor: UPC. As discussed at length in the Stage 2 report, the UPC is an error in the official population statistics, which could be caused by misrecorded migration, miscounting in the 2001 and/or 2011 Censuses, or (more likely) a combination of both.
- 2.7 For the Greater Birmingham HMA, the minimum estimate of 207,100 dwellings in effect assumes that all of the UPC is due to a Census or Censuses miscounting the resident population, and conversely the maximum estimate of 234,800 dwellings assumes it is due to misrecorded migration. In Stage 2 of the study we could not find any evidence that would help us disentangle these causes. This is why we expressed the objectively assessed housing need as a range, bearing in mind the observation in Planning Practice Guidance (PPG) that this type of assessment is not an exact science.
- 2.8 To provide a single best estimate of need we would ideally find a point between the two ‘book-ends’, derived from a view of how the UPC divides between miscounted population and misrecorded migration. But we have found no evidence that would underpin such a view:
- At national level the ONS in the 2012-based subnational population projections (SNPP) (the latest available) decided to set aside the UPC, in effect assuming that it was due to miscounted population².
 - This decision has been carried forward into the 2012-based CLG household projections, published on 27th February 2015, which group the population projected by ONS into households.
 - The new CLG projections in turn were endorsed by the PPG, on the day they were published, as ‘*the most up-to-date estimate of future household growth*’³.

² The reasons for this decision are summarised in: Office for National Statistics, *Questions and Answers: 2012-based Subnational Population Projections*, May 2014

- At local level, as noted earlier we have found no evidence to set against the national view embodied in the official projections and endorsed by the PPG.
- 2.9 For these reasons, the study steering group is satisfied that the ONS 2012-based SNPP, which takes no account of the UPC, provides the best available population projection available at this time.
- 2.10 Of the ‘book-end’ housing need figures produced by Stage 2 of this study, this points to the lower one, equal to 204,200 dwellings over the plan period. This figure is based on the ONS/PBA 2012 household projection, which groups the 2012-based SNPP into households.
- 2.11 However, since we produced the Stage 2 report CLG has released a new official household projection, which uses a different method for grouping the population into households. We must consider whether this new household projection would be a better starting point for Stage 3 of the study. This is the subject of the next section.

Implications of CLG 2012

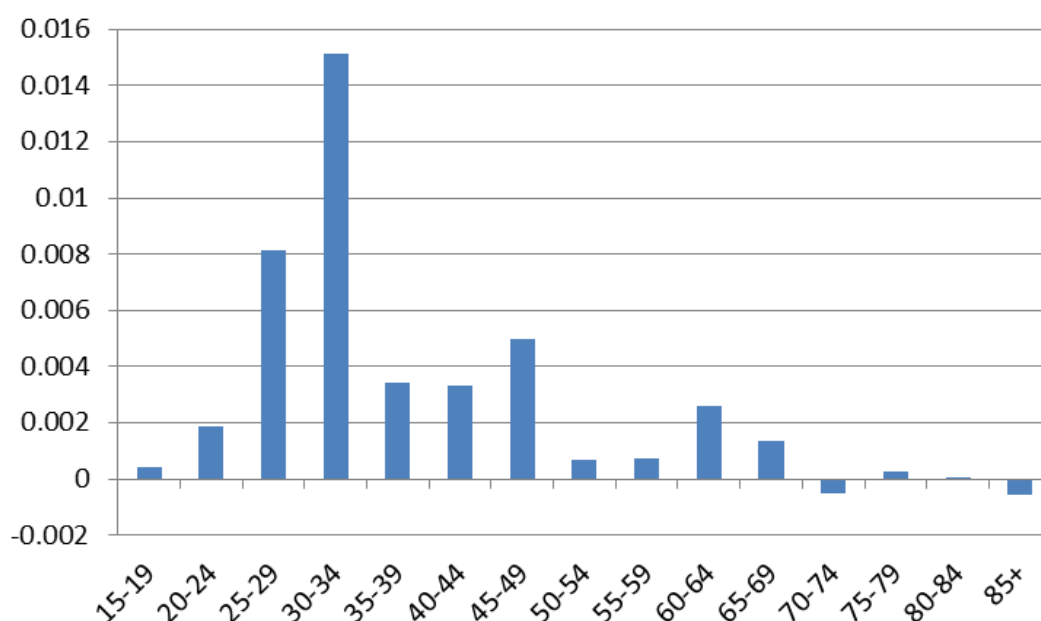
- 2.12 As explained in the Stage 2 report, the factor that turns projected population into projected household numbers is known as the household representative rate (HRR, formerly headship rate). The HRR is the proportion of persons in each demographic group (age x sex x relationship status) who are household representative persons (formerly known as heads of household). CLG uses HRRs to translate the ONS population projections into household projections. Independent demographers may choose to use different HRRs.
- 2.13 When we produced the Stage 2 report last year, ONS had released the 2012-based SNPP (‘ONS 2012’) but CLG had not yet released the resulting household projections (‘CLG 2012’). Therefore the most recent official HRRs available were in the CLG’s 2008-based and interim 2011-based projections. The 2011-based set showed considerably less household growth than the 2008-based one, because in the later years of the last decade household formation had fallen behind earlier trends. The CLG 2011 projections rolled forward this slowdown.
- 2.14 Bearing in mind these circumstances, our Stage 2 preferred household projections for Greater Birmingham used ‘indexed’ HRRs - in effect a compromise between CLG’s relatively optimistic 2008-based rates and its relatively pessimistic 2011-based rates. This approach has been widely used in housing studies. It reflects the view that the reduction in HRRs between the two projections was partly a recession effect that would be reversed in due course and partly a permanent change due to other factors, which would persist over the long term.
- 2.15 The new CLG 2012 household projection provides new official HRRs for the next 25 years, superseding the 2011 set. The new release uses the same projection method as CLG 2011, but it is based on revised estimates of actual HRRs at 2011. Ideally this vital information should be taken from the real-life evidence of the 2011 Census. But, at the time the Stage 2 report was produced, for CLG 2011 these data were not

³ Reference ID: 2a-016-20150227

yet available, and therefore the 2011 HRRs by demographic group were estimated from a mix of sources: national rates from the Labour Force Survey (LFS) and the relative positions of local authorities principally from the CLG 2008 projections. When CLG 2012 was being prepared, Census data on HRRs at 2011 were provided by ONS but looked unreliable. Therefore CLG again had to resort to estimates of these actual HRRs, and again these estimates were primarily derived from the LFS and CLG 2008, though with greater inputs from the Census than before.

- 2.16 In line with the standard timetable of official releases, CLG 2012 next year will be replaced by CLG 2014, which hopefully will be based on real-life HRRs from the 2011 Census, and hence much more robust.
- 2.17 For now, the new estimates of 2011 HRRs have had a large impact. CLG 2012 predicts significantly higher HRRs than CLG 2011, especially for the 25-34 age group, but also for those aged 35-49 (Figure 2.1).

Figure 2.1 Difference in HRRs by age band in 2021 between CLG 2012 and CLG 2011, England



Source: CLG

- 2.18 Consequently CLG 2012 shows greater household growth than CLG 2011, and the Greater Birmingham HMA is no exception. It also shows very similar household growth to our preferred Stage 2 scenario, ONS/PBA 2012. In a sense this is not surprising, since both projections are based on the same population, ONS 2012. More interesting, they also agree on overall household formation – the relationship of households to population – although they projected that household formation by quite different methods.
- 2.19 Table 2.1 compares the housing need implied in CLG 2012 and our Stage 2 preferred scenario (as before, we have assumed that 3% of dwellings are vacant or second homes). For the HMA and the extended study area, the difference between the two numbers is 2% or less; that is, they are virtually identical. For individual local

authorities the differences are greater, which is as one would expect, since projections are generally less stable and less robust for smaller geographical areas. Even so, there are just four authorities for which the two numbers differ by more than 5%.

- 2.20 In our Stage 2 report we showed projected population as well as housing need. Here we do not repeat these population figures - which have not changed – for the sake of brevity, and also because the present stage of the study focuses on meeting housing need, as opposed to calculating that need.

Table 2.1 Housing need, 2011-31: two demographic projections

Net new dwellings 2011-31	ONS/PBA 2012	CLG 2012	Difference	Difference %
Birmingham	89,004	88,409	-595	-1%
Bromsgrove	5,947	5,833	-114	-2%
Cannock Chase	5,985	5,846	-139	-2%
Lichfield	6,688	6,630	-58	-1%
Redditch	3,587	4,030	443	12%
Solihull	12,154	12,228	73	1%
Tamworth	4,206	4,243	37	1%
North Warwickshire	3,149	3,296	147	5%
Stratford on Avon	8,868	9,312	445	5%
Birmingham sub-area	139,588	139,828	240	0%
Dudley	12,686	12,501	-184	-1%
Sandwell	25,962	26,737	775	3%
Walsall	14,412	15,875	1,464	10%
Wolverhampton	10,284	11,410	1,126	11%
South Staffs	4,161	4,131	-31	-1%
Black Country sub-area	67,505	70,655	3,149	5%
Total HMA	207,093	210,482	3,389	2%
East Staffs	9,237	9,237	0	0%
Wyre Forest	4,000	3,567	-433	-11%
Extended study area	220,330	223,287	2,956	1%

Source: CLG, ONS, PBA

- 2.21 We have discussed with the steering group whether for Stage 3 of this study we should use CLG 2012 as the demographic measure of housing need, replacing the Stage 2 ONS/PBA scenario. This option would involve a partial re-run of the Stage 2 analysis as we test the detail of CLG 2012 for any anomalies. The steering group decided against it, given that, according to the PPG, projections are not rendered out of date every time a new version is released; moreover in this case the two versions produce very similar results, and CLG 2012 will be replaced next year by a new, more robust CLG projection.

- 2.22 The purpose of the present study is to provide a strategic evidence base that is consistent across the HMA, so that the local authorities in the area can work together effectively. In progressing their development plans, the authorities will wish to refer to this evidence and also to CLG 2012 which, as advised by the PPG, is the most up-to-date official projection available. This should not cause any difficulties, because the two projections are so close.
- 2.23 As a final comment on housing need, it is important to bear in mind that our assessment is based mostly on demographic projections, together with consideration of future jobs (which is discussed in Chapter 7 below). This study has not considered past provision and market signals or affordable housing needs. In line with the PPG, plan-makers should analyse these factors separately to see if they justify making upwards adjustments to the demographic projections. We have provided this analysis for Birmingham City, in evidence to the examination of the Birmingham Development Plan, and concluded that no adjustment was required⁴. But for the other authorities covered by the study, the analysis and any resulting uplifts is left to local evidence base studies. Therefore the needs we have assessed are minimum figures, which might increase in the light of such local evidence.

Relationship to local assessments of housing need

- 2.24 As noted earlier, one reason this study was originally commissioned was to provide an assessment of housing need which was consistent across the HMA, at least before any adjustments made in the light of local circumstances. But alongside this strategic work many of the Councils have commissioned their own evidence and this is being used to progress development plans or support adopted plans.
- 2.25 In this work we are not able to take account of these local assessments alongside our own calculations. Nor are we able to compare the local assessments with the latest CLG household projections. The main reason is that local assessments, unlike our projections and the CLG 2012 household projection, have not been prepared in a consistent manner across the HMA. They start from different base data, use different methods for demographic projections and take different approaches to adjustments for market signals and other factors, depending on local circumstances. Therefore we cannot add up the various Councils' preferred demographic and housing need assessments to present a HMA-wide view,
- 2.26 Any discrepancy between our numbers and local alternatives does not necessarily suggest that local assessments are obsolete or wrong. In planning for their areas, Councils will consider a range of evidence which includes both this study and local assessments. It is for the Councils to determine what weight they give to these different sources of evidence.
- 2.27 Our suggestion is that the total housing need shown in this report be used as a minimum estimate of the HMA's total housing need. If this need is met in full across

⁴ Peter Brett Associates for Birmingham City Council, *Objectively Assessed Housing Need: Supplementary Report*, March 2015 (Examination in Public of the Birmingham Development Plan, Exam 145)

the HMA, the area will provide sufficient new homes for all the households expected to live in the area.

- 2.28 When undertaking local assessments, Councils should specify whether any local increase in projected need (through market signal adjustments or to provide more labour for job growth) makes a contribution to the missing homes in the HMA or alternatively requires additional migration to be attracted into the HMA.

Land supply

- 2.29 In this section we update the comparison of future housing need with supply capacity that was provided in our Stage 2 report. In this updated analysis, need is taken from the ONS/PBA projection prepared in Stage 2 and discussed in the last section. Supply capacity is also based on Stage 2, specifically on the deliverable and developable totals estimated at that time⁵. For Stage 3 we asked the client authorities to review these supply totals and update them if necessary.
- 2.30 2.28 Most authorities confirmed that the supply data they provided for Stage 2 were still valid. In the case of Birmingham, these data have been endorsed by the Birmingham Development Plan (BDP) Inspector, as part of a schedule of proposed Main Modifications which he considers, on the basis of the evidence available to date, are required to make the plan sound⁶. Policy PG1 of the BDP, as proposed to be modified, confirms that Birmingham has an OAN of 89,000 homes, of which only 51,100 can be provided within the city's boundary, leaving a shortfall of 37,900 to be accommodated elsewhere in the HMA. These numbers are taken from our Stage 2 report. The Main Modifications are still subject to consultation, But for the time being the Inspector's support gives that number additional weight compared to our supply figure for other authorities, since none of the other emerging local plans in the HMA are as advanced as Birmingham (many are dependent on Birmingham's shortfall). One area where the Stage 2 supply figures have been updated is the Black Country. The Joint Core Strategy for the area ends relatively early, in 2026, and a review of it has not yet started. Therefore for the Black Country, unlike the rest of the study area, there are no readily available data on supply capacity for the last five years of our study period, 2026-31. The Black Country authorities, working together, have produced estimates of this supply that we use in this report, superseding the figures in our Stage 2 report (nearly all this post-2026 supply is in windfall sites, and so cannot be identified on maps).
- 2.31 A further update to the supply figures relates to the three authorities that are part of the HMA but are not clients for the present study: South Staffordshire, North Warwickshire and Stratford-on-Avon. As they are not members of our client group, these Councils were not asked to provide supply data at Stage 2 of the study. In Stage 3, therefore, we need to make assumptions on their supply capacities.

⁵ These capacity estimates were based on SHLAAs and additional information provided by the steering group, as explained in the Stage 2 report. They are not the same as plan targets, because some authorities found capacity over and above what their assessed need, while other did not find enough to meet that need.

⁶Birmingham City Proposed Modifications

- 2.32 For South Staffordshire and North Warwickshire, we use targets from adopted local plans. We considered using their published SHLAA data but decided that this could result in very misleading analysis.
- 2.33 For South Staffordshire, this is because the SHLAA (2014) identifies very little 'deliverable' or 'developable' land, but a very large 'not currently developable' land supply of almost 20,000 dwellings- far above the Council's plan target of 175 dpa, which remains current. The SHLAA does not provide detail on these potential sites but advises that further work will investigate them more closely. Ahead of such investigation, if we were to count the 'not currently developable' supply as part of South Staffordshire's capacity we might heavily over-estimate that capacity. However it should be borne in mind as a possible source of long-term supply.
- 2.34 In North Warwickshire, the SHLAA (2013) found a deliverable and developable housing supply slightly above the housing target which was proposed at the time. But the SHLAA pre-dates the examination of the Core Strategy and has not yet been updated. Therefore we cannot be confident that the SHLAA reflects the land supply available today and we prefer to use the Council's housing target including the 500 new homes being provided to meet Tamworth's housing need.
- 2.35 For Stratford-on-Avon the picture is less clear because the plan is currently being examined. The plan submitted for examination proposed a provision target of 540 dpa. Against our HMA-consistent needs assessment of 443 dpa, this resulted in a small surplus of 97 dpa that might help offset supply shortfalls elsewhere in the Greater Birmingham HMA. But the Inspector advised that the submitted plan provided too few new homes and consequently the Council has revisited its need and now considers it is 724 dpa; we assume additional land supply is being identified to match this new figure.
- 2.36 For the purpose of this study, however, we have used Stratford-on-Avon's original figure of 540 dpa. This is partly because the new proposed target of 724 dpa is not yet confirmed and we have not had the opportunity to consider it in detail. It is also because we cannot count on Stratford-on-Avon's additional supply to accommodate cross-boundary unmet need from Greater Birmingham. Assuming that the Inspector agrees with Stratford's new target and the Council identifies enough land to meet it, if we amended our calculation accordingly Stratford's surplus would increase dramatically to 281 dpa⁷. But this may greatly overestimate the cross-boundary need that Stratford-on-Avon will import from the Greater Birmingham HMA, much of the additional migration might come from other areas (as discussed earlier, Stratford-on-Avon is related to more than one HMA). Therefore we have taken a cautious approach and assumed that Stratford-on-Avon's supply capacity stays at 540 dpa.
- 2.37 Table 2.2 compares projected need with estimated supply capacity. This time need is expressed as net new dwellings per annum (dpa), as is supply and the difference

⁷ At the time of writing the Council was consulting on a modification which increases the supply to match their OAN.

between the two (surplus or shortfall). In the last column we also show this surplus or shortfall for the 20-year plan period.

Table 2.2 Housing need and supply, 2011-31

Net new dwellings p.a.	Per annum			20 Years
	Projected need (ONS / PBA 2012)	Supply	Surplus (deficit)	Surplus (deficit)
Birmingham	4,450	2,529	-1,921	-38,424
Bromsgrove	297	245	-52	-1,047
Cannock Chase	299	210	-89	-1,785
Lichfield	334	459	124	2,489
Redditch	179	314	134	2,685
Solihull	608	475	-133	-2,654
Tamworth	210	235	24	488
North Warwickshire	157	203	46	911
Stratford on Avon	443	540	97	1,932
Birmingham sub-market	6,979	5,209	-1,770	-35,405
Dudley	634	821	186	3,725
Sandwell	1,298	1,041	-257	-5,148
Walsall	721	548	-173	-3,457
Wolverhampton	514	683	169	3,374
South Staffs	208	175	-33	-661
Black County sub-market	3,375	3,267	-108	-2,167
Total HMA	10,355	8,476	-1,879	-37,572
East Staffs	462	932	470	9,405
Wyre Forest	200	192	-8	-168
Extended study area	11,017	9,600	-1,417	-28,335

Source: ONS, PBA, local authorities.

2.38 Numbers for individual districts should be treated with caution. This is partly because some supply data are complicated by cross-boundary arrangements. So for example some of Redditch's supply will be provided in the adjoining district of Bromsgrove.

The picture for Tamworth is especially fluid given the cross boundary relationship with both Lichfield and North Warwickshire. In North Warwickshire the Council is providing 175 dpa to meet the district's own needs plus 500 new homes over the plan period to meet Tamworth's needs. Across the HMA, different Councils and plans take different approaches when accounting for this cross-boundary need so the data is best used as it relates to the HMA as a whole. Also as noted above in some districts (Stratford-on-Avon) the supply figure is not yet confirmed.

- 2.39 Another reason why the district level data should be treated with caution is that demographic projections are very unstable at the local authority district level but much more robust for larger areas. In our Stage 2 report we showed a 10-year and five-year projection for the HMA⁸. Across the HMA the results differed by less than 10%; for individual authorities the differences were much greater, often around 20%.
- 2.40 Regardless of these local complications, the main message is clear. Our best estimate for the HMA is that as a whole supply falls short of need by 1,879 dpa, equal to 37,572 dwellings over the plan period. This is much above the shortfall of 27,000 dwellings that we estimated in Stage 2 for the client authorities, based on the same demographic scenario.
- 2.41 The main reason for the increased shortfall is the new geography being used in Stage 3. The Stage 2 calculation was for the sum total of the client authorities ('the study area') and therefore included East Staffordshire, which has a substantial surplus of supply over need, as shown in the lower section of Stage 2. But for Stage 3 we are focusing on the Greater Birmingham HMA, which excludes East Staffordshire and therefore does not benefit from that district's surplus.
- 2.42 Of the HMA-wide deficit of 1,879 dpa, almost all is accounted for by the Birmingham and Solihull areas. The data show:
- A very large deficit for Birmingham (1,921 dpa or 38,424 over 20 years)
 - A much smaller deficit for Solihull (133 dpa or 2,654 over 20 years)
- 2.43 For the Black Country sub-market there is a total shortfall of 108 dpa, more than accounted for by Sandwell and Walsall, with a combined shortfall of 430 dpa. Wolverhampton and Dudley have a combined surplus of 355 dpa and South Staffordshire is almost in balance. Overall the sub-market is short of 2,167 new homes over 20 years.
- 2.44 It is important to bear in mind that the demand-supply balances at Table 2.2 are best-case estimates, because as noted earlier the needs we have assessed are minimums, which might be increased in the light of local evidence (including market signals and local economic policy objectives). Also the supply estimates can only be estimate, based on the best information available today.
- 2.45 Another important caveat is that figures for individual local authorities should not be taken literally, because much of the demand for housing is footloose within the HMA, and especially between places which are close and similar (this is one reason why

⁸ PBA trends 01-11 & PBA trends 07-12.

demographic projections for individual districts are so unstable). Thus, the main points from Table 2.2 are:

- Based on past trends⁹, the HMA as a whole has a minimum shortfall of some 1,900 dpa or 37,600 over 20 years;
- Of these 'missing dwellings', most should be within easy reach of Birmingham and to a lesser extent Solihull. This is where the largest imbalances between need and supply are found.
- The remainder of around 108 'missing dwellings' (2,200 over 20 years) should be within easy reach of Sandwell and Walsall.

2.46 In the remainder of this report we consider alternative strategies for the location of these missing dwellings. The analysis is largely based on information provided by members of the steering group, whose contributions are gratefully acknowledged.

⁹ PBA Trends Scenario and assuming Stratford-on-Avon makes a small (97 dpa) positive addition to the HMA balance,

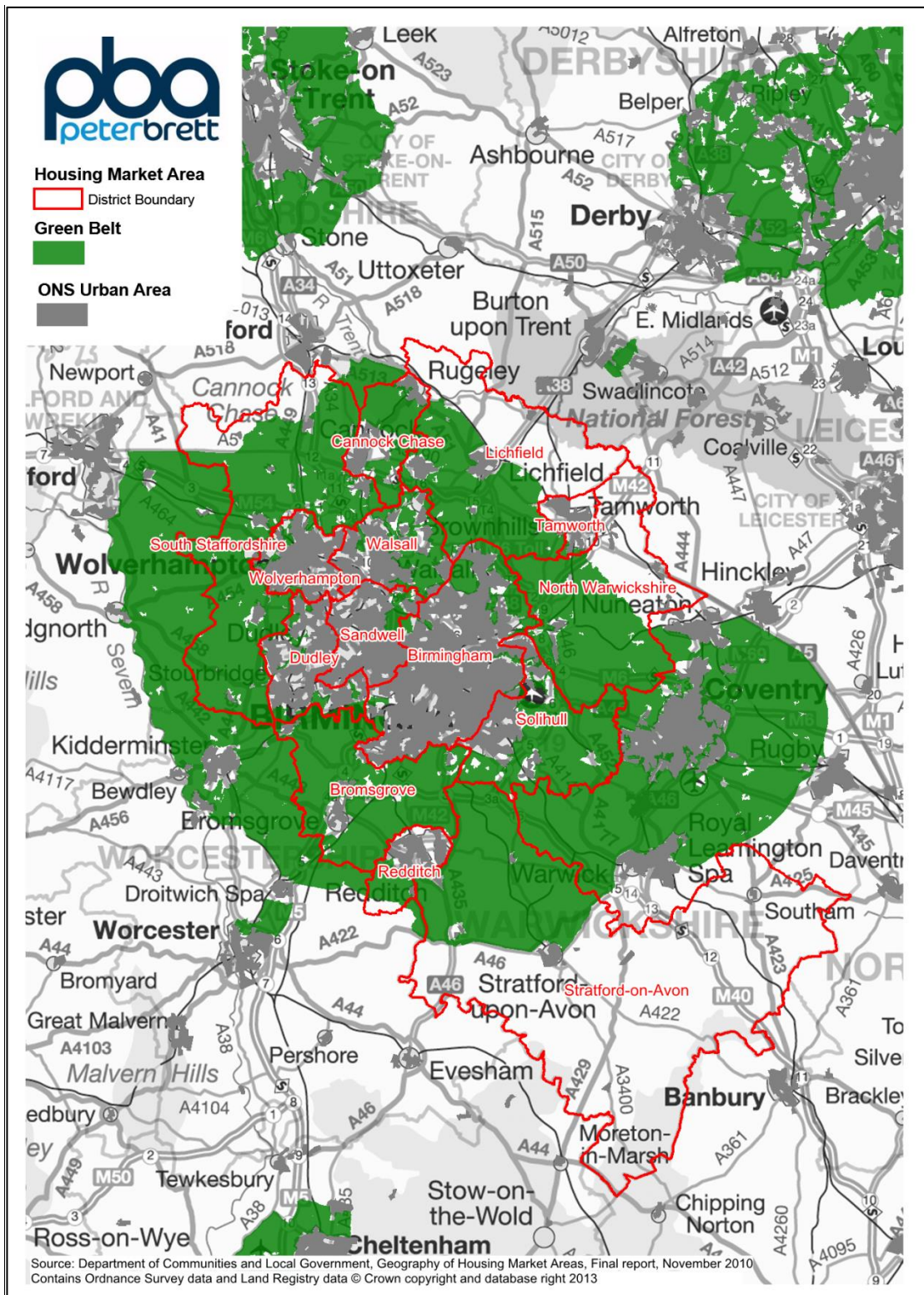
3 SCENARIOS OVERVIEW

- 3.1 In the following six chapters we test six options, or scenarios, for accommodating the housing shortfall. As noted in the Introduction these comprise:
- Scenario 1: Intensification;
 - Scenario 2: Peripheral Urban Extensions
 - Scenario 3: Public Transport Corridors
 - Scenario 4: Enterprise
 - Scenario 5: Dispersed Growth
 - Scenario 6: New Towns / Settlements.
- 3.2 We have worked with the study steering group to specify and assess each option under four headings
- *Quantity* – how many dwellings could the option deliver and how would they be distributed across local authority areas?
 - *Feasibility* – what constraints apply to the option? What are the prospects that it will be delivered successfully?
 - *Timing* – how soon could housing be delivered?
 - *Main advantages and drawbacks.*
- 3.3 The answers to these questions are in a brief summary at the end of each chapter, illustrated by a ‘traffic light’ diagram. In the tables we use slightly darker colouring for the grouped sub areas from the individual districts. This is only to aid clarity. But the logic with any traffic light diagram is that green is positive (e.g. for timing = quickly), red is negative (e.g. slow or not at all). Amber (or light red depending on printer settings) falls somewhere in between. In some of the diagrams the colour attributed to a Council area reflects their lack of land to promote this option. For example in the new settlement diagram Cannock Chase District has no land to accommodate a new settlement within its boundaries so is shown as red.
- 3.4 The options analysis deals only with potential development over and above policies and allocations in adopted and emerging plans, and focuses on sites that can provide 500 dwellings or more. It does not include sustainability appraisal, which will be provided in a separate study to be commissioned shortly. The diagram is only intended to signpost potential opportunities which should be investigated further. The colours shown for each authority are intended as broadly indicative, not definitive indications of what the authority can deliver.
- 3.5 In this report we try to highlight as many local supply constraints and concerns as possible. This is exceptionally difficult to moderate, because opinions differ between Councils over the weight which should be attributed to their constraints compared to those of neighbours. So for example we cannot determine whether one district’s highway constraints are more severe than another’s or whether a local constraint identified by one district also applies more widely. Even on technical issues such as

minerals there are no datasets to inform consistent assessment of constraints across the HMA, given that the area spans three different counties as well as the former metropolitan boroughs. To resolve these difficulties would need an evidence base that measures and weighs local constraints on a consistent basis regardless of local authority boundaries.

- 3.6 For the purpose of this report we have defined two categories of constraint:
- *Absolute constraints* are those unlikely to be overcome either by infrastructure provision or changes in planning policy. The list among other things includes Areas of Outstanding Natural Beauty (AONBs), Sites of Special Scientific Interest (SSSIs), historic parks and gardens, areas at high risk of flooding and land protected for the development of the High Speed 2 (HS2) rail line.
 - *Policy constraints* relate to policies which may change in future, for example if harm to the environment or conservation is overridden by the benefits of development or can be mitigated.
- 3.7 Some of the policy constraints established in earlier plans may carry little or no weight under current legislation or national policy. For example, paragraph 49 of the NPPF advises that '*relevant policies for the supply of housing should not be considered up to date if the local planning authority cannot demonstrate a five-year housing supply of deliverable housing sites*'. While the legal arguments are complex, it has been argued that such policies include settlement boundaries that were drawn to accommodate given housing targets. If that is the case, and the evidence shows that objectively assessed need is greater than these targets, the settlement boundaries defined on the basis of those targets may be an out-of-date policy, which no longer carries weight.
- 3.8 For this study a particular challenge is the Green Belt (Figure 3.1).

Figure 3.1 The Green Belt



3.9 Within the HMA itself (which excludes Wyre Forest and East Staffordshire) only the very northern parts of South Staffordshire, Lichfield and North Warwickshire are free of the Green Belt constraint. Southern Stratford-on-Avon is also outside the Green Belt, but as discussed earlier this part of the district is not well related to the Birmingham HMA.

- 3.10 In this study we treat the Green Belt as a policy constraint, rather than an absolute constraint, for two main reasons. Firstly, the Green Belt may be reviewed in 'exceptional circumstances'. It is for local planning authorities to determine whether the strategic housing shortfall is such an exceptional circumstance and if so how this can be applied throughout the study area. But in the GBSLEP area this threshold has already been passed, as local planning authorities are currently reviewing Green Belts to deliver their development strategies and meet their own housing needs. In the Black Country the threshold has not been crossed, but it may be in the forthcoming review of the Joint Core Strategy for the area, which will begin in 2016.
- 3.11 The second reason why we treat the Green Belt as a policy constraint is pragmatic. Other than areas already built up, as mentioned earlier the bulk of the Greater Birmingham HMA is covered by the Green Belt. Therefore most of the options we are assessing cannot realistically be delivered unless Green Belt land is released for development.

4 INTENSIFICATION

Introduction

4.1 In this section we explore whether the Councils in our study area consider that there is additional brownfield and urban development capacity, not already identified in their current emerging plans, to accommodate additional housing. To do this we consider potential capacity from three broad sources:

- Existing urban land that is currently vacant, derelict or undeveloped
- Any new supply that may emerge from future release of employment sites which is in use today but will become available for redevelopment in future.
- Additional estate regeneration.

Background

4.2 The current policy focus on brownfield land has its roots in the late 1990s and the Urban Task Force. In 1998 the Deputy Prime Minister invited the Task Force, chaired by Richard (now Lord) Rogers, to identify causes of urban decline and establish a vision for cities, founded on the principles of design excellence, social wellbeing and environmental responsibility within appropriate delivery, fiscal and legal frameworks.

4.3 The Task Force identified a large supply of potential development land in towns and cities, which could be reused for new homes. Most of this was land which was formerly used by industries that had declined and no longer needed their legacy land holdings.

4.4 The Task Force made over 100 recommendations. Most relevant to our topic was a national 'brownfield first' policy agenda. The primary national planning policy document, (PPG3) was redrafted in 2000 to enshrine a policy commitment that by 2008 60% of all new homes would be developed on brownfield sites. The policy shift was very successful and by 2005 nearly three out of four new homes were being built on brownfield land.

4.5 The Task Force also promoted a new set of studies to identify and quantify previously developed land. This included the National Land Use Database (NLUD) and local studies such as urban capacity studies and employment land reviews. Although the methods may have changed over time, the principle that authorities are required to monitor their stock of brownfield land remains. Councils rely on these studies to steer development to previously developed (brownfield) land in preference to greenfield sites.

Derelict, vacant and undeveloped land

4.6 Central government used to collect data on the stock of brownfield land through the NLUD. This was discontinued in 2013, but Councils are still required to assess their supply locally as part of their Strategic Housing Land Availability Assessments

(SHLAAs). These documents are required to identify the full extent of the deliverable and developable capacity of all types, and a key objective is to identify policy-preferable sites in line with the NPPF and local policies. As well as previously developed land this should include land in built-up areas which has not been previously developed but is suitable for development, such as playing fields or public open spaces which are surplus to requirements. In all cases, Councils have confirmed that the development of this land has already been prioritised in existing plan targets.

- 4.7 Across our extended study area, most authorities have reasonably up-to-date SHLAAs, which have informed the preparation of the latest round of plans. In the conurbation, where most the urban land supply is found, evidence has quantified known capacity up to 2031. As noted in the Introduction above, the evidence for Birmingham appears to have been accepted by the Inspector who has proposed no modifications to the number of dwellings to be provided within the city boundary. In the Black Country, the adopted Core Strategy runs only until 2026 but the Councils have updated their supply estimates to extend to 2031, as discussed earlier.
- 4.8 Our own review of the evidence confirms that adopted and emerging plans in the extended study area are already maximising their supply from this source. From a range of examination documents we can see that, where vacant or derelict brownfield sites are not identified for development, there are genuine questions surrounding the viability and deliverability of these sites. Therefore, if these plans were reviewed today, it is likely that the sites concerned would still not be proposed for development.
- 4.9 In summary therefore we have no reason to believe that there is a significant supply of vacant, derelict or undeveloped land in urban areas which has not already been identified in current and emerging development plans.

Employment land

- 4.10 All Councils try to estimate land which is currently in non-residential uses, but may come forward in future to be redeveloped for housing. In the past the main source of this kind of supply has been former employment land which is no longer required. Employment Land Reviews, part of the planning evidence base, estimate how much of the existing employment land stock will be needed in the future, and hence how much will be available to be recycled for other uses including housing. In our extended study area this recycling is a key component of all Councils' identified housing land supply.
- 4.11 These employment land documents broadly follow a set method, which is adjusted according to local circumstances. They are not updated as often as SHLAAs, but in the Greater Birmingham HMA most are relatively recent:
- Tamworth 2013
 - Redditch 2013
 - Stratford on Avon 2013
 - East Staffordshire 2013

- Bromsgrove 2012
 - Birmingham City 2012
 - Lichfield 2012 & Addendum 2013
 - Cannock Chase 2014
 - North Warwickshire 2013
 - South Staffordshire 2012
 - Solihull 2011.
- 4.12 Surplus employment land has been identified in these studies and carried forward into emerging local plans.
- 4.13 For the Black Country, since the Core Strategy was adopted, the authorities have been updating their evidence on an ongoing basis, partly to support Site Allocation Documents and Action Area Plans. Walsall Council, for example, updates its ELR annually. Partly drawing on this evidence, as noted earlier the authorities have provided new supply estimates for Stage 3 of this study, which include former employment sites.
- 4.14 In Cannock Chase and Lichfield, current plans end in 2028 and 2029 respectively. When these plans are reviewed it is possible that some new supply may be identified for the period from 2028 or 2029 to 2031. But this is unlikely to yield a strategically significant supply, because neither Council area has a large stock of employment land.
- 4.15 Councils could of course consider releasing more employment land for housing, over and above this allocated and estimated supply discussed above. But these would be employment sites which, for the most part, are currently occupied, and according to the employment land evidence will continue to be in demand over the plan period. If these sites are redeveloped for housing, planning will be underproviding for the expected demand and need for employment land. Consequently the shortfall of housing land may reduce, but the result would be a shortfall (or a greater shortfall) of employment land.
- 4.16 In summary, on the evidence currently available, we cannot identify a supply of employment land likely to be available for housing over and above current plans. But this is one area of evidence which needs to be kept under review. The amount of land needed for future employment land purposes is especially volatile to changing assumptions. If these change, for example if manufacturing employment (generally a low density employment use) declines faster than assumed then more land may be made available for new homes. But if manufacturing grows then more employment land will be needed and less will be available for new homes.

Estate regeneration

- 4.17 In some areas the redevelopment of older housing estates, which were built at relatively low densities, can yield net additional new homes. As part of this study we asked the client steering group whether there was potential for this in their areas.

Their answer is that estate regeneration cannot deliver additional housing on a significant scale.

- 4.18 The group advises that for most small sites, with only one landowner, redevelopment and intensification of sites (or small estates) is already permitted by current plan policies, subject to other policies that protect amenity, ensure adequate access and prevent development that local communities would consider inappropriate. Where there are opportunities for estate regeneration that satisfy these criteria, they are already included in SHLAAs.
- 4.19 For larger estates, group members say that land ownership is generally fragmented, which makes comprehensive redevelopment very difficult to achieve and unlikely to be viable. Assembling sites would most likely require the use of Compulsory Purchase Powers. This is very expensive and it is questionable whether the objective to increase housing densities can underpin a valid legal case.
- 4.20 Even where estate renewal is successfully delivered, there is no guarantee that it will deliver net new homes. Recent examples of comprehensive estate regeneration in Birmingham City and Solihull, including the North Solihull regeneration, for example, have yielded little or no net additional housing.
- 4.21 There is also evidence that in some circumstances continued regeneration may result in a net *loss* of housing units. Under the last Labour Government, Birmingham and Sandwell benefitted from one of the largest and most comprehensive estate regeneration and renewal programmes in recent years; a Housing Market Renewal Pathfinder. The programme covered large parts of the local authority areas of Birmingham City and Sandwell, extending in a broad band through sections of West Bromwich, Smethwick, Handsworth, Winson Green, Lozells, Newtown and Aston: a total area of 3,255ha and 60,000 dwellings. But the Pathfinder in this area did not aim to create net additional homes. Rather, it sought to reduce the number of dwellings but increase their size, because the evidence showed that existing homes were too small for the area's households and often overcrowded.
- 4.22 Estate renewal can greatly improve the quality of housing and hence the quality of life, making the conurbation a more attractive place to live and helping reverse urban decline. What it is unlikely to do, at least in our study area, is to help meet the quantitative housing shortfall.

Higher urban densities

- 4.23 Most of the study area's housing need is already provided for in adopted and emerging development plans. If the development sites identified could be delivered at higher densities than previously expected, this could reduce or eliminate the housing shortfall.
- 4.24 In relation to this option we asked the steering group to consider two scenarios for increasing housing densities in their district. Although this section primarily deals with brownfield land, we also asked where it was realistic or feasible to increase densities on all allocated, or proposed, development sites, whether greenfield or brownfield. In

- our earlier work we established the current densities the Councils assume when making their allocations for new land or where brownfield sites are redeveloped.
- 4.25 If densities increased on either source of land, the result would be the same: less land would be needed to accommodate any shortfall.
- 4.26 The feedback from all the Councils indicates that this option is not viable; regardless of land type. The densities already applied reflect what the Councils consider viable and deliverable in different parts of their areas. They also reflect local character and the need to deliver a wide mix of housing.
- 4.27 The Black Country authorities advise that density is driven by market demand, and to increase densities above current assumptions could only be achieved by increasing the proportion of flats, which the market is unlikely to deliver. In their area, market demand is predominantly for family houses, and the market for flats has been slow to recover following the recession. Family housing has a density ceiling of around 45 dwellings per hectare. Higher densities were considered when the Core Strategy was being prepared, but were abandoned as they were not demonstrably deliverable.
- 4.28 For sites already permitted, officers note that there is no scope to assume an increase in densities because this would require new planning permissions at considerable costs and delay. This applies to the around one quarter of the all the supply identified in development plans.
- 4.29 For the remaining three quarters of the supply, the current plans already provide estimates of densities so that the further work, including technical infrastructure work, can start making provision for the future delivery of new homes. Any significant uplift in the assumption would require a re-assessment of the sites concerned, again with considerable delay.
- 4.30 Officers also point out that the market is unlikely to deliver allocated sites at higher density than currently assumed. That is because plans rarely apply maximum housing targets to allocated sites. Most housing policies in development plans operate as minimums. Only where there are significant infrastructure constraints will Councils look unfavourably on developers seeking to increase their density assumptions, although they would be concerned if the resulting development mix suggested that their sites were not delivering the type of new homes their evidence shows is required. In most of our area this is family housing, which has a realistic maximum density of 45 dwellings per hectare.

Land allocations

- 4.31 The Councils in our client group advise that, in line with paragraph 17 of the NPPF, they have fully assessed the scope for brownfield land to deliver new homes and prioritised it ahead of greenfield sites. They note that the lack of brownfield land supply is the reason why most of the Councils in the study area have already resorted to new greenfield sites, and sometimes Green Belt sites, to meet their existing housing targets. For some of the Councils in the client group, there is a shared understanding with neighbours that current plans have already maximised the

realistic brownfield land supply. Lichfield is already accommodating cross-boundary housing need from both Tamworth and Cannock Chase. North Warwickshire is also meeting need from Tamworth and Bromsgrove is meeting need from Redditch. In relation to employment land, Stratford-on-Avon is providing employment land to meet Redditch’s needs. In our extended study area, other than Black Country authorities ,where the scale of potential brownfield land directly informed the housing target, all other authorities have needed new greenfield sites to meet their housing needs.

4.32 Across most of our study area, the view that development plans are already maximising brownfield and urban land supply has also been tested by planning Inspectors. Wherever a plan has been put forward for examination in recent years, objectors have asserted that the relevant Council was underestimating the brownfield land available for housing. Inspectors have invariably disagreed. For example, further to the examination of the BDP, the Inspector has proposed no modification to the number of dwellings to be provided within the city boundary.

Summary

- 4.33 The available evidence suggests that it will not be possible to provide significant numbers of dwellings, over and above current plans, through brownfield development, estate regeneration or increasing densities on sites already identified for development.
- 4.34 Therefore the Intensification option is not a feasible way to add significantly to the housing supply already identified. This general conclusion applies to all parts of our extended study area, as illustrated by the red colouring in the table below. It is subject to one caveat: if the employment land assumptions made in current evidence bases change over time, then it may be possible to release more employment sites for housing. This opportunity needs to be kept under local review.

Figure 4.1 Intensification summary

	Quantity	Feasibility	Timing
Birmingham			
Bromsgrove			
Cannock Chase			
Lichfield			
Redditch			
Solihull			
Tamworth			
North Warwickshire			
Stratford on Avon			
Birmingham sub-market			
Dudley			
Sandwell			
Walsall			
Wolverhampton			
South Staffs			
Black County sub-market			
Total HMA			

5 URBAN EXTENSIONS

Introduction

- 5.1 As noted earlier, in this option housing development to meet the shortfall would be distributed to *'the urban periphery of the conurbation, close to areas where growth pressures are greatest'*. We interpret this to mean areas where the supply shortfall against the identified need is greatest. As noted in Chapter 2, this means the Birmingham sub-market, and especially Birmingham and Solihull. By contrast, for the Black Country sub-market, need and supply are almost in balance, assuming that the Core Strategy target to 2026 is met in full and the authorities' estimated further supply for 2026-31 is deliverable. This estimate will be reviewed in their Core Strategy review which is due to start in 2016.

Previous proposals

- 5.2 We asked each of our client authorities about proposed Sustainable Urban Extensions (SUEs) that had been promoted, but not taken forward in development plans. We also asked why such proposals had not yet been taken forward.
- 5.3 We define a SUE as a development proposal which provides at least 500 new homes and a maximum of 5,000. The proposal must also be of a scale appropriate to the existing (nucleus) settlement. Any proposals which are larger than 5,000 new homes or were out of proportion to the existing settlement are considered to be new settlements (see Chapter 9 below).
- 5.4 We also queried whether there was scope for smaller proposals to come forward which could be considered as 'tidying up' the urban boundary. For example where a new road had been built which could form a new defensible urban boundary, but no housing or other development had taken place between the existing built-up area and this new boundary.
- 5.5 As one would expect, Councils identified a very large supply of land which had been actively proposed on the boundary of existing settlements.
- 5.6 It is important to note that in discussion these proposals we do not endorse them, nor do we agree that they are sustainable or deliverable. We only acknowledge that they were put forward by willing developers or landowners.

Bromsgrove

- 5.7 In preparing its Local Plan, Bromsgrove Council explored SUE proposals in all directions around Bromsgrove town. The Council's evidence base study identified four such proposals, totalling several hundred hectares. At that time the Council believed that it would only need to identify land for around 4,000 new homes: the target set by the previous Regional Strategy. The Council's evidence base study found that the main barriers to development of these sites related to landscape, infrastructure and the Green Belt. The reason for dismissing the sites was that better options existed to

accommodate the 4,000 new homes that were needed. The study did not find that the sites were absolutely constrained. The implication is that, if more than 4,000 homes were needed, these proposals (or some of them) could be acceptable. The Council is already committed to revising its earlier evidence as part of a Green Belt review.

- 5.8 One possible urban extension that the Council did not take forward is land to the south east of Bromsgrove, amounting to 121 ha and very close to the railway station. The site is bisected by a railway line that forms a defensible boundary; accordingly the Council has long sought to protect it from development, to prevent coalescence with the small village settlements to the east of the railway line. Another proposal not taken forward, because it was not needed to meet the 4,000-dwelling target, and because it was in the Green Belt, was for 800 dwellings at Barnsley Hall. Additionally this site is in close proximity to the already constrained A38/M42 junction 1 and could incur significant costs to develop.

Black Country

- 5.9 The adopted Black Country Core Strategy strongly prioritises brownfield development, and therefore SUE proposals in the area have been on a small scale. Known proposals include:
- Wolverhampton
 - Land east of Bushbury (agricultural) – 14.6ha (in Wolverhampton), 400 homes
 - Land at Pennwood Farm (agricultural) – 28.5ha, 700 homes
 - Walsall
 - Over a dozen sites in the Green Belt, submitted in response to Call for Sites for the emerging Site Allocation Document. The total capacity of these sites is approximately 8,000 homes (local authority estimate). Most the sites are poorly related to the urban area but are too small to be considered new settlements.
 - Dudley
 - Swindon Road / Lodge Lane -The Triangle, Kingswinford (agricultural Grade 3) – 26ha; 600-650 homes

- 5.10 In Sandwell there are no proposals.

- 5.11 Any new SUE proposal, including those listed above, would require a review of the Green Belt, which may be undertaken as part of the Core Strategy review (2016). If such a review was undertaken it may also 'tidy up' the urban boundary. But how much capacity this could possibly add is unknown.

Redditch

- 5.12 The area round Redditch town, like that around Bromsgrove, was closely examined by the Council for urban extension opportunities. Also similar to Bromsgrove, sites were identified all around the town - in Redditch borough, Bromsgrove district and also Stratford-on-Avon district. The most recent assessment was undertaken in

2013¹⁰ and, like earlier evidence base studies, only sought enough land to meet the Borough's housing need as assessed at the time. If the study had aimed to identify land for more new homes, its recommendations might have been different. Therefore sites which were not taken forward cannot necessarily be dismissed.

- 5.13 It is important to note that almost any extension to Redditch town may be outside Redditch Borough. Within the Borough the only reservoir of land is in the south; and is poorly related to Redditch town and in the Green Belt.
- 5.14 We discuss Redditch further in relation to the New Towns/New Settlements scenario in Chapter 9.

Cannock Chase

- 5.15 Cannock Chase is one of the smaller districts in the HMA and is heavily constrained by the Cannock Chase AONB, the SAC¹¹ and (like most of the HMA) by the Green Belt. But still it has received proposals for new SUEs totalling almost 6,000 new homes across three sites:
- Land south of A5190, Lichfield Road, Heath Hayes (SHLAA ref. C116) where the indicative masterplan suggested scope for 1,740 new homes.
 - Land to the East of John Street/Wimblebury Road, Wimblebury, Cannock Chase (SHLAA ref, C264) for 1,000 homes
 - Land to the East of John Street/Wimblebury Road and West of Cannock Wood Road, Wimblebury, Cannock Chase (SHLAA ref. C265) which could accommodate nearly 3,000 new homes making it a very large extension given the size of the existing nearby communities.
- 5.16 These sites are not absolutely constrained. But, as with almost all the SUE proposals that were dismissed, in the HMA the Council has concerns about the sustainability of these proposals. 6,000 dwellings equates to the District's current housing target for its entire plan period so in proportion to the District size these proposal are significant in scale.
- 5.17 Also similar to other areas, there is lack of detailed evidence concerning these sites. This is because they were dismissed as options in the preparation of the Part 1 Local Plan (2014), when the Council, working with Lichfield Council, was able to identify policy-preferable sites elsewhere.
- 5.18 The Council is currently undertaking a review of its Green Belt, in line with the Local Plan (Part 1) which will involve an assessment of the above mentioned sites as well as others in the Green Belt. This will be used alongside other evidence, including environmental constraints and landscape character assessment work, to inform the Local Plan (Part 2).

¹⁰ Housing Growth Development Study (2013).

¹¹ Special Area of Conservation

Lichfield

- 5.19 The Council is already looking to accommodate its planned growth through a number of urban extensions round the district. There is also a proposal for 750 dwellings at Watery Lane, which may be either an urban extension or Phase 1 of a new settlement, which is being tested through planning appeal (14/00057/OUTMEI). Watery Lane is one of the few proposals in the study area which is not in the Green Belt. The Council's reasons for resisting it are that it breaches the defendable boundary of the railway line, it does not fit the Council's spatial strategy and it is less sustainable than alternative options.
- 5.20 In addition to this, there are a number of options for urban extensions being proposed around Burntwood in the west of the district, close to Cannock Chase. Most are smaller than the 500 dwelling threshold that we set. But larger proposals to the south-east of the town were included in the Council's Preferred Options document. They were not taken forward through the local plan process due to significant local objection, their location in the Green Belt and the policy choice to prioritise the redevelopment of brownfield sites in Burntwood rather than green field urban extensions. To accommodate the growth envisaged at the time, the Council identified a supply of brownfield land to develop in preference.
- 5.21 Lichfield is one district that has not considered 'tidying up' its boundaries, because this will be done through the Local Plan Allocations document. But this is very unlikely to identify any new strategic housing supply. In any case, the Council advises that any new capacity identified would be considered additional to the current plan targets and used to deliver local housing in the villages and settlements concerned.
- 5.22 The Council has not received of any SUE proposals in the south of the district, where the Green Belt constraint applies. This may be because so far there has been sufficient capacity in the north to accommodate the agreed housing targets.

Solihull

- 5.23 Solihull has many active proposals for urban extensions. All are in the Green Belt, and the Council advises that, because of the geography of the district, most would erode settlement gaps and would have a severe impact on the already fragmented landscape. There is also a concern about the lack of secondary school capacity in that part of the Borough, with limited scope to extend the existing school because of a lack of land. This makes SUE proposals outside Solihull town difficult to accommodate.
- 5.24 Known proposals include:
- Small (circa 500 units) East of Knowle, west of Dorridge and a further proposal east of Dorridge.
 - Larger proposals (1,000 units) south of Solihull town and a further proposal east of the town. There is also a proposal for a large extension to the west of Bentley Heath.

5.25 These proposals were not needed to meet the former housing targets. But the Council's proposed housing target has currently been struck out following a High Court challenge and so the proposed SUEs may be reviewed as the local plan is updated. However, they could only come forward if the Green Belt was reviewed. At the moment the future direction of the Solihull plan is unclear while the implications of the High Court challenge are considered.

South Staffordshire

5.26 Like most of the Councils in the HMA, South Staffordshire has received many proposals for possible urban extensions. On paper these extend to around 700 ha of land.

5.27 But these are all Green Belt proposals, and the Council notes that many are poorly related to the settlements they may extend. If taken forward some would be better classified as new settlements as opposed to urban extensions.

5.28 To date there has not been a robust assessment of these sites. This is because they were not needed to meet the former RSS housing target carried into in the adopted Local Plan. Also any large-scale housing development in the South Staffordshire Green Belt would directly contradict the current Local Plan's first strategic objective:

'Strategic Objective 1

To protect and maintain the Green Belt and Open Countryside in order to sustain the distinctive character of South Staffordshire.'

Tamworth

5.29 Tamworth is a very small and constrained local authority district with very limited undeveloped land within their administrative boundary. But Tamworth town is one of the largest settlements in the HMA outside the conurbation, and conventional planning practice has long sought to locate additional homes in close proximity to larger settlements where new homes can benefit from the higher-order services provided in these settlements.

5.30 Because Tamworth is so constrained, the Council relies on its neighbours to deliver some of its growth. Exactly how much cross boundary growth and how this is best accommodated is still very much a live issue as reflected in both the Lichfield and North Warwickshire Inspectors reports.¹²

5.31 In 2009 Tamworth, Lichfield and North Warwickshire Councils commissioned technical evidence to identify where the town should grow. This resulted in both Lichfield and North Warwickshire providing land to meet the needs of Tamworth.

5.32 As is common throughout our HMA, the findings of this older evidence may need to be reviewed. The brief for the 2009 study stated that the objective of the work was to assist in delivering the RSS housing target. Also the baseline position is now likely

¹² http://www.tamworth.gov.uk/sites/default/files/planning_docs/L_examinationdocs/EX10-Lichfield-Local-Plan-Inspectors-Report-2015.pdf - paragraphs 11 & 12.
http://www.northwarks.gov.uk/download/downloads/id/5578/inspectors_final_report_core_strategy - paragraph 17

to have changed, further to the delivery of new homes since the work was undertaken.

- 5.33 Given the precedent for joint working, coupled with the physical lack of land in Tamworth district further joint work is likely to be needed to deliver any additional Tamworth-related growth via the urban extension route.

North Warwickshire

- 5.34 Since North Warwickshire Council is not part of our client group, we have no information about it beyond what is publicly available. But the information we do have suggests that, if the Council were to seek additional urban development land through the urban extension route, new proposals would emerge. We know from previous public consultations that developers consider they have deliverable sites which were not taken forward in the last plan round.
- 5.35 So the district has a reservoir of potential development land, which should be assessed on a consistent basis with the rest of the HMA, to see if it can help meet the area's supply shortfall. At this stage we do not know whether this land is subject to absolute constraints, or whether it is the best place to meet the need. Cross-boundary working is needed to ensure the most sustainable sites are identified to meet need across the HMA as a whole.

Stratford-on-Avon

- 5.36 Stratford-on-Avon has no major settlements in the north of the district which would form a sensible nucleus for new urban extensions. But it does adjoin Redditch, and the scope for new Redditch-related urban extensions cannot be discounted. As we discuss elsewhere in this report, Redditch previously explored expanding the town eastwards into Stratford-on-Avon district, but discounted this in favour of north westwards expansion.

Birmingham City

- 5.37 Among the local authorities in the HMA, Birmingham is in a unique position, because its latest development plan has reached a more advanced stage. If the plan is adopted as drafted around 26% of the current Green Belt land north and east of Sutton Coldfield will be released for development. Large amounts of this land has been promoted for additional new SUEs but not taken forward in the development plan. Here the Council has provided evidence to a recent examination to demonstrate that this land is not developable in the plan timetable. This is despite the Council being unable to meet its housing needs in full.
- 5.38 We do not yet have the benefit of the independent Inspector's report, but as noted above the Inspector has published his proposed modifications; and these modifications do not propose that additional land be identified for housing in Birmingham City, despite objectors suggesting otherwise.
- 5.39 This is obviously not yet final and until the plan is adopted this could change. But when considering the scope for new extensions to Birmingham, within the city's

administrative boundary, we need to remember that only 1,150 ha of Green Belt land is within the city boundary. In most directions the urban area already extends up to (and over) the administrative boundary.

Conclusion

- 5.40 The Councils in the Greater Birmingham HMA are collectively aware of more than enough land being proposed as new SUEs to accommodate the entire housing shortfall.
- 5.41 But, crucially, our analysis shows that not all this land has been assessed on an equal basis across the HMA. We cannot simply add up all the land known to be promoted as potential new development land and re-distribute the shortfall across that land.
- 5.42 This is because, when preparing their latest plans, many Councils dismissed SUE options because they found policy preferable sites to accommodate their housing targets at the time. These targets were based on now superseded RSS housing targets or local estimates of housing need without considering unmet need from elsewhere in the HMA.
- 5.43 Adding up the shortfall and redistributing it according to known SUE proposals would also not be appropriate because each town should be assessed to identify its maximum capacity, as should areas on the boundary of the conurbation. The distribution of known proposals is not uniform across the HMA, and the ability of any one settlement or area to deliver new extensions will be finite.
- 5.44 Looking in more detail across the area; in the Black Country the Councils have yet to begin a review of their joint development plan. At the moment they do not need additional sites to meet their adopted housing targets and there are few active proposals for speculative SUEs because the Councils have a very large supply of brownfield land. But if the review finds that the stock of brownfield sites is not deliverable, then a gap between housing need and supply will emerge and this may require a re-examination of all delivery routes.
- 5.45 Similar to the Black Country, South Staffordshire has so far not needed to examine in detail large new SUE proposals. The District's current Plan target is low and can be delivered without resorting to the large new sites being promoted in the Green Belt. But if the Black Country Core Strategy review casts doubt on that area's brownfield housing trajectory, South Staffordshire's potential supply may also need to be reviewed.
- 5.46 In the south of the Birmingham sub-area, Bromsgrove Council and Redditch Council are both aware of a suite of proposals; both around the towns and on the edge of Birmingham. If these were taken forward, the built-up area of Birmingham would extend further south into Bromsgrove District. The sites in the south, around Bromsgrove and Redditch, have all been carefully considered by the Councils and, so far, dismissed. But, as with the wider HMA evidence bases, this is mainly because at the time of the assessment the Councils were only seeking to meet their emerging

plan targets and they considered that better options were available to meet those targets. With a potentially greater housing need, the evidence suggests there some of the options could be reconsidered. As noted in relation to the public transport scenario (Chapter 6 below), the south has recently benefited from a substantial upgrade to the Cross City line increasing accessibility into Birmingham.

- 5.47 Solihull has received proposals for urban extensions to accommodate around 3,000 new homes, all in the Green Belt and affected by other constraints. But unlike Bromsgrove and Redditch, these sites do not appear to have been comprehensively assessed to date and older evidence may need revisiting.
- 5.48 In the north of the Birmingham sub-area, Cannock Chase has received submissions from developers which collectively total 6,000 new homes. To date, these have not been assessed in detail by the Council but will be considered in their Part 2 plan along with a review of their Green Belt.
- 5.49 Tamworth has limited land and is already extending into neighbouring Council areas. Despite the fact Lichfield borders Birmingham City they have not suggested that there are active SUE proposals. But looking at the experience in the south, it is very likely these would quickly emerge if sought out.

Summary

- 5.50 In terms of quantity, there are enough urban extensions already being promoted, in addition to adopted and emerging plans, to accommodate the HMA's housing shortfall and more. This possible capacity is in Bromsgrove, Lichfield, Solihull, Redditch and South Staffordshire. For the Black Country, the Core Strategy review that starts in 2016 may identify both the need for new sites and a supply of such sites.
- 5.51 Although there is active interest in promoting these additional SUE proposals, so far they have not been assessed on a consistent basis across the HMA. We do not know which proposed are deliverable, suitable or preferable considering the HMA as a whole. Most of the Councils' evidence bases did not even provide this analysis for sites within their own areas. Instead, they only aimed to identify which sites were preferable to meet the housing targets which were set at the time.
- 5.52 The overarching constraint is the Green Belt and for large parts of our HMA this has sterilised land from any further consideration. Subject to Green Belt review and detailed site specific analysis, large-scale development is likely in some areas to be feasible, including in the short to medium term.
- 5.53 It is obviously for the Councils to decide whether this is the most appropriate development route available to them. How quickly new sites may be needed will depend in their specific circumstances and the availability of policy-preferable sources of supply. For example, some of the Councils are concerned that at the local, sub HMA level, too much new greenfield supply will undermine the 'brownfield first' focus of their plans.

5.54 The table below summarises the supply potential of the SUE option for each local authority area and sub-market. Here and in subsequent summary tables, green denotes significant potential and red denotes little or no potential.

5.55 Where sites are being promoted there is no implications that they are deliverable, or that they are acceptable on other planning grounds such as infrastructure or landscape. These issues are yet to be tested through the planning process.

Figure 5.1 Urban Extensions summary

	Quantity	Feasibility	Timing	Comment
Birmingham				
Bromsgrove				Inc SUE to BCC, Redditch & Bromsgrove
Cannock Chase				Limited land to develop additional SUEs.
Lichfield				
Redditch				Limited scope within the Borough Boundary
Solihull				
Tamworth				No land to develop this option
North Warwickshire				
Stratford on Avon				
Birmingham sub-market				
Dudley				None Currently promoted in BCS (Runs up to 2026)
Sandwell				
Walsall				None currently promoted in BCS (Runs up to 2026)
Wolverhampton				None currently promoted in BCS (Runs up to 2026)
South Staffs				
Black County sub-market				
Total HMA				

5.56 Turning to advantages and drawbacks, it is important to note that the additional SUEs being proposed have a large total capacity and that capacity is widely spread geographically. Therefore additional SUEs could be promoted selectively, in places which perform well on other criteria (within close reach of Birmingham / the Black Country / the southern GBSLEP area (see Enterprise Option) and close to stations (see Public Transport option)). They will require large-scale infrastructure investment, as would any option that delivers large amounts of housing.

6 PUBLIC TRANSPORT CORRIDORS

The rail network

Overview

- 6.1 On the advice of PBA transport planners and the West Midlands ITA Policy and Strategy Team, in developing this option we focus on 'fixed link' infrastructure i.e. rail and metro as opposed to the bus network. The logic is that any sizeable new housing development is likely to deliver a package of local public transport improvements, including buses where appropriate, but is very unlikely to deliver fixed rail infrastructure.
- 6.2 We also asked the Policy and Strategy Team where the network has capacity or where new capacity can be created.
- 6.3 At the moment the network is busy and there is a shortage of rolling stock. Some trains run with fewer carriages than operators would like. This is a local reflection of national rolling stock shortage. At present there are no spare carriages available. This constraint will be addressed in the medium term, subject to funding, and where appropriate platforms can be extended to enable longer services to operate.
- 6.4 Above and beyond strengthening existing services, there is also scope to increase service frequencies. However, any increase in frequency is dependent on addressing network capacity constraints at both New Street and Snow Hill. Overcoming platform capacity and signalling constraints to meet already forecast growth has an estimated cost in excess of £150 million, which is currently unfunded.
- 6.5 However, assuming that a national business case can be made, the provision of additional rail network capacity into Central Birmingham (most realistically achieved through connecting more routes into an expanded Moor St station) could also enable new rail local services to be provided, notably from the poorly-served Kings Heath, Moseley and Hazelwell areas of South Birmingham. More new homes would only increase the urgency with which these improvements are needed; especially if we accept that there is limited capacity in the urban area to accommodate more growth, and unmet housing need has to be transferred into the wider HMA, which is more reliant on the rail network to access Birmingham or the growth pole at Solihull.
- 6.6 Outside Central Birmingham, the most significant capacity constraint is the Birmingham-Water Orton corridor. This is the principal rail corridor connecting the West Midlands conurbation with the East Midlands, Yorkshire, North East and Eastern England. It also forms part of the local network connecting Birmingham with Water Orton, Coleshill Parkway, Wilnecote and Tamworth and (outside the HMA) Burton-on-Trent, Nuneaton and Hinckley. As with Central Birmingham, dealing with the capacity constraints on the rail corridor is regarded as a priority by the rail industry in the medium to long term. New homes along this corridor route could further strengthen the case for investment.

- 6.7 Once the Central Birmingham capacity issues have been resolved, this may enable new local rail services between Birmingham and Tamworth/Burton/Nuneaton, which could potentially include a new station to serve The Fort, Castle Bromwich, Kingsbury and Galley Common (Nuneaton) areas.
- 6.8 In addition there has recently been a large package of improvements which has, or could, collectively boost local capacity and travel times into Birmingham and the Black Country.
- 6.9 In summary, it would be incorrect to assume that the rail network is capacity constrained. Most of the network can accommodate additional passenger numbers. But the improvements needed are not yet fully funded. Additional new homes will only strengthen the business case for this investment to be treated as a priority.

Committed local rail improvements

- 6.10 At the southern end of the Cross City line, Bromsgrove station is being redeveloped and a new frequent service provided into Birmingham New Street from 2016. Line improvements to Redditch have also allowed an increase in frequency from two trains per hour to three. This brings a step change to the commuter network in the south and brings more parity to the southern end of the Cross City line when compared to the northern end.
- 6.11 In the north, all the Trent Valley stations have only recently benefitted from a new semi-fast London to Crewe service. The Chase line, which passes through Walsall, Cannock Chase and terminates at Rugeley, is soon to be electrified with providing some anticipated short-term additional peak capacity through the use of slightly longer trains, and also potential to further improve services in the off-peak periods, although this is subject to funding.
- 6.12 In addition, the Midland Metro extensions will further increase connectivity in the conurbation area.

Future local rail improvements

- 6.13 There is a proposal to provide additional capacity on the lines into Birmingham Snow Hill and Moor St stations through the provision of an additional platform and both Snow Hill and Rowley Regis stations. This would benefit the lines from Kidderminster, Stourbridge, Cradley Heath and Smethwick in the west and from Stratford-on-Avon, Shirley, Solihull, Warwick and Leamington in the south east.
- 6.14 Further electrification of the West Midlands rail network could also be a key enabler of additional rail capacity provision into Birmingham, Solihull and the Black Country especially on the Snow Hill lines, Birmingham–Tamworth/Derby and Birmingham–Nuneaton/Leicester (Water Orton) corridors, Bromsgrove–Worcester and Wolverhampton–Shrewsbury. Electrification of several of these rail routes is likely to be a priority in the rail industry’s national Electrification Route Utilisation Strategy which is due to be published in early summer 2015.
- 6.15 There is also a longer-term aspiration to re-open two rail lines in Lichfield to passenger traffic. This includes a new passenger service north of Birmingham City

towards Burton on Trent, passing the National Memorial Arboretum, and the re-opening of passenger services to Walsall. These proposals are not yet funded and the Walsall–Lichfield service is unlikely to be delivered for at least 20 years.

- 6.16 Additionally, there is an aspiration to provide a new service from Birmingham/Walsall to a new station at Aldridge, although this is also not yet funded.
- 6.17 When viewed collectively, this wide package of improvements could dramatically increase connectivity between the conurbation and most, if not all, the main county settlements in the HMA.

HS2

- 6.18 Most of these improvements noted above are of local significance; justified to meet local demand. But the HMA is to benefit from one of the largest ever national infrastructure packages in the form of High Speed 2 (HS2).
- 6.19 The HMA will be served by two HS2 stations; one ‘interchange’ station at Solihull and a new terminus in Birmingham. Although national projects designed to cater for long-distance passengers, when developed HS2 will allow for additional local capacity to be created on the existing rail network.
- 6.20 At the moment the need to path frequent intercity trains through to New Street and beyond limits the scope for local services through the core of the West Midlands. Local stopping services from Coventry towards the Black Country have to fit between long-distance express trains passing through the core. Once HS2 takes most of the long-distance passengers, all services operating on this corridor will be recast. This should deliver a step change in local rail connectivity by restoring local through services between the Black Country and Birmingham International (for Birmingham Airport, HS2 Interchange and the UK Central development) and Coventry, allowing a regular half-hourly pattern at local stations and potentially facilitating an increase in frequency at some of the busiest local stations.
- 6.21 This switch may also free up capacity on the Chiltern Main Line, principally through the diversion of the non-stop Birmingham–Leamington Spa Cross Country service to the currently congested, but more commercially attractive, route via Coventry and Birmingham International. This additional capacity could benefit all the Birmingham-Solihull-Leamington Spa Chiltern line stations in the HMA.
- 6.22 In addition, HS2 is expected to further support the case for a programme of local rail and rapid transit improvements, including many of those already outlined above, which are partly HS2-related, partly network capacity-related and which also support wider economic growth objectives, including those relevant the Midlands Connect initiative and to the UK Central, as well as the various Central Birmingham development proposals.
- 6.23 These development proposals will create a new concentration of economic activity, potentially changing the economic structure of the HMA by introducing a new growth pole or economic hub. The programme of rail and rapid transit connectivity

enhancements will be supplemented by non-rail transport options such as bus services to the new HS2 hubs.

- 6.24 If we are to maximise the benefit of HS2 across the wider West Midlands region, GBSLEP and other regional stakeholders are arguing that as many as possible of the proposed rail and rapid connectivity programme improvements should be in place ahead of the opening of the new line and stations in 2026. However, even if some of these are not implemented until towards the end of our timeframe, they are expected to be committed and will influence where people want to live. Therefore they cannot be ignored when considering the long-term strategic planning of the area.

Development capacity near stations

Overview

- 6.25 The discussion of rail improvements above provides only a limited spatial dimension to our analysis; beyond emphasizing the longer term likelihood that HS2 will dramatically improve connectivity from Solihull via HS2, and more local improvements to better connect HS2 and the interchange with the local network. For this scenario most, if not all, of the existing network needs to be considered.
- 6.26 To take forward the Public Transport Corridors option, focused on the rail network, we need to consider where there is potential development land around each rail station in the HMA.
- 6.27 To do this we asked the HMA authorities to audit any undeveloped land within two radii of their rail stations. We used a small 1.2km radius which broadly corresponds to a walking distance of 15 minutes. We also used a larger 3.75km radius which represents a short cycle ride or easy 'rail heading' journey where a link to or from the station can be made by bus or potentially a longer walk. Land which is considered 'urban' by the ONS is excluded from this analysis.
- 6.28 For the 1.2km option, we found 12,200ha of 'non-urban' land around 70 rail stations. This includes stations in Wyre Forest and East Staffordshire but also our non-client by HMA authorities of Stratford-on-Avon, North Warwickshire and South Staffordshire. The bulk of the land identified is outside existing built-up areas, though a small proportion comprises undeveloped land in the urban areas, such as public open space, playing fields and allotments.
- 6.29 For the 3.75km option this increases to over 112,500ha of land. But obviously not all this is developable and we need to understand how it is constrained.
- 6.30 Each of our client authorities was asked to audit the land in their area to establish how much of this land was undeveloped because it was firstly 'absolutely constrained' and then secondly 'policy constrained'.
- 6.31 As with other scenarios 'absolute constraints' are those that are very unlikely to be overcome by redrafting planning policy. They include land which is not suitable for housing because of its flood risk status, national nature and landscape designations (SSSI and Cannock Chase AONB) or historic parks and gardens.

- 6.32 Policy constraints include all local policy designations made in local development plans and also the Green Belt. As noted earlier we treat the Green Belt as a policy constraint because, whilst it is a strong policy designation, it can be subject to exceptional review; as is the case in parts of our HMA already.
- 6.33 Collecting this data is challenging for the client Councils and we do not have data from our non-client LPAs. Some of the Councils have also responded collectively for all their stations, as opposed to individually. But we have sufficient data to draw conclusions about the merits of this scenario.

Birmingham

- 6.34 The City Council identified 26 rail stations, including metro, in their area. Around 350 ha of non-urban land falls within 1.2km of a station and 7,500 ha within 3.75km.
- 6.35 Once absolute constraints are applied this falls to 275ha within 1.2km and 2,000 ha of land within 3.75km. The main reasons for this are that the absolutely constrained land is either already allocated for development (housing or employment), constrained by flooding or safeguarded for HS2.
- 6.36 Once policy constraints are also applied this capacity reduces to zero. The Green Belt is the most obvious constraint to any development land on the edge of the City. But any undeveloped land within the urban area is all protected as open space and amenity land.

Black Country

- 6.37 There is a similar picture in the Black Country. Here the Councils did not respond on a station-by-station basis (as Birmingham) but provided a consolidated answer for all the rail station land in their area.
- 6.38 Within the 1.2km radius they identified a total of 434ha of land. Of this land 106 ha was absolutely constrained including flooding and also land allocated for other uses (including cemeteries).
- 6.39 Within the larger radius, the Councils report 3,830 ha of land, of which 479ha is absolutely constrained. Once policy constraints are applied, this stock development land rapidly shrinks. All the land in both radii is Green Belt constrained; but most is also subject to the further policy constraints, in that it may be high-grade agricultural land. There is 10ha in Sandwell which is free from both absolute and policy constraints as defined in this study. However, the Council advises that most of this land is not policy-preferred.
- 6.40 In the smaller radius, half of the Green Belt land is protected by additional open space and nature conservation designations. For the larger radius, the data is less clear. All the land is Green Belt-constrained but we do not know if any of it is also constrained because it is high-quality agricultural land. This because the data available do not differentiate between Grade 3a and Grade 3b agricultural land. National policy considers Grade 3a as part of the '*most flexible, productive and*

*efficient in response to inputs and which can best deliver future crops for food and non-food uses such as biomass, fibres and pharmaceuticals*¹³. Accordingly, Grade 3a land is afforded additional protection that does not extend to grade 3b. The NPPF¹⁴ advises that: *'where significant development of agricultural land is demonstrated to be necessary, local planning authorities should seek to use areas of poorer quality land in preference to that of a higher quality'*.

- 6.41 In summary, some of the Green Belt land in the Black Country is probably high-grade agricultural land, which even in a 'Green Belt off' scenario would be protected from development. But from the data available at present the Councils cannot identify the extent of the high-grade agricultural land. Other areas may be in the same position. Therefore agricultural land is one of the issues on which the Councils in the HMA should work together to build an evidence base that is consistent across the area.

Solihull

- 6.42 Solihull has 10 stations within its boundary: 9,540ha of land is reported within the 3.75km radius and 1,612ha within the 1.2km radius.
- 6.43 Within the 3.75km radius, the land area falls to 8,345ha when absolute constraints are factored in and 1,347ha in the 1.2km radius. This is due to HS2 safeguarded land, SSSI and Ancient Monuments.
- 6.44 Once policy constraints are applied, the available capacity falls to 198ha in the 3.75km radius option and 63ha in the 1.2km option. The Green Belt is the biggest policy constraint in Solihull, with the remaining land protected as open space or allocated for housing and employment.

Lichfield

- 6.45 Lichfield responded regarding the land round five stations in their area. These are the two Lichfield stations (City and Trent Valley) and Shenstone which are entirely in their area. They also provided data relating to Rugeley Trent Valley and Blake Street where there is undeveloped land to the north of each station within Lichfield District.
- 6.46 Here they report 1,250ha of land in the smaller radius, but 350ha of this land is subject to an absolute flooding constraint. This still leaves 900ha which is not absolutely constrained. However, as would be expected most of this is Green Belt constrained. Only 126ha, mostly to the north of Lichfield Trent Valley, is outside the Green Belt and some of this is already subject to housing proposals including the new settlement proposal at Watery Lane to the north east of Lichfield.
- 6.47 Within the larger radius, there is a potentially much larger reservoir of land free of constraints. This is because Lichfield is one of the few areas in our HMA which is not entirely covered by Green Belt. Over 15,000 ha of land is free of any absolute constraints. Of this land area nearly 5,000 ha is outside the Green Belt and so is

¹³ DEFRA (2003) Agricultural Land Classification

¹⁴ Para. 112

potentially developable, i.e. without either policy or absolute constraints. However, the Council advises that little of this land has been promoted for development; albeit one site in this area (Watery Lane) is currently subject to a planning appeal. Part of the reason for this limited promotion is that land to the north of both Trent Valley stations is largely undeveloped with poor local access.

Tamworth

- 6.48 Tamworth is one of the smallest local authority districts in the extended study area and the Council is already promoting sizeable SUEs round the town. The small radius shows 270ha of non-urban land in close proximity to the rail stations, but of this only 70ha is not absolutely constrained. A large part of the 200ha is already allocated for new houses in the development plan. Of the remaining 70ha, only 21ha is free of policy constraints (Green Belt and other local environmental constraints).

Cannock Chase

- 6.49 Cannock Chase has three rail stations in its area but all the land within both radii of these stations is constrained by the AONB, the SAC buffer (where no housing development can occur within 400 metres of the SAC) or the Green Belt. The data provided do not show separately how much land is constrained only by the Green Belt. However, given that Green Belt designation covers much of the undeveloped greenfield land in the district, there is little scope for non-Green Belt land development.

Bromsgrove

- 6.50 Bromsgrove has five stations within its boundary. The 3.75km radius shows about 17,424ha of land around the stations, while the 1.2km radius shows 1,191ha. Absolute constraints only account for 1,531ha in the bigger radius and 43ha in the smaller radius. The rest of the land is constrained by policy; this includes the Green Belt, land already allocated for development, wildlife sites, and conservation areas.

Redditch

- 6.51 Redditch has a single train station within its boundary. The station is located in the town centre. The 3.75km radius shows 2,797ha of available land, while the 1.2km radius only shows 4ha – reflecting the urban location of the station.
- 6.52 Absolute constraints such as flood zones and ancient parkland account for 1,290 ha of land in the bigger radius. The remaining 1,507ha is constrained by the Green Belt and local wildlife sites. The smaller radius does not have any absolute constraints. However, policy constraints discount the remainder of the available land.

Wyre Forest

- 6.53 Wyre Forest Council has provided data for this study although it is not in the Greater Birmingham HMA. The District has two stations within its boundary. 6,751ha is available within the 3.75km radius and 328 ha within the 1.2km radius. Policy constraints, including the Green Belt, account for 5,537 ha of land in the bigger

radius. While the small radius' land supply is constrained by the flood zone. With these constraints in place, available land falls to zero.

South Staffordshire, Stratford-on-Avon and North Warwickshire

- 6.54 The Councils are not clients of this study and so we have little information about them, especially in relation to supply constraints. But we do know that neither North Warwickshire nor South Staffordshire have a dense rail network, and therefore we do not expect that they can provide large amounts of development land under the Public Transport scenario. Both districts have few rail stations, and in the case of North Warwickshire, rail links into Birmingham are poor: whilst Coleshill Parkway is well-served, neither Polesworth nor Atherstone offer a direct service into Birmingham
- 6.55 However, Stratford-on-Avon is different. The North Warwickshire rail line runs between Birmingham and Stratford-upon-Avon through the north east of the District. Stations on the line are close to each other and using the larger radii produces a continuous line of rail-accessible land running all the way into Stratford-upon-Avon. At the moment, services on the line are slow and infrequent. But the Policy and Strategy team expects it to benefit from additional local rail capacity flowing from HS2 and improvements at Snow Hill/Moor Street,
- 6.56 As is nearly always the case in the Greater Birmingham HMA, the land identified is all Green Belt. But we do not know whether this land is otherwise constrained. Further work is needed, working with Stratford-on-Avon Council, to identify constraints on an HMA-consistent basis.

Conclusion

- 6.57 The data we have can only be used to give a broad indication of whether there is undeveloped land already served by the rail network which has potential for housing development.
- 6.58 In the conurbation, we have found that almost all the remaining undeveloped land served by rail stations is constrained. Mostly these constraints are absolute, so that even with a change in planning policy would remain undevelopable. Even the land which is not absolutely constrained is protected as amenity land, including open space and other uses such as cemeteries. This land is very unlikely to provide new development capacity in any circumstances.
- 6.59 On the edges of the urban area the absolute constraints start running out, although there is a lack of clarity surrounding the extent of high-grade agricultural land.
- 6.60 Setting that aside, almost all the land served by stations outside built-up areas is simply protected by the Green Belt. Solihull has a network of local stations which are largely Green Belt constrained. In Lichfield, the Council report that Blake Street station, on the urban boundary with Birmingham, has 326ha of land within 1.2km radius of the station. Also in Lichfield, the Council report nearly 300ha of land around Shenstone station. To the south of the HMA, Whitlock's End is similarly constrained, as is Blakedown (outside the HMA in Wyre Forest). If all this land, across only these

four example stations, was fully developed it would meet almost all the housing shortfall. All the new homes would be within walking distance of a passenger station with rail capacity, subject to additional investment in rolling stock where appropriate.

- 6.61 These findings should be treated with caution. Obviously the stations mentioned are only examples. But from the data and from our research, it is clear that this supply of land has not been actively examined because of this long-standing policy constraint. If the Green Belt were set aside, it is very likely other local constraints, which have so far not been identified, would apply in many cases. One issue is that many Councils do not know which land is Grade 3a agricultural land, which is afforded higher policy protection, versus Grade 3b. They have not needed to determine this because so far these sites have been protected simply as Green Belt. It is also possible that some land would be newly designated as settlement gaps, or land of high local landscape value. There may be other absolute constraints which have been overlooked, simply because there has been no need to carefully explore these options.
- 6.62 A further note of caution relates to the nature of the stations being picked up in this analysis. Those with the most development land within the small radius, where the built-up area is less than 50% of the total land area, are villages which have been protected from large-scale development since the Green Belt was established. Even the larger villages, including Hagley, Alvechurch and Barnt Green (all Bromsgrove) and Shenstone (Lichfield), have populations of less than 5,000 which are used as the minimum size in our Dispersed Growth scenario. More obviously are the stations along the line to Stratford-upon-Avon (Stratford-on-Avon/Solihull boundary) where many stations are surrounded by fields with no recent development.
- 6.63 The only exceptions appear to be some of the stations in Solihull, including Dorridge and land to the west of Widney Manor (land to the east of the station is undeveloped) which have accommodated large-scale housing growth that is out of scale with the original post-war settlement.
- 6.64 If these stations are to play a part in meeting any strategic housing need, the most likely option is via the new settlement route. This is because any sizeable development would be out of scale and proportion to their existing size and function. Their small size also makes it unlikely they have the infrastructure to accommodate any significant strategic housing need through a SUE route. But the presence of a rail station could help narrow the area of search if the client group decides that the part of the area's strategic housing needs can only be met through further new settlements.
- 6.65 This also has an advantage in that any new homes provided to meet a strategic housing need would be sustainably connected to Birmingham. As we discuss in the economic scenario, this is where the bulk of the new jobs are expected alongside Solihull and UK Central.
- 6.66 In this scenario there are numerically more stations in the south of the HMA; along the lines through Solihull and Stratford-on-Avon, Bromsgrove and Redditch, than in the north. Also as noted above there is scope to increase frequencies on the lines

- into Moor Street and Snow Hill once the constraints at the latter are addressed. The southern end of the Cross City line has already received a significant upgrade and there is further long-term scope to provide additional carriage capacity.
- 6.67 In the north, neither Tamworth nor Cannock Chase have eligible stations which could form the nucleus for a new settlement which is rail connected (unless a new station was provided). In Lichfield, options are limited to Shenstone.
- 6.68 A further refinement to another scenario is that the proximity of rail stations could help guide the potential selection of new urban extensions where there is land in close proximity to rail stations and part of the conurbation or other large town. From our analysis of individual stations, it is not uncommon to find rail stations very close to the urban boundary where the Green Belt commences - i.e. stations where less than 50% of the radius area is not currently urban. For example Longbridge and Blake Street are on the very edge of the urban area but the land is protected from development only by a Green Belt constraint (at the moment). In the Black Country and South Staffordshire, Bloxwich North and Landywood are in a similar position.
- 6.69 Away from the main urban area, the rail line has been used as a defensible boundary. This means that one side of the line has been built out but not the other. Lichfield Trent Valley, Rugeley Trent Valley and Bromsgrove are obvious examples. There are also some smaller examples where this is the case including Widney Manor in Solihull. If prioritising new SUE locations, this is one obvious aspect to look at in detail, as well as any station in close proximity to the edge of conurbation.

Summary

- 6.70 In terms of quantity, the Public Transport Corridors option could potentially deliver enough land close to stations to meet the whole housing shortfall, all of it outside the conurbation. Such land would be delivered in all the GBSLEP authorities except Redditch, Tamworth and of course Birmingham where there is very little undeveloped land in proximity to the rail network.
- 6.71 Away from these constrained districts, the feasibility of such development depends on releasing the overarching constraint that is the Green Belt. It would also require considerable infrastructure investment, given that much of the land is around 'villages' which for many years have been protected from development by the Green Belt and therefore have poor infrastructure and facilities.
- 6.72 In practice, the Public Transport Corridors option overlaps with the Urban Extensions and New Settlement options. Where development near stations is grafted onto a large existing settlement it will in effect be an urban extension; when added to a small settlement it will become a New Town.

Figure 6.1 Public Transport Corridors summary

	Quantity	Feasibility	Timing	Comment
Birmingham				
Bromsgrove				
Cannock Chase				Very limited land to develop this option
Lichfield				
Redditch				Only one station in the Borough
Solihull				
Tamworth				Only two stations in the Borough
North Warwickshire				
Stratford on Avon				
Birmingham sub-market				
Dudley				Very limited potential on the edges of the BC
Sandwell				
Walsall				Very limited potential on the edges of the BC
Wolverhampton				Very limited potential on the edges of the BC
South Staffs				
Black County sub-market				
Total HMA				

6.73 A positive feature of this option is that it would direct growth to the south of the HMA, where demographic and economic pressures related to Birmingham’s unmet housing need and the economic growth potential of the City and Solihull are greatest (see demographic analysis in Chapter 2 and Enterprise option in Chapter 7).

7 FUTURE JOBS AND THE ENTERPRISE OPTION

Future job growth

- 7.1 As noted earlier, the Enterprise option aims to distribute new housing in proportion to numbers of new jobs; the study brief specifically mentions UK Central and the towns in the Enterprise Belt as places where new growth is expected.
- 7.2 To help specify this option we have used Experian's Local Market Forecast dated January 2015. The forecast is issued at quarterly intervals and predicts a range of economic variables for local authority areas, including the number of workplace jobs (called by Experian 'workforce jobs'), i.e. the jobs based in each area¹⁵. In the econometric model that drives the local forecast, this number of workforce jobs is determined by both demand and supply factors:
- The demand for labour is of two kinds:
 - Local demand comes from residents' purchases of local services such as retail, and depends partly on the population of each local authority and surrounding areas;
 - Wider demand – usually the larger element by far – is derived from UK and regional totals that translate macroeconomic conditions into future output (GDP and GVA) by sector, and then output into jobs by sector. Within these totals, the share of each local authority is mainly driven by sector structure (an authority in which national growth sectors are well represented will grow faster) and relative sector performance (if an authority has seen fast growth in a sector relative to the national growth of that sector, that fast growth will continue in the future¹⁶).
 - The supply of labour is mainly determined by population growth in the local authority and surrounding areas, which is assumed to be as predicted by the ONS's 2012-based SNPP.
- 7.3 The model tries to balance supply and demand through changes in economic activity rates, unemployment and commuting. Despite these adjustments there are areas where it predicts that labour supply will fall short of demand, so that job growth is constrained by labour supply. In these constrained areas, the jobs that cannot be filled are redistributed to places that have more supply capacity.
- 7.4 For Greater Birmingham, Experian's standard forecast is helpful because, as discussed earlier, the ONS 2012 demographic projection on which it is based also underpins our preferred demographic scenario. In other words, it aims to predict what

¹⁵ Among other labour market variables the forecast provides 'workplace-based employment' – the number of people working in each area – and 'resident-based employment' – the number of an area's residents who are working. Workplace-based employment is a slightly smaller number than workplace jobs, because some people have more than one job. Resident-based employment is different from workplace-based employment because many people do not live and work in the same local authority area

¹⁶ The model's base date, from which past trends are measured, is 1997.

will happen to job numbers over the plan period if population grows in line with that projection.

- 7.5 Thus, our housing needs assessment is based on a consistent view of the demographic and economic future. In this future, Experian's analysis predicts that labour supply will not constrain job growth across the area or in any individual authority. This suggests that from an economic perspective our preferred demographic scenario is a good measure of objectively assessed housing need. There is no case for an uplift to ensure that labour supply keeps pace with economic opportunity, unless Councils expect or aim for 'supergrowth' over and above the forecast. Where this is the case, as mentioned earlier, our assessment of housing need may be adjusted upwards.

Table 7.1 Workplace job growth, Greater Birmingham HMA, 2011-31

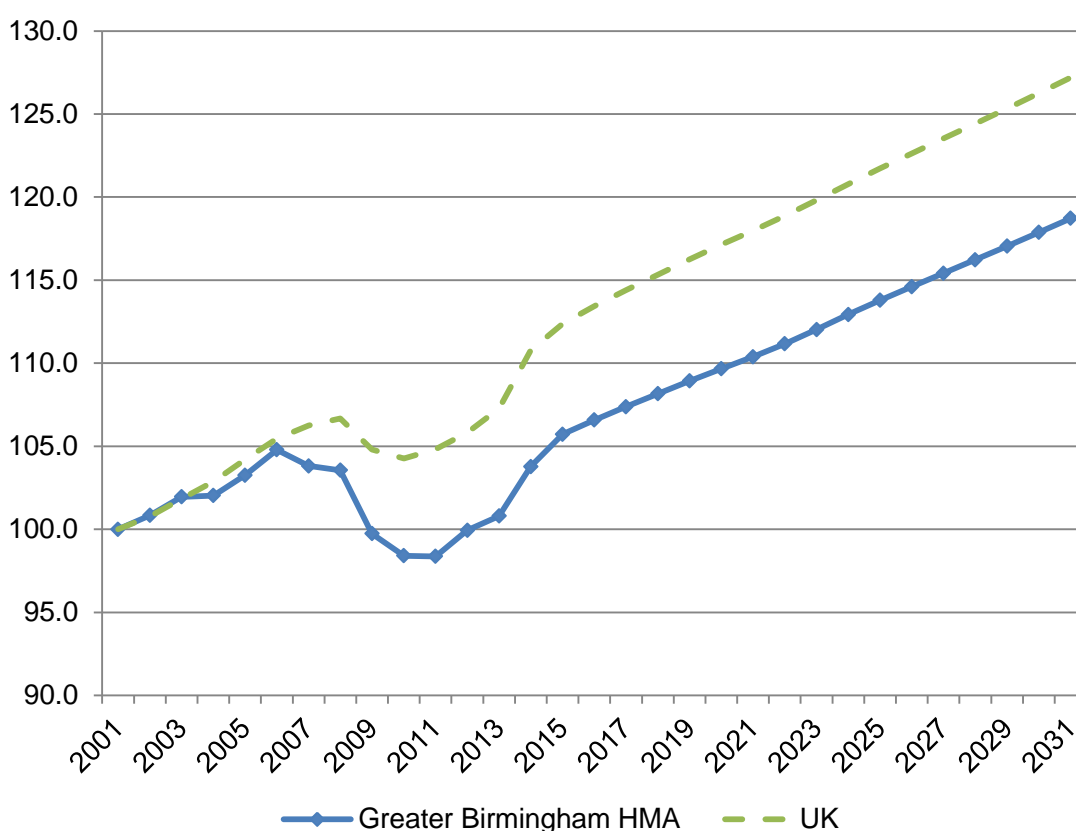
000 jobs	2011	2031	Change	% change
Birmingham	519.46	643.83	124.36	24%
Bromsgrove	37.50	45.19	7.69	21%
Cannock Chase	38.99	46.97	7.98	20%
Lichfield	45.79	51.88	6.08	13%
Redditch	41.22	48.86	7.64	19%
Solihull	110.88	138.36	27.48	25%
Tamworth	31.55	38.18	6.64	21%
North Warwickshire	44.23	56.81	12.59	28%
Stratford upon Avon	64.76	77.20	12.43	19%
Dudley	127.91	149.09	21.18	17%
Sandwell	138.29	157.36	19.07	14%
Walsall	105.79	126.10	20.30	19%
Wolverhampton	119.94	145.75	25.81	22%
South Staffs	37.11	40.68	3.57	10%
HMA	1,463.43	1,766.25	302.82	21%

Source: Experian

- 7.6 Across the HMA in the plan period, the forecast (Table 7.1) shows an additional 302,800 jobs (15,100 per annum), providing 20% growth over the period. 124,400 of these net new jobs, 41% of the HMA total, are in Birmingham; mostly because its stock of jobs at the base date is by far the largest of any local authority, and also because it has above-average growth, at 24%, over the period.

- 7.7 Other than Birmingham, the greatest absolute job growth is in Solihull, which gains 27,500 jobs (25%). Solihull's is also the second greatest percentage growth, after North Warwickshire, whose jobs increase by 12,600 over the period (28%). Three other local authorities show percentage growth above the HMA average, albeit only slightly: Wolverhampton (22%), Bromsgrove (21%) and Tamworth (21%).
- 7.8 Figure 7.1 compares job change in the HMA with the UK, both for the past and future. In the recession the area underperformed against the national economy, losing jobs earlier and faster. But in the recovery that started in 2011, and in the 'return to trend' years of more moderate growth from 2015 onwards, this underperformance disappears and the HMA closely parallels the national trend.

Figure 7.1 Workplace jobs, Greater Birmingham HMA, 2001-31



Aligning housing and jobs

Business as usual

- 7.9 In specifying the Enterprise option, as required by the study brief we focus on the spatial distribution of the HMA's supply shortfall, as opposed to housing provision as a whole. We do not attempt to model the overall relationship of housing to jobs, because the housing provision made in adopted and emerging local plans already aims to align with the job growth they expect in each area. Our task is not to rethink that local housing provision, but to consider the spatial distribution of the missing dwellings which are needed and that at present are not provided for in adopted or emerging planning policy.

7.10 This analysis is in the table below, which distributes the HMA-side shortfall of 1,879 dpa in proportion to the forecast job growth. As with Table 2.2, numbers for individual districts should be treated with caution.

Table 7.2 The Enterprise option

(1)	(2)	(3)	(4)	(5)	(6)	(7)=(4)+(6)	(8)=7*20
Net change 2011-31	Workplace jobs p.a.		Housing land - dwellings p.a.				Housing land dwellings total
	Job growth	% of HMA job growth	Identified supply	Surplus (deficit)	Surplus (deficit) distributed	Supply Enterprise option	Supply Enterprise option
Birmingham	6,218	41%	2,529	-1,921	772	3,301	66,010
Bromsgrove	385	3%	245	-52	48	293	5,855
Cannock Chase	399	3%	210	-89	50	260	5,190
Lichfield	304	2%	459	124	38	497	9,932
Redditch	382	3%	314	134	47	361	7,219
Solihull	1,374	9%	475	-133	170	645	12,910
Tamworth	332	2%	235	24	41	276	5,517
North Warwickshire	629	4%	203	46	78	281	5,621
Stratford on Avon	622	4%	540	97	77	617	12,342
Birmingham sub-market	10,645	70%	5,209	-1,770	1,321	6,530	130,597
Dudley	1,059	7%	821	186	131	952	19,039
Sandwell	953	6%	1,041	-257	118	1,159	23,180
Walsall	1,015	7%	548	-173	126	674	13,474
Wolverhampton	1,291	9%	683	169	160	843	16,860
South Staffs	179	1%	175	-33	22	197	3,943
Black Country sub-market	4,497	30%	3,267	-108	558	3,825	76,496
Total HMA	15,141	100%	8,476	-1,879	1,879	10,355	207,093

Source: Experian, PBA

7.11 The largest share by far, 772 dpa (15,440 over 20 years), goes to Birmingham, followed a long way behind by Solihull with 170 dpa (3,400). North Warwickshire and Stratford-on-Avon are allocated almost 80 dpa and each of the Black Country authorities range from 118 to 160 dpa. No other authority receives more than about 50 dpa.

7.12 These numbers should not be taken literally. The spatial distribution shown in the table is not feasible because, as discussed earlier, Birmingham and the Black Country authorities do not have the supply capacity for this additional provision. Nor is it necessarily desirable, because many people do not live in the local authority

where they work, especially if they work in major employment centres like Birmingham and the Black Country.

- 7.13 Bearing this in mind, the analysis is saying that to optimise labour market alignment and reduce the risk of long-distance commuting, the following principles should be adhered to fill the job growth:
- Ideally 40% of the additional housing provision should be located within easy and sustainable commuting reach of Birmingham because 40% of the HMA's job growth is expected in Birmingham.
 - Some 30% should be within easy and sustainable commuting reach of the Black Country.
 - The distribution of the remainder should be weighted towards the east and south east of Birmingham, in locations within easy and sustainable commuting distance of Solihull, Bromsgrove and North Warwickshire.

Supergrowth

The question

- 7.14 The Experian employment forecast approximates a business-as-usual future. It incorporates Experian's view of future national, global and regional trends, and assumes that the Greater Birmingham HMA will respond to these wider trends much as it has in the past. The forecast is policy-neutral and it mainly models demand-side factors. As hinted at the beginning of this chapter, employment could rise above the forecast in response to policy change or exceptional supply-side factors. Such supergrowth could be additional to the HMA as a whole, or it could change the distribution of jobs within the HMA.
- 7.15 If they are to impact on housing need, such 'drivers of supergrowth' would need to have large-scale impacts, either increasing job growth in the HMA as a whole or for large sub-markets. For example, new infrastructure will only result in HMA-wide growth above the forecast if it significantly enhances the competitive position of the HMA against other parts of the region, the UK or the rest of the world, bearing in mind that these areas will also benefit from new infrastructure. Also we are only interested in proposals so recent that they are not yet incorporated in existing and emerging plans which, as noted earlier, already aim to balance the labour market in each local authority area.

UK Central

- 7.16 To our knowledge, the only initiative that potentially meets all these conditions is the UK Central scheme close to the HS2 interchange station. The scheme is led by Solihull Council and is in its early stages. The Council's Cabinet on 16 April 2015 agreed in principle to seek infrastructure funding that would support major development to provide an estimated 9,286 net additional permanent jobs. The supporting officers' report does not specify the geography for which this additionality has been estimated: it may be that the 9,286 jobs otherwise would not locate in

Solihull, or alternatively they would not otherwise locate in the Greater Birmingham HMA. Commercial development would start in 2027 and continue until 2045.

- 7.17 Thus, on present plans the scheme will start providing space for new jobs four years before the end of our plan period in 2031. If that space is completed and occupied at a uniform rate from 2027 to 2045, and if all the resulting jobs are net additional to the HMA, this would add 516 jobs per year and a total 2,064 jobs in the plan period. These are best-case assumptions because in practice delivery will probably be low in the early years as development ramps up, and some of the jobs at UK Central would otherwise be based elsewhere in the HMA. Even on these optimistic assumptions, the HS2 supergrowth would only add 0.7% to the HMA's total job growth in the plan period, and 7.5% to Solihull's.
- 7.18 Based on this analysis, at this stage the UK Central proposal does not warrant an adjustment to our calculation on labour market alignment, mainly because the scheme would come to fruition very late in the plan period.
- 7.19 Beyond 2031, and if the scheme goes forward as currently planned, housing need assessment *should* consider making adjustments for it - although the main impact will be on the distribution of jobs within the HMA rather than the HMA total. The likely impact would be to strengthen further the relative position of Solihull which, as noted earlier, is already forecast to grow faster than the rest of the HMA. For housing provision, this would increase the weighting of places within easy and sustainable commuting distance of Solihull, which could include parts of Coventry and Warwickshire as well as the Greater Birmingham HMA.

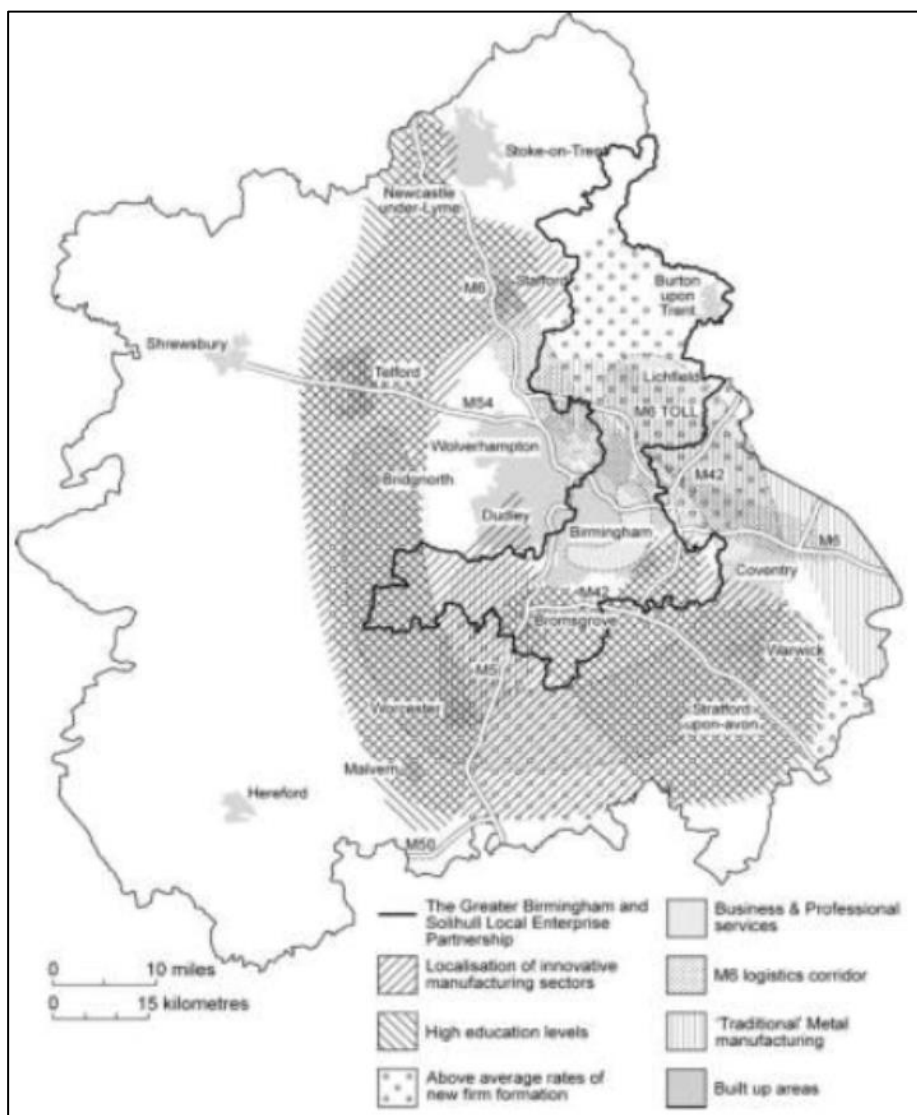
The Enterprise Belt

- 7.20 Another policy factor that may impact on economic growth, but is not recent, is the Enterprise Belt mentioned in the study brief. The Enterprise Belt was identified in an evidence base study produced in 2006 to help inform the review of the Regional Strategy¹⁷, which mapped six indicators of economic growth potential:
- The distribution of innovative manufacturing
 - Concentrations of business and professional services
 - Presence of high-technology metal manufacturing
 - Concentrations of logistics
 - High new firm formation
 - Proportion of highly-skilled workers
- 7.21 The mapping is shown at Figure 7.2 below. It identifies overlapping 'belts' extending 20-40 km beyond the main conurbation, covering nearly all of the HMA and areas immediately adjoining it. The only significant area in the HMA which is not part of any belt is a large section of the Black Country sub-market. The analysis draws no conclusions about the distribution of growth between different belt areas, nor does it attempt to rank them in order of their growth potential. We do not see how we could

¹⁷ Bryson JR & Taylor MJ, University of Birmingham, West, Midlands Regional Observatory, The Functioning Economic Geography of the West Midlands, September 2006

use this analysis to direct the spatial distribution of housing growth. Even if a method could be found it would probably involve double-counting, since the economic forecast we have used already takes account of the industrial (sector) structure of different areas, which is what four of the six Enterprise Belt indicators measure. Additionally, Experian use this information more effectively than the Enterprise Belt analysis by bringing it together with other evidence to predict future jobs, whilst the Enterprise Belt analysis only shows six separate data sets with no overall conclusion.

Figure 7.2 Enterprise Belt mapping



Source: West Midlands Regional Observatory

7.22 Insofar as the Enterprise Belt analysis does provide any guidance, it may be already incorporated in adopted and emerging local plans which, as discussed earlier, means that it has no bearing on the distribution of the housing shortfall. Many plans and planning evidence bases across the HMA note that the analysis has helped inform local planning to date. Going forward there seems to be no reason for further adjustments to take account of the Enterprise Belt's geography, because there are no

policy interventions in the pipeline that prioritise places according to that geography. The GBSLEP's Strategic Economic Plan says:

*'The Greater Birmingham & Solihull Enterprise Belt is a powerful evidence-based strategic concept which has enabled us to identify and validate priority interventions. However, we do not intend it to morph into an area-based delivery vehicle.'*¹⁸

Conclusion

7.23 From the analysis in this chapter we draw two main conclusions. Firstly, our demography-based assessment of housing need does not require a 'future jobs' adjustment. Secondly, in the interest of labour market alignment, the HMA's housing shortfall should ideally be distributed as follows:

- Ideally 40% of the additional housing provision should be located within easy and sustainable commuting reach of Birmingham because 40% of the areas job growth is expected in Birmingham
- Some 30% should be within easy and sustainable commuting reach of the Black Country.
- The distribution of the remainder should be weighted towards the east and south east of Birmingham, in locations within easy and sustainable commuting distance of Solihull, Bromsgrove and North Warwickshire.

Summary

7.24 The Enterprise option is a top-down requirement, unrelated to land availability. Therefore, rather than a free-standing option, it is best used to help steer development under other options. The quantity of housing that can be provided and the feasibility are best considered in relation to these other options. The value of the Enterprise option is that it can guide the spatial distribution of development, as set out in the previous paragraph.

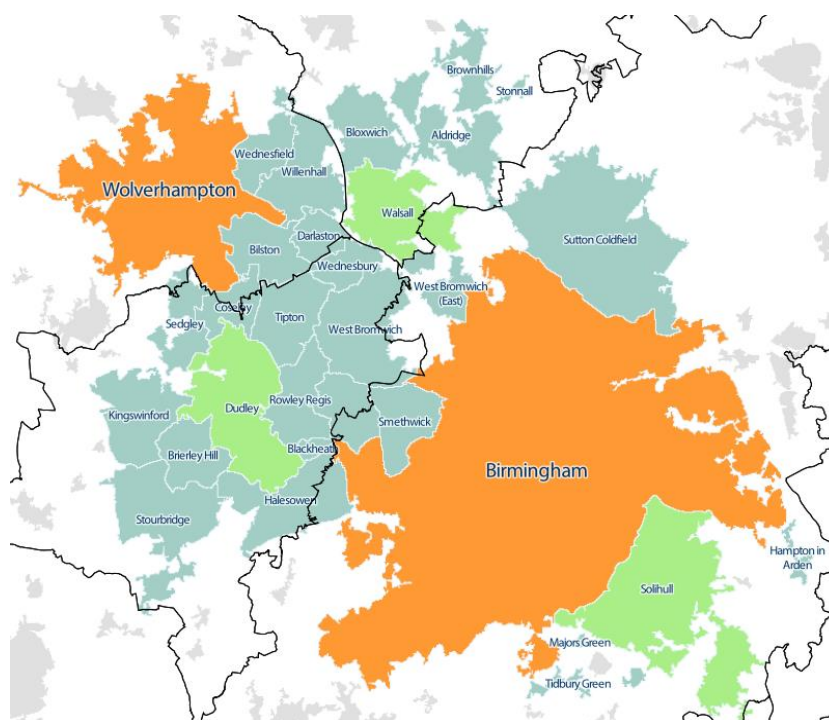
¹⁸ <http://centreforenterprise.com/wp-content/uploads/2014/03/GBS-SEP-Appendix-B.pdf>

8 DISPERSED GROWTH

Introduction

- 8.1 For this option we are asked to re-distribute the housing shortfall to the 'shire districts in proportion to the size of the main urban settlements'. To identify the 'shire districts' and their main settlements, we first needed to exclude the conurbation area. For this we started from the 'West Midlands Built-Up Area' defined by the ONS, which covers the built extent of the conurbation. The client steering group generally agreed with this definition, subject to some small amendments.
- 8.2 These amendments included removing some South Staffordshire settlements from the geography because that Council does not consider them to be part of the conurbation. Similarly Solihull requested that Knowle, Dorridge and Bentley Heath be removed from the conurbation and treated as a single separate settlement.

Figure 8.1 The West Midlands Built-up Area



Source ONS

- 8.3 The steering group also requested two definitions of 'main settlements' using both a 5,000 and 10,000 population threshold. To do this consistently across our area, we needed first to define settlement sizes.
- 8.4 This is not as easy as it may first appear. Some Councils use parish population to define their settlements, others estimate the population within the settlement boundary. There is also a consistency problem when settlements 'bleed' into one another, as is the case in much of Cannock Chase district. So again used the ONS definitions of settlements and their populations. This was verified by the client group.

- 8.5 An important caveat to this analysis is that the ONS calculate the population regardless of local authority boundaries. Where urban settlements cross from one district into another, all the population is attributed to the district where the settlement centre is found. Therefore our analysis is robust at the sub-market level but needs to be treated with care at the local authority level.
- 8.6 Reflecting the fact that Stratford-on-Avon is not fully part of our HMA, we have only considered settlements in the north of the District; north of the A46. This prevents us illustratively re-distributing our housing need to settlements and villages which are not geographically related to the Birmingham sub-market area. This is not an agreed definition of where the Greater Birmingham HMA starts or ends, but a pragmatic approach for the purposes of this analysis.
- 8.7 Across our HMA we have 505,500 people living in settlements of at least 5,000 people outside the conurbation. This reduces to 461,00 if we only consider larger (10,000+) settlements.

Figure 8.2 Population in ‘shire district main settlements’

LPA	Population in 5,000+	Percent of Sub Area	Population in 10,000+	Percent of Sub Area
Birmingham	-	0%	-	0%
Bromsgrove	49,117	11%	49,117	12%
Cannock Chase	117,633	27%	110,154	27%
Lichfield	62,121	14%	62,121	15%
Redditch	82,253	19%	82,253	20%
Solihull	10,000	2%	10,000	2%
Tamworth	81,964	18%	81,964	20%
North Warwickshire	27,223	6%	11,237	3%
Stratford upon Avon	13,142	3%	-	0%
Birmingham sub-area	443,453	100%	406,846	100%
Dudley	-		-	
Sandwell	-		-	
Walsall	-		-	
Wolverhampton	-		-	
South Staffs	62,014	100%	54,223	100%
BC sub market	62,014	100%	54,223	100%
Grand Total	505,467	100%	461,069	100%

Source: ONS, PBA

Distributing the shortfall

- 8.8 For this analysis, we split the HMA into the Birmingham and Black Country sub-markets, as defined at paragraph 2.2 above. We do this to ensure that cross-boundary unmet need from Birmingham and Solihull is redistributed to places which are reasonably close and similar. This approach does not imply that the two sub-markets are separate HMAs. One consequence of it is that all of the Black Country’s (small) shortfall is redistributed to South Staffordshire because that is the only district in the Black Country sub-market that lies outside the conurbation.
- 8.9 For the Birmingham sub-market, the distribution differs slightly depending on which population threshold is used.

Figure 8.3 Illustrative distribution Dispersed Growth option

LPA	5,000 option Percent	New Homes	10,000 option Percent	New Homes
Birmingham	0%	-	0%	0
Bromsgrove	11%	3,921	12%	4,274
Cannock Chase	27%	9,392	27%	9,586
Lichfield	14%	4,960	15%	5,406
Redditch	19%	6,567	20%	7,158
Solihull	2%	798	2%	870
Tamworth	18%	6,544	20%	7,133
North Warwickshire	6%	2,173	3%	978
Stratford upon Avon	3%	1,049	0%	0
Birmingham sub-area	100%	35,405	100%	35,405
Dudley				
Sandwell				
Walsall				
Wolverhampton				
South Staffs	100%	11,205	100%	11,205
BC sub market	100%	11,205	100%	11,205
Grand Total	100%	46,610	100%	46,610

Source: ONS, PBA

8.10 Under both settlement size options, the largest proportion of the Birmingham sub-market area housing need is allocated to Cannock Chase. In terms of land area, this is one of the smallest of our authority areas but it has a greater share of its population in larger settlements.

Scale of growth

8.11 To estimate the impact of the Dispersed Growth option on individual settlements, for simplicity we assume an average household size of 2.4 people per house. In the Birmingham sub-market the combined settlements contain between 170,000 and 185,000 homes. To absorb the sub-market's shortfall of 35,500 homes, each of these settlements would need to grow between 19% and 21%.

8.12 South Staffordshire would have a much smaller deficit to accommodate. The 2,200 new homes is less than a 10% increase for the larger settlements in the district.

8.13 For comparison, the table below shows the growth in dwelling stock across a number of settlements in the West Midlands between 2001 and 2011. The data is drawn from the Census area tables for the built-up areas. It shows that in most urban areas growth in the dwelling stock was between 10% and 20% over 10 years. So an uplift of 20% over 20 years is not dissimilar to the experience of the region's larger settlements over recent years.

Figure 8.4 Estimated change in dwelling stock, selected settlements, 2001-11

ONS Urban area	Dwellings 2001	Dwellings 2011	Percentage Change
West Midlands Urban Area	922,354	998,331	8%
Telford Urban Area	55,963	61,401	10%
Worcester	39,349	44,386	13%
Cannock/Great Wyrley	33,404	36,674	10%
Tamworth Urban Area	31,233	34,545	11%
Redditch/Astwood Bank	31,192	34,582	11%
Rugby	26,203	31,702	21%
Kidderminster/Summerfield	23,059	25,525	11%
Lichfield	11,911	14,614	23%
Burntwood	11,507	12,458	8%
Droitwich/Hampton Lovett	9,596	10,540	10%
Uttoxeter	4,931	5,653	15%

Source: ONS, PBA

- 8.14 The above ignores the fact that the main settlements are already the preferred locations for growth in their districts. So, before we can conclude that the strategic uplift is reasonable when compared to past rates of growth, we first need to consider how fast the settlements are already expected to grow under current and emerging local plans.
- 8.15 We do not have detailed supply data by settlement, but have used simple assumptions to estimate this. For Redditch, the growth already planned amounts to 6,400 dwellings over 20 years. An additional uplift of 7,000 homes, on top of this 6,400, to meet strategic need under the Distributed Growth scenario would result in the town growing by around 38%, from 34,500 to 47,900 dwellings. This would be double the growth rate seen in 1991-2011.
- 8.16 For Bromsgrove, again assuming that all the District's planned supply of 4,500 dwellings is in the Bromsgrove urban area, the percentage increase is similar. Planned supply of 4,500 dwellings, plus 4,000 to meet strategic need (or local need following the planned review of the Green Belt), would increase the dwelling stock from 21,000 to 29,500. In Lichfield, the current development plan proposes around 4,000 new homes in or around the City. This would increase the stock by 25% before the 19-21% uplift for strategic need.
- 8.17 These are all large increases, both in absolute and percentage terms. Growth of around 40% over 20 years is not necessarily out of scale with past experience, given that many urban areas grew by 20% in only 10 years. The former Growth Areas in the Midlands and South were all programmed for very fast rates of housing and population growth. But this simple analysis may underestimate the challenges authorities will face when looking to grow their settlements so fast, and considering

whether such growth is appropriate to each settlement dependent on its individual circumstances.

Conclusion

- 8.18 We estimate that in the Birmingham sub-market, redistributing unmet housing need to the main shire settlements means that each have to grow by an additional 19-21% over and above their 2011 housing stock.
- 8.19 When this is combined with the growth already committed under existing local plans, the resulting levels of growth are not unprecedented in the HMA. Between 2001 and 2011 several urban areas grew by a similar rate.
- 8.20 However, just because other towns have grown as quickly in the past does not necessarily make this an easy option. Part of the rationale for the current housing strategy in most of the shire area is that current local plans maximise delivery in or around their main settlements; making full use of existing infrastructure and any surplus capacity. If this assertion holds true then this additional housing growth brings new challenges for infrastructure.
- 8.21 It also brings other challenges. As we note in the Economic scenario, future demand for labour is concentrated at the core of the West Midlands. If jobs and housing are to be aligned this requires a shift in this economic geography with a new focus on the main urban settlements outside the conurbation. Alternatively, it requires an acceptance that commuting flows from the main settlements into the core urban area will increase. This is not automatically unsustainable but may trigger a need for additional investment in sustainable transport modes which has not yet been considered by either the transport operators or planners. (We discuss transport issues in a separate scenario).
- 8.22 For the Black Country sub-market, redistributing the unmet housing need to the South Staffordshire settlements means these all have to grow by less than 10% to meet the small Black Country deficit.

Summary

- 8.23 Similar to the Enterprise option, the Dispersed Growth option is a top-down approach, which specifies a geographical distribution of development without directly looking at the availability of land to deliver that distribution. However, the evidence discussed under other options (Urban Extensions, New Settlements, Public Transport Corridors) suggests that it can potentially provide enough land to meet the whole shortfall. Quantitatively this scenario points towards Cannock Chase, followed by Redditch and Tamworth; most of the shire districts all see substantial growth and the constrained nature of some of the towns, where they are largely built out to their boundaries will mean new homes will need to be delivered in neighbouring districts. In the summary table below we show their 'feasibility' as amber to reflect the fact that it is not feasible for these authorities to deliver many new homes without their neighbours.

8.24 The overarching constraint on delivering this option is again the Green Belt; if that is set aside, other constraints will be discovered, certainly in relation to infrastructure. Subject to the necessary investment, feasibility is good, including in the short to medium term.

Figure 8.5 Dispersed Growth summary

	Quantity	Feasibility	Timing	Comment
Birmingham				
Bromsgrove				
Cannock Chase				Very limited land to develop this option
Lichfield				
Redditch				Very limited land to develop this option
Solihull				Very limited land to develop this option
Tamworth				Very limited land to develop this option
North Warwickshire				
Stratford on Avon				
Birmingham sub-market				
Dudley				
Sandwell				
Walsall				
Wolverhampton				
South Staffs				
Black County sub-market				Few settlements meet our threshold.
Total HMA				

8.25 An advantage of the Dispersed Growth option is that the locations it selects are those most likely to be accessible by public transport, being main towns or large villages. Where this connectivity does not exist today, the size of the settlements mean providing new transport links are more likely should the settlements grow. Therefore, although much of the development would be some distance away from the places where demographic and economic pressures are greatest, it could be readily accessible to these places by sustainable means.

9 NEW TOWNS / NEW SETTLEMENTS

- 9.1 In relation to this option, the study brief asked us to consider growth at the existing New Towns of Telford and Redditch as well as potential new settlements yet to be created. However, the steering group agreed to exclude Telford from this analysis, because it is outside the HMA, and the NPPF suggests that Councils should seek to meet their housing needs within their HMA before looking elsewhere.
- 9.2 In this chapter we first examine the scope for the 'full build out' of Redditch New Town and then move on to look at the scope for entirely new settlements to meet housing needs in our 20-year period.

Redditch New Town

History

- 9.3 Redditch was one of the 'second wave' of New Towns promoted in the 1960s to relieve housing pressure in the West Midlands conurbation. It was formally designated a New Town in 1964, one year after Telford which was then known as Dawley New Town. At that time Redditch was already a well-established town of 32,000 people. This illustrates that that not all 'New Towns' were actually 'new' but many were much-expanded small- and medium-sized towns. When established as a New Town, the population of Redditch was similar to that of Lichfield today.
- 9.4 Like other New Towns, Redditch was comprehensively master-planned and provided with infrastructure to meet a 'design capacity'.
- 9.5 The original intention was that the build out of the town would increase the population to 70,000 people by 1980. At this point it would cease to accommodate migration-led population growth from the core of the West Midlands but natural change would result in a population of 90,000 by 2019. The Council is broadly on target to reach this population over the current plan period.
- 9.6 In terms of land area most of the masterplan area was already completed by the 1980s. The explanation is that the masterplan overestimated household sizes: it assumed there would be more than three people per house on average, while in reality the ratio has been falling over the years and is now around two people per house.

Development capacity

- 9.7 We have identified two main barriers to further expansion of the town. The first relates to some elements of road infrastructure that were never completed as originally envisaged such as the Studley Bypass and dualling part of the Warwick Highway (a major urban distributor road).
- 9.8 The second major barrier to further expansion of the New Town is political and relates to the fact the Borough is largely all built up to its urban boundary in three directions around Redditch town.

- 9.9 The Housing Growth Development Study (2013) examined potential development options in all directions round the town. This study found that some of the town's growth should be in Bromsgrove District, because it was the most sustainable location to deliver the housing need at the time. But if, as is likely given the strategic housing shortfall, new sites are needed, this evidence should be refreshed and options previously dismissed may be reconsidered.
- 9.10 Quantitatively, the 2013 study identified a very large supply of land. Most of the land was constrained and (as with most of the HMA) all was greenbelt. Some of this discounted land is within the Borough boundary. The study assessed 650ha of land to the South of the town within Redditch Borough. Some of this land abuts the urban area but lacks infrastructure connectivity, which could incur significant costs.
- 9.11 The bulk of the land assessed, which was found largely free of known absolute constraints¹⁹, is in the neighbouring district of Stratford-on-Avon. The study found that over 1,000 ha of land in Stratford-on-Avon but adjacent to Redditch was only constrained by the Green Belt. A smaller amount of land was also identified in Bromsgrove District
- 9.12 Unfortunately we have little additional information available about most of this land because Stratford-on-Avon Council declined an invitation to join our client group. Part of the reason being that Stratford-on-Avon considered that they form part of a Warwickshire HMA and reflecting this the Council's own evidence base and emerging plan did not consider accommodating cross-boundary unmet housing need from Birmingham or Redditch.
- 9.13 However, this may be changing as this work, and other evidence presented to their Examination in Public highlights the links between part of their District and the Birmingham HMA,
- 9.14 Common sense also suggests that HMA boundaries cannot be considered absolute barriers. One reason for this is that the definitions of HMAs are based on today's migration and commuting patterns; and in future these patterns may be very different, in this instance if Redditch expands. A similar conclusion could also apply to the small network of villages in the north of Stratford-on-Avon. So far these have not been considered as locations to take even small amount of Birmingham-related housing growth.
- 9.15 In summary, if more homes are required in and around Redditch, all the land previously considered may be reassessed. It will be important that land in all three administrative areas be considered on a consistent basis, irrespective of local authority boundaries.

Conclusion

- 9.16 The original question posed related to merits of continued expansion at Redditch as part of a New Town. However, on closer examination additional expansion at

¹⁹ The sustainability appraisal advised further work may be needed to refine constraints. Most noticeably relating to flood risk.

Redditch cannot easily be tied back to a New Town agenda. The original masterplan area is now built out and any further expansion would be an urban extension, as is already the case on the Redditch/Bromsgrove boundary.

- 9.17 But the New Town legacy means that the Borough is possibly better endowed with some types of infrastructure than 'old towns'. This most noticeably applies to the local transport infrastructure. This weighs in favour of further development in and around Redditch town – some of which may be in neighbouring districts.
- 9.18 The potential for such development should be investigated more closely including better quantifying any remaining 'New Town' infrastructure advantage in comparison to other settlements in the HMA.

Additional new settlements

Overview

- 9.19 The second component of the New Towns/New Settlements option relates to additional new settlements in the HMA.
- 9.20 To progress this option we need to first define a new settlement. There is no clear cut answer to this but we are guided by the former '*Eco town prospectus*' published by DCLG in 2007 and the PPS1 ecotowns supplement published in 2009. This suggests that a sustainable new settlement should provide at least 5,000 units:
- 'Eco towns should have the functional characteristics of a new settlement; that is to be of sufficient size and have the necessary services to establish their own character and identity and so have the critical mass necessary to be capable of self-containment whilst delivering much higher standards of sustainability. In identifying suitable locations for eco-towns, consideration should be given to:*
- (a) the area for development needed which should be able to make provision for a minimum of 5,000 homes. Planning on this scale allows the development to exploit a number of opportunities and benefits as set out in the Government's objectives for eco-towns.*
 - (b) the proximity of the proposed eco-town to a higher order centre(s) where there is clear capacity for public transport links and other sustainable access to that centre*
 - (c) the proximity of the eco-town to existing and planned employment opportunities*
 - (d) whether the eco-town can play an important role in delivering other planning, development and regeneration objectives.²⁰*
- 9.21 When scoping this option we suggested that that entirely new settlements were unlikely to contribute to the housing shortfall in the short and medium term. This was because of the time needed to assemble sites, undertake all the feasibility and infrastructure work needed to start delivering and the probability that a new settlement would require a revision to the development plan. Also our analysis of

²⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7773/pps-ecotowns.pdf

smaller, and potentially easier to deliver SUEs, identified a timetable from planning to first delivery of eight years. So given the size and complexity of an entirely new settlement is not unreasonable to assume a 15-year time horizon.

- 9.22 However, this caveat does not apply where new settlement proposals have already been actively promoted i.e. sites already assembled where much of the feasibility work has already undertaken.

Current proposals

- 9.23 Our research has found just two live proposals for new settlements in the HMA. Both are in Lichfield District. There are also further proposals at Long Marston and Meon Vale in Stratford-on-Avon district. But, although there is some disagreement about the HMA geography here, both proposals are south of Stratford-upon-Avon and as such are unlikely to be considered part of our HMA.
- 9.24 Within our HMA, the first new settlement proposal is for 7,500 new homes at Brookhay Villages and Twin Rivers²¹. The site crosses two authority boundaries with the new homes located in Lichfield District and new employment land in East Staffordshire District. The proposal includes various transport improvements including two new rail passenger stations. The site is outside the Green Belt. Planning representations from the developers say that that the proposal can deliver significant numbers of new homes in the plan period, and would start contributing towards any immediate five-year supply of housing land.
- 9.25 However, this assertion is not accepted by the planning authorities. The site may be significantly constrained because of the need to first complete minerals extraction: most of it is allocated within the emerging Minerals Local Plan for Staffordshire (2015-30), with Policy 1: Provision for Sand and Gravel supporting the extension of the sand and gravel sites including the Alrewas Quarry. Information submitted alongside the planning application for the extension of the Alrewas quarry suggests that extraction will continue to 2025.
- 9.26 Another problem relates to the two rail stations which are at the heart of the scheme. Previous representations have emphasised the fact that the proposal is rail connected. All new homes and jobs will be within 1.2km of the new rail stations. But there is no commitment from the network operator²² to provide this service in the short to medium term and, without this a critical element, the scheme is lacking.
- 9.27 East Staffordshire Council is also concerned that the employment elements of the proposal may dilute its strategy, which aims to promote new homes and jobs in and around Burton on Trent. Because of these concerns, the site is not supported by East Staffordshire's emerging development plan.
- 9.28 The second new settlement proposed in the HMA is at Curborough, also in Lichfield District. The site was previously promoted as part of a 5,000-dwelling eco-town but

²¹ The number of homes promoted varies over time. 7,500 is the number which was promoted through the Local Plan process.

²² Source: West Midlands ITA.

this proposal was withdrawn. In the last Local Plan, the area around the site was promoted again, this time for a smaller new settlement up to 4,000 units; although later iterations of the proposals promoted the scheme for 2,000 homes.

- 9.29 The current active proposal, at Watery Lane, is much smaller. It extends to only 750 units in the southern part of the site closest to the City but is separated from it by the West Coast Mainline. Although this site falls below any criteria for a new settlement, the applicant's agents have stated²³ that if these 750 dwellings are permitted they could be the first stage of a larger new settlement.
- 9.30 The 750-unit scheme was refused planning permission by Lichfield Council on a number of grounds including access, landscape and heritage impact on a nearby Listed building. The applicant has taken this decision to appeal.
- 9.31 If these two proposals are successful they could make a considerable impact on the housing shortfall in the HMA. However, the Council and the promoters disagree about timing. In Curborough only the first 750-dwelling scheme is currently being promoted.
- 9.32 Aside from timing, the main constraint to the proposed new settlements in Lichfield coming forward is that they were not needed to meet the number of new homes the Council expected to provide at the time. When the Local Plan was drafted, there was sufficient land to meet it housing target at alternative locations which the Council considered more sustainable. Aside from the objections already discussed, an obvious concern is that both the new settlements currently proposed are in one District, Lichfield; under current development plan policy, that district is already the fastest-growing in the HMA. The current plan focuses growth on the City as the main local service centre but both the new settlement proposals are also very close to the City. The cumulative infrastructure impact of these proposals needs careful testing.
- 9.33 In addition, the scale of growth currently proposed, coupled with any additional growth, may change the character of the historic cathedral City. The Brookhay proposal at 7,500 new homes is 50% of the size of Lichfield City in 2011 (Census). While we do not conclude that this is either positive or negative, it is an important local consideration when looking how best to meet additional strategic growth in the area.

Further new settlements

- 9.34 We asked the client authorities if and where there might be scope for new settlements in their areas. In particular, we asked whether new proposals would emerge if Councils actively sought new proposals from developers and landowners.
- 9.35 Most authorities consider that there is simply no land within their boundaries to accommodate a self-contained new settlement, regardless of any other absolute or policy constraints. Tamworth, Cannock Chase and Redditch are already extending into neighbouring authority areas. The Black Country authorities have little or no undeveloped land of the scale that could accommodate a new settlement as defined

²³ Source: Lichfield DC officers, paragraph 168 of the January 2015 Local Plan Inspector's Report

here. Only Lichfield, Bromsgrove, South Staffordshire, North Warwickshire, the northern part of Stratford-on-Avon and the north east of Solihull could physically accommodate this. But almost all the land concerned, except in north Lichfield, is in the Green Belt.

- 9.36 Because of the Green Belt, neither planning authorities nor private sector promoters have given consideration to new settlements on this land. For planning authorities, that is because development in the Green Belt would conflict the former Regional Strategy and national policy. For the private sector, there was no incentive to invest in site assembly and promotion given the low probability that large-scale development in the Green Belt would be permitted. Obviously if Councils actually seek out new proposals and the development industry has some confidence they may be delivered then new proposals will emerge. But the long lead times for whole new sites to be assembled and then deliver significant numbers of new homes means they are unlikely to make a large impact on our current housing shortfall. But this does mean this route should not be explored in more detail because there may become a point where a new settlement is the most suitable option and the evidence ought to be available to guide this decision when the time comes.

Conclusion

- 9.37 With a Green Belt policy filter applied, only Lichfield has reasonable scope to deliver new homes through the new settlement route within our HMA. It is here that the two current proposals are found; both of which the developers suggest are free of strategic constraints and deliverable within our timetable.
- 9.38 Outside Lichfield District there are no active proposals for new settlements, because the long-standing Green Belt has discouraged such proposals. Unlike urban extensions, therefore, new settlement proposals have not been aggressively promoted or tested though the development plans process partly because of this Green Belt constraint.
- 9.39 This leaves the question what options would emerge; if the Green Belt constraint was set aside. In this scenario the key barrier to any new settlement will remain timing. It is unlikely that a new settlement option can deliver a significant volume of new homes over the next 20 years, except where they are already being promoted and can be brought forward in imminent development plan reviews.
- 9.40 Our analysis suggests that they should not be discounted simply because of timing. The most likely route to developing new settlements in the area is via expanding smaller existing settlements: moving existing settlements up the settlement hierarchy and reorientating their policy framework to take strategic housing need. In this scenario it is possible that early phases could progress as extensions to smaller settlements with later phases building the critical mass, along with higher order services making them self-contained, beyond our 20-year time horizon.
- 9.41 This suggests that current SUE proposals, in smaller settlements within our HMA, should be examined to see if they can be further expanded in years 20+.

- 9.42 In the short term, we dismiss new settlements as being able to accommodate strategic housing need (except those already promoted). For the SUEs, which we discuss in the next section, the potential long-term need to change one or more existing lower-tier settlements into a destination for longer-term strategic growth needs to be considered when weighing up the pros and cons of each option.

Summary

- 9.43 The New Settlement option can potentially produce enough dwellings to meet the whole housing shortfall and more, but much of this could only be delivered beyond the plan period.
- 9.44 In the short- to medium-term, only Lichfield District could potentially deliver. The District has active proposals and if these were accepted it is very likely that they could deliver some new homes before 2031. However, it is questionable how many can be delivered before the schemes hit major infrastructure constraints, such as the need for new rail stations.
- 9.45 In the longer term, the main opportunities are in Lichfield again, but also in Bromsgrove, Solihull, North Warwickshire, (north) Stratford-on-Avon and South Staffordshire. These are the only districts with a large enough area of land to accommodate any new standalone settlements.
- 9.46 As for the other options, the main constraint to the development of new settlements is the Green Belt. In most of these areas no one has actively looked to consider new settlement proposals because they are Green Belt-constrained. Therefore little is known about any other constraints. Setting that aside, by definition large-scale infrastructure will be required for these large new schemes. In some cases, schemes that begin as urban extensions may develop into new settlements over time as the scheme outgrows the town onto which it was grafted.
- 9.47 Like urban extensions, New Towns are a tried and tested delivery mechanisms, of which there are many successful examples. In the period to 2031, we are not confident that either known proposals or potential new sites could meet a significant share of the strategic housing shortfall. But this does not mean they should be readily dismissed. If new settlements are to be part of the solution beyond the current plan period, local planning authorities should start to identify locations now.
- 9.48** In relation to new settlements, just like urban extensions, our analysis does not imply that sites which are being promoted or may be promoted in future are either deliverable or acceptable in planning terms. These issues are yet to be tested through the planning process.

Figure 9.1 New Settlements summary

	Quantity	Feasibility	Timing	Comment
Birmingham				
Bromsgrove			(none promoted)	
Cannock Chase				No land to develop this option
Lichfield			(two promoted)	
Redditch				
Solihull			(none promoted)	Very limited land to develop this option
Tamworth				No land to develop this option
North Warwickshire			(none promoted)	
Stratford on Avon			(none promoted)	
Birmingham sub-market				
Dudley				
Sandwell				
Walsall				
Wolverhampton				
South Staffs			(Several promoted)	
Black County sub-market				
Total HMA				

10 CONCLUSION

Brownfield land

- 10.1 20 years ago the West Midlands had a large reservoir of underused brownfield land. This reservoir is not yet exhausted and over the next 20 years it will provide the majority of the new homes needed in the area. Of the 210,000 new homes needed in the HMA over the next 20 years, more than 65% will be on brownfield land. Birmingham City is promoting land for around 45,000 brownfield homes. The Black Country has a similar outstanding brownfield land supply. Outside the conurbation, each of the shire districts has prioritised the re-use of brownfield land before resorting to greenfield sites.
- 10.2 However, the supply of brownfield land is finite and we cannot keep creating more. There will come, at some point in the future, a tipping point where we cannot keep relying on this supply to provide the same share of our housing needs. Quantitatively, this is because brownfield land cannot provide sufficient numbers of new homes. Qualitatively, brownfield land cannot necessarily be relied on to meet the full range of property which is in demand. In particular, it is not clear that brownfield development can continue to meet the demand for lower-density family housing. In this area, the tipping point has already been reached for individual local authorities aiming to meet their own needs, even before they try to identify further land for the strategic shortfall.
- 10.3 In several of our districts the 'exceptional circumstance' threshold to review the Green Belt has already been passed. There is also a common understanding between several of those districts that additional greenfield housing is only way to deliver additional new homes. Lichfield District (as well as North Warwickshire) is already providing new sites to accommodate the needs of Cannock Chase and Tamworth; both of which have demonstrated that their urban areas are running out of brownfield capacity. Bromsgrove is doing the same for Redditch. This is before any unmet need from the conurbation has been taken into account.
- 10.4 There is much uncertainty about how much employment land will be needed in the future. All the Councils in the HMA have up-to-date assessments where they have calculated how much land can be released. Most of these calculations run until 2031, with the surplus employment land already counted in the housing supply. But the future demand for employment land is very uncertain. For example, if manufacturing does better than expected, less industrial land will be available for housing. Councils should monitor their stock and update their evidence regularly to ensure that land which is not wanted for employment uses is not safeguarded for these uses. But they must also keep enough employment land to meet demand and ensure that jobs and population are in balance, so that they provide attractive places for people to live.
- 10.5 In summary, to accommodate the strategic housing shortfall the HMA will need to rely on greenfield sites for most of its strategic housing shortfall. The resulting supply will be additional to the proposals in existing plans, which already maximise brownfield development.

Where could additional homes be?

- 10.6 A number of our scenarios provide a spatial dimension to the search for new housing land.
- 10.7 The demographic scenarios show the Black Country, with South Staffordshire, is broadly balanced as a sub-market of our larger HMA. This is on the assumption that the Black Country Core Strategy delivers its housing target in full and the additional supply the Councils have identified for this work (2026-31) is also delivered. If the 2016 review of the Core Strategy finds that housing delivery will be slower, then a gap will emerge. New sites will need to be found in the sub-area to bring the area back into balance.
- 10.8 The Birmingham sub-market has a large shortfall, as acknowledged in the submitted BDP. However, it does not necessarily follow that all of this shortfall should be accommodated in that sub-market.
- 10.9 The Public Transport scenario has highlighted a large supply of land, outside and on the edge of the conurbation, which if developed would meet the objective of being accessible to where the highest demand for homes and jobs originates.
- 10.10 We have identified a small number of stations on the edge of the built up area which have development land that has not been actively explored because of their Green Belt status. Further out, we have identified a series of accessible villages which could form the nucleus for some form of strategic growth option.
- 10.11 The Public Transport scenario overlaps with the Dispersed Growth option; most of the larger settlements identified under this option are also rail connected and could be further expanded. This includes Lichfield, Bromsgrove and Redditch.
- 10.12 Our analysis shows that, 'Green Belt off', there is a supply of land which is free of absolute constraints. If it were developed, this supply could address the strategic housing shortfall either close to where the need arises or in places easily accessible to it. 'Green Belt on', almost all the potential additional land within the HMA is undeliverable, regardless of how well connected it is; the only exception is some land north of Lichfield.
- 10.13 This shows that there is an urgent need for the HMA to develop a shared Green Belt evidence base. Without this it is very difficult to direct growth to the most appropriate locations; including possibly outside the HMA.
- 10.14 This report also shows that there is a pressing need for the HMA to develop a much better understanding of development constraints 'Green Belt off'. One key finding of this study is the lack of a HMA-consistent evidence base that assesses other supply constraints; such as transport, schools, agricultural land or flooding. It is important that the gaps in evidence be filled, because the HMA is already at the point where Green Belt sites are being considered as part of the future development mix. Further work is needed to ensure that growth is directed to the most sustainable places, taking account both of the Green Belt and other constraints.

How can these new homes be delivered?

10.15 Here the analysis is complicated because not all Councils have asked the same questions of the development industry. Thus, in the Black Country the question of whether SUEs or new settlements can deliver new homes has been 'off the table' while policy focuses on delivering the Core Strategy. By contrast, Redditch and Bromsgrove for example have both undertaken 360-degree assessments of possible development locations around their main towns.

New Settlements

- 10.16 New settlements have a very long time horizon from proposals being formulated to delivery. It is unrealistic to assume entirely that new proposals can make a large difference to the strategic housing shortfall by 2031.
- 10.17 The exceptions to this are where developers are already actively promoting new settlements. These; if taken forward, could start delivering sooner. But in our area the Councils report few examples. Only Lichfield has active proposals which, if developed, could deliver over 11,000 new homes. The promoters and the Council disagree about the timing of this delivery. In our opinion, even if planning permission was granted today it is unlikely that all 11,000 could be delivered in our 2031 timeframe.
- 10.18 There is no guarantee that the new settlements currently being promoted are the most sustainable options in the HMA. In favour of the Lichfield options is the fact that they are outside the Green Belt. But this is also a negative, because it means they are far from Birmingham, where the unmet demand for new homes is greatest. The Brookhay option (the larger of the two proposals) is also, for the time being, beyond the commuter rail network and relies (in part) on East Staffordshire District to promote part of the site through its development plan.
- 10.19 If the HMA makes a new assessment of its development options, including sites previously sterilised by planning policies, this may point to new settlements (or indeed SUEs) preferable to those which have been promoted so far. These new options may be considerably closer to where housing need and economic potential are greatest, and to where there is underused transport infrastructure. We have found extensive land areas around existing railway stations which have not been explored as potential locations for new (or much expanded) settlements.
- 10.20 While new settlements are unlikely to make a large contribution to the strategic housing shortfall in the plan period, early phases could be progressed as smaller developments. These would be below our 5,000-dwelling threshold initially; while provision is made for additional growth building to a new settlement scale in years 20+. The search for new settlements should prioritise locations where early phases can be delivered quickly.

Redditch New Town

10.21 Our original question asked whether Redditch can or should be fully built out. This reflects the fact that while the original master planned area has largely been

completed the expected population of the New Town had not yet been reached. Also because of its New Town heritage, Redditch probably benefits from newer and more modern infrastructure compared to other towns in the HMA.

- 10.22 Around Redditch town there is land that could potentially accommodate urban extensions, both within the Borough boundary and immediately beyond it. This potential supply has been assessed and dismissed, but only as part of an exercise to accommodate the existing housing target for the town. The land has not been reassessed with a view accommodating strategic housing need, although there is a commitment to do this in emerging plans along with other possible growth options working with neighbours.

Additional urban extensions

- 10.23 Of all the options we have considered, this is most likely to be able to contribute new homes to meet our housing shortfall.
- 10.24 There is ample evidence of SUE proposals that were not taken forward through the last review of development plans simply because they 'were not needed'. At the time that development plans were drafted there were better options available, including brownfield land but also better greenfield options.
- 10.25 Our other scenarios add a spatial dimension to the SUE option, suggesting that development should be concentrated on the edges of the conurbation and on certain parts of the public transport network. These locations identified also correlate with the Dispersed Growth option.
- 10.26 For the planning authorities in the HMA, a key policy choice will remain the future role of the Green Belt, and particularly its role in checking the growth of the conurbation, as opposed to towns and villages in the wider Green Belt. Almost any SUE option will result in the loss of Green Belt land. Therefore, if the primary function and purpose of the Green Belt is to check the growth of the conurbation, SUE proposals on the edges of the City and Black Country, including Solihull, should continue to be resisted. On this basis, SUE growth should be directed further afield, to the main settlements in the shire counties.
- 10.27 However, it is on the edge of the conurbation that we find the most obvious potential for urban extensions and the greatest developer interest. Edge-of-conurbation SUEs would not be competing with other SUEs, and therefore are likely to be delivered faster: there is currently just one active proposal for an urban extension to the conurbation, on the edge of Birmingham City.
- 10.28 Solihull, on the edge of the conurbation, is also the recipient of the nationally significant HS2 investment and associated local transport improvements which may present the market with a step change in demand for additional homes close to the interchange and HS2. But the timing of this step change will depend on when the infrastructure is actually delivered including local infrastructure to better connect the area with the wider HMA.

- 10.29 Further away, there is interest and potential scope for additional SUE development around all the 'main settlements in the shire districts' following the Dispersed Growth option. These are also mostly Green Belt-constrained but the Green Belt here is checking the growth of these settlements individually as opposed to the main conurbation area. As such it has a slightly different policy objective.
- 10.30 The complication here is that most of these settlements are already providing new homes through the SUE route. Any further SUEs may need to wait until these already planned SUEs are delivered, and they might find that any spare capacity in the infrastructure and facilities of their nucleus settlements has already been exhausted by the SUEs that came before them.
- 10.31 Another issue is that, when combined with the urban extensions already planned, further expansion of the main town would result in population nearly 50% larger than in 2011. This would mean settlements very different from what they are today.

Exports

- 10.32 If the Green Belt is maintained in its current form, it is very unlikely that the Greater Birmingham HMA will be able to accommodate the strategic housing shortfall that we have identified. Even in a 'Green Belt off' scenario, difficult decisions will be needed about the size, role and function of settlements inside the Green Belt or communities of the edge of conurbation. It may be that within the plan period to 2031, given the time needed to review plans and implement even the quickest development option (SUEs) the need will not be met in full.
- 10.33 So the Councils need to consider how to manage this short-term land deficit, or alternatively a long-term deficit should the Green Belt be maintained in its current form.
- 10.34 The NPPF is clear that the HMA is the main geography for which housing need should be met. But the Duty to Co-operate does not end at the HMA boundary. Where unmet need is a strategic issue, as may be the case here, the Duty can be used to help meet strategic housing needs in a sustainable way beyond the HMA. This can include those authorities inside GBSLEP but outside the HMA (East Staffordshire and Wyre Forest) but also others further afield.
- 10.35 We cannot look at this in detail, because the 'export option' is not part of our study brief. But from the analysis we have undertaken we know that within GBSLEP East Staffordshire and Wyre Forest have capacity which could help offset Greater Birmingham's strategic housing shortfall. Wider afield, Telford may have also potential capacity to accommodate part of the shortfall. The current consultation version of their Local Plan (August 2015) suggests they are considering providing around 5,500 more homes than their local need.
- 10.36 To the south of GBSLEP, South Worcestershire will provide more new homes than its demographic need, potentially attracting above-trend migration that may originate from our HMA. Stratford-on-Avon, the southern part of which is beyond the HMA, has done the same. East Staffordshire, is most plausibly part of a Derby HMA, whose

member authorities have yet to fully quantify their need and compare it with supply. If evidence base work finds that they are collectively short of new homes, East Staffordshire may be expected to promote additional supply, over and above their current targets to meet this need. The same applies to Wyre Forest.

- 10.37 The picture is also very confused as regards Stratford-on-Avon. Its HMA geography is unclear as is its current housing supply. In our analysis above we assume that the District makes a modest (97 dpa) continuation towards unmet housing need in the core of the HMA. This is because at least some of the migrants attracted to live in the new homes, over and above our estimate of need, will come from the Greater Birmingham HMA. But we cannot confirm this while the plan and its evidence base are still in flux. A continuing dialogue with that Council will be needed to further refine this,
- 10.38 A further obstacle is that there is no formal agreement between any of the areas discussed above that additional migration can be attributed to this HMA. If these were to be 'counted' to offset out housing shortfall there needs to be some form of shared understanding formalised under the Duty to Co-operate.
- 10.39 If these authorities agree to take unmet housing need from the Greater Birmingham HMA, there will be economic implications. Of the people who make long-distance moves out of the HMA, many will be workers whose jobs are in the HMA or close to it. Some may commute back into the HMA but many will not wish to do so or may be unable to do so sustainably. Depending on the locations concerned, policy intervention beyond land-use planning are likely to be required to encourage job creation in the destination areas. Additionally, if housing development is exported through the Duty to Co-operate, infrastructure investment will be required to support that development. .
- 10.40 Finally; while the HMA Green Belt evidence is so inconsistent it will also be very difficult for the HMA to demonstrate that it has done all it can to meet its own housing growth before exporting it elsewhere. The HMA as a unified body is not able to cite the Green Belt as a universal constraint because the 'exceptional circumstance' clause has already been triggered in several districts. But in other districts, mainly those with plans forged under the now-deleted RSS umbrella, Green Belt reviews have not yet started.
- 10.41 The housing shortfall is a HMA-wide issue and requires all the local authorities to critically review their constraints in a unified and internally consistent way. Without this unified approach the coherence of the West Midlands Green Belt as a strategic planning tool to manage delivery inside the HMA, and if necessary outside the HMA, is at risk.

