



Black Country Core Strategy Review
c/o Dudley Metropolitan Borough Council
Priory Road
Dudley
DY1 1HL

SENT BY E-MAIL AND POST

8th September 2017

Dear Sir / Madam

BLACK COUNTRY CORE STRATEGY REVIEW – ISSUES & OPTIONS CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. We would like to submit the following responses to specific questions in the Councils consultation document.

Question 1 : Do you agree that the Core Strategy Review should be a partial review retaining and stretching the existing spatial strategy and updating existing policies?

The Councils should undertake a comprehensive review of the Black Country Core Strategy (adopted in 2011) because the adopted Core Strategy and its evidence base pre-date the requirements of the National Planning Policy Framework (NPPF). It may be that a wholesale review rather than partial review is necessary. The Councils should test whether or not future development needs of a growing population and economy can be met in full by merely "stretching" the existing spatial strategy. The Councils should also consider the implications of unmet housing needs across the wider Greater Birmingham & Black Country Housing Market Area (HMA) in particular from Birmingham city (circa 38,000 dwellings by 2031) as well as the Black Country unmet need of circa 22,000 by 2036. Whilst the focus on urban regeneration may remain it will not be possible to accommodate all future development needs within the urban area therefore a comprehensive review of the Green Belt will be necessary. It is expected that the Black Country Core Strategy

Review Preferred Spatial Option consultation in September 2018 will take into consideration the conclusions of the Greater Birmingham & Black Country Strategic Growth Study which on its publication (anticipated in October / November 2017) may have profound implications for the Black Country Core Strategy Review and whether or not a full or partial review is necessary. Although a two tiered Development Plan Document format is a reasonable proposal it is expected that strategic allocations will be made in the Core Strategy Review together with the setting of targets for individual authority Local Plans. The spatial objectives and strategy as well as policies should be reviewed. Some existing Core Strategy policies are now out of date and these should be superseded. The brownfield first approach is inconsistent with national policy which should not be retained in its existing form. The Councils should be encouraging the re-use of previously developed land (PDL) by maximising its re-use but should not be prioritising brownfield first. PDL is a finite resource a spatial strategy overly focussed on PDL is a high risk strategy as experienced by past delivery where no as much surplus employment land was suitable for housing development as anticipated because since 2011 the economy strengthened and local firms were more robust then envisaged and sites were more constrained than expected.

Question 2 : Do you think that the key evidence set out in Table 1 is sufficient to support the key stages of the Core Strategy Review?

It is agreed that previously used evidence is old and out of date. The Core Strategy Review should be prepared using new up to date evidence. The key evidence outlined in Table 1 is a reasonable list of evidence. It is important that there is commonality between timeframes of key evidence and the proposed plan period of 2014 - 2036. Furthermore evidence on compliance with the Duty to Co-operate should be included as key evidence.

Question 3 : Do you agree that the housing need identified in the Black Country over the period 2014 – 2036 in the SHMA, and the anticipated amount of supply, are appropriate and in line with national guidance?

The key issue is that the Black Country Core Strategy Review makes provision for the meeting in full of the housing needs of the sub region. The Councils should also have due regard to the proposals in the Housing White Paper for a standard methodology for Objectively Assessed Housing Needs (OAHN) calculation and the housing delivery test. The DCLG Planning Update Newsletter dated 31st July 2017 confirms that if a Plan is submitted for examination on or before 31st March 2018 the Plan may progress using the existing methodology for OAHN as set out in current guidance. However if that Plan is withdrawn from examination or found unsound the new Local Plan would be prepared using the standardised methodology.

The OAHN for the Black Country of 78,190 dwellings (including a notional figure of 3,000 dwellings for unmet needs between 2011 – 2014) for the plan period 2014 – 2036 is set out in the Black Country & South Staffordshire Strategic Housing Market Assessment (SHMA) Final Report dated March 2017 by Peter Brett Associates (PBA) which supersedes the OAHN set out in Greater Birmingham & Solihull Local Enterprise Partnership & Black Country

Local Authorities Strategic Housing Needs Study Stage 3 Report by PBA dated August 2015. The OAHN calculation is based on 2014 SNPP / SNHP with no further adjustments for market signals or economic growth. There is also no proposed uplift to the housing requirement above OAHN to help deliver more affordable housing. It is noted that the OAHN / housing requirement figures have not yet been tested at any Local Plan Examination. Whilst the demographic starting point may be reasonable the lack of adjustments for market signals, economic growth and affordable housing delivery may be contested at Examination. Furthermore the OAHN calculation is likely to be re-worked in line with the Government's proposals for a standard methodology before the Black Country Core Strategy Review is examined. The proposed figures also exclude any unmet needs from Birmingham although it is proposed to test a notional figure for the city's unmet needs of 3,000 dwellings. However there is no evidence to justify this proposed notional figure.

The strategic allocations of the Black Country Core Strategy Review together with non-strategic allocations in Local Plans should meet housing needs in full over the plan period. The desire to regenerate brownfield land should be balanced with meeting development needs. The remaining brownfield capacity does not necessarily exist in the locations with highest housing needs and encouraging housing redevelopment should not erode the existing supply of employment sites. Furthermore the restricting of greenfield opportunities will not make unviable brownfield sites become viable. Currently the Black Country is under performing by 3,000 dwellings against the adopted Core Strategy housing target. The residual Housing Land Supply (HLS) figure of circa 21,670 (or 24,670 including notional 3,000 dwellings of unmet need from Birmingham) dwellings should be met from a mixture of HLS including brownfield, greenfield and Green Belt land releases where appropriate. It is also likely that the residual HLS figure is greater than stated by the Councils as the 10,400 dwellings proposed on currently occupied employment land have viability funding gaps which are not yet resolved (see answer to Q10 below).

The Black Country Core Strategy Review should provide a contingency in the overall HLS. The planning in of some additional flexibility is necessary because not all land is developed and Sustainable Urban Extensions (SUEs) are developed over long periods of time often extending beyond plan periods. The development criteria for SUEs should be set out in the Core Strategy Review. The HBF always recommends as large a contingency as possible (circa at least 20%) to the overall HLS to provide sufficient flexibility to respond rapidly to changing circumstances and in acknowledgement that the housing requirement is a minimum not a maximum figure.

Question 4 : Do you consider the employment land requirement identified for the Black Country up to 2036 in the EDNA is appropriate and in line with national guidance?

Housing and economic strategies should be fully integrated and aligned. There is a large discrepancy between OAHN / housing requirements in adopted and emerging Local Plans and number of homes needed to support

jobs targets such as the West Midlands Combined Authority (WMCA) Strategic Economic Plan (SEP) which by 2030 forecasts 49,000 jobs above the combined existing targets of the 3 Local Enterprise Partnerships (LEPs) SEPs in the West Midlands and potentially generates 48,000 more dwellings compared to previous OAHN calculations. If housing and economic strategies and spatial planning remain un-co-ordinated then economic growth potential will remain unfulfilled.

Question 5 : Do you agree with the proposed approach to the Black Country Green Belt Review?

It is agreed that the formal review of the Green Belt and any subsequent release of sites including the allocation of specific strategic sites for development by 2036 should be part of the Core Strategy Review. The proposed Green Belt Review should be undertaken at a strategic level and used to inform the review of Green Belt boundaries and the “exceptional circumstances” test for Green Belt release as part of the Core Strategy Review. A rolling back of the Green Belt could be pursued so there is no net loss but long term growth is not stifled. It is appropriate to include South Staffordshire.

Question 6 : Do you agree that the key issues set out in Part 3 are the key issues that need to be taken into account through the Core Strategy Review?

The key issues are as set out in Part 3 which should be taken into account in the Core Strategy Review.

Question 7 : Do you think that the Core Strategy vision and sustainability principles remain appropriate?

The Core Strategy vision and sustainability principle of “putting brownfield first” is no longer appropriate (also see answer to Q1).

Question 8 : Do you think that the Core Strategy spatial objectives remain appropriate?

The spatial objectives of the Core Strategy should be reviewed in the context of both a growing population and economy and the meeting of these needs in full. As set out in the consultation document Policies CSP1 – CSP5 will be subject to changes.

Question 9 : Do you agree that Policies CSP1 and CSP2 should be retained and updated to reflect new evidence and growth proposals outside the Growth Network?

Policies CSP1 & 2 should be updated to reflect growth proposals beyond the Growth Network.

Question 10 : In continuing to promote growth within the Growth Network is there a need to amend the boundaries of the Growth Corridors in the existing Core Strategy?

The existing boundaries of the Growth Corridors should be amended to promote future growth within the Growth Network. However it is known that many large allocated housing sites within the Growth Network have development constraints and financial assistance will be necessary to bring these sites forward. It is understood that 300 hectares of occupied employment land allocated for housing (10,400 dwellings) in the adopted Core Strategy have viability issues associated with land assembly, business re-location and land remediation which despite external funding from the Black Country LEP and WMCA will remain insufficient to cover costs of compulsory purchase to ensure delivery by 2026.

Question 11A : Do you support Strategic Option 1A? Do you support Strategic option 1B?

The current focus for housing growth is within the urban area however this strategy alone will not meet OAHN in full in the future so development in other locations will also be needed. There are also risks associated with an over reliance on brownfield sites within the urban area (see answer to Q.10 above concerning viability of sites). The artificial constraint of housing on greenfield sites will not ensure delivery of unviable brownfield sites. It should also be acknowledged that the availability of brownfield land will decline over time as it is a finite resource. Therefore it is the HBFs opinion that all options should be considered. The most appropriate solution is likely to be a combination of the continuing promotion of growth within the Growth Networks and Growth Corridors together with Options 1A, 1B, H1 and H2.

A broad portfolio of sites will maximise housing delivery and ensure that the Black Country Core Strategy is positively prepared, justified and effective. Therefore large strategic sites should be complimented with smaller scale non-strategic sites. When allocating sites the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products. The key to increased housing supply is the number of sales outlets. The maximum delivery is achieved not just because there are more sales outlets but because the widest possible range of products and locations are available to meet the widest possible range of demand. The Housing White Paper also emphasises the importance of a wide range of sites because a good mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

Question 12A : Do you support Strategic Option H1?

See answer to Q11A above.

Question 13A : Do you support Strategic Option H2?

See answer to Q11A above.

Question 14 : Do you think there are any other deliverable and sustainable Housing Spatial Options?

See answer to Q11A above.

Question 15 : If all housing need cannot be met within the Black Country do you support the export of housing growth to neighbouring authorities within the HMA?

The Black Country Core Strategy Review should fulfil the objectives of the Government's Housing White Paper to plan for the right homes in the right places in particular making enough land available to meet assessed housing requirements. It is the HBF's opinion that housing needs should be met where those needs arise if this is not possible then there should be a bigger than local approach involving cross boundary collaboration throughout the wider HMA so the distribution of housing needs is led by a strategic planning process. The Greater Birmingham & Black Country Strategic Growth Study will be a critical piece of evidence which by identifying potential locations will provide important evidence to inform the land use allocations of each of the 14 constituent HMA authorities when preparing Local Plans including the Black Country Core Strategy Review. The West Midlands Combined Authority's proposal for a Land Delivery Action Plan will also commit its constituent and non-constituent authorities to joint action to accelerate the delivery of housing and employment in order to provide enough homes and jobs for people in all the communities of the West Midlands. This commitment will ensure appropriate provision is made within Greater Birmingham & Black Country HMA to accommodate Birmingham's shortfall of circa 38,000 dwellings to 2031 and unmet needs of 22,000 dwellings to 2036 in the Black Country. It is noted that non-constituent authorities such as Telford & Wrekin which is outside the Greater Birmingham & Black Country HMA will also be bound by this commitment indeed the main modifications to the Telford & Wrekin Local Plan identify the potential to contribute to meeting unmet needs (not yet quantified in evidence).

Question 21 : Do you think changes are required to Policy DEL1 to ensure it covers both development within the existing urban area and any within the Green Belt?

Policy DEL1 should be updated in the Core Strategy Review

Question 34A : Do you agree that the health and wellbeing impacts of large development proposals should be considered at the Preferred Spatial Options stage of the Core Strategy Review through a Health Impact Assessment approach?

The Councils should be working with public health organisations to understand and improve the health and well-being of the local population (para 171 NPPF). The requirement for Health Impact Assessments should be justified on evidence.

Question 35 : Do you support the approach to HLS?

It is agreed that Policy HOU1 should be updated and based on the latest housing requirement figure. It is also agreed that a re-distribution of development should be included and the proportion of development built on previously developed land will change however the prioritising of brownfield first should not continue (see answers to Q1, Q3 and Q11A above). Any proposed reductions to lapse rates / non-implementation allowances should be justified by evidence. Any inclusion of a windfall allowance in the 5 YHLS calculation should be in the latter years to avoid double counting. The proposal to increase high density housing allocations should be treated with extreme caution (see answer to Q36 below).

Question 36 : Do you think that the current accessibility and density standards set out in Policy HOU2 and Table 8 should be changed?

The Councils have already identified that there is no appetite for high density development so a cautious approach should be applied when considering any proposed changes to density standards.

Any proposed changes to the current accessibility standards should only be undertaken using the criteria set out in the NPPG.

Question 37 : Do you think that existing Policy HOU2 site size threshold should be kept at 15 homes or more?

It is known that site viability in the Black Country is particularly challenging 25% of the HLS is not viable under current market conditions. The Councils viability evidence should be updated as part of the Core Strategy Review. Any proposed change to site size thresholds should only be considered on the basis of updated viability evidence.

Question 38 : Do you think that the current accessibility and density standards are appropriate for green belt release locations?

The application of accessibility and density standards for green belt release sites should be based on evidence.

Question 39 : Do you think separate accessibility standards are needed for particular types of housing?

If the Councils wish to apply accessibility standards these should only be adopted using the criteria set out in the NPPG.

Question 40 : Do you agree that the 2017 SHMA finding should be used to set general house type targets for the plan period?

The setting of any house type targets should not be overly prescriptive. Any such targets should be flexible enough to allow variations over time and for differing local circumstances.

Question 41A : Do you support the introduction of a policy approach towards self and custom build in the Core Strategy?

The HBF is supportive of self-build for its additionality to housing supply. However this is not considered a strategic matter which requires the introduction of a new policy approach in the Core Strategy Review. The existence of only 9 entries on the Councils self / custom build register provides insufficient evidence of need to justify a policy in the Core Strategy Review.

Question 41B : A target for each authority?

No.

Question 41C : A requirement for large housing sites to provide serviced plots?

The HBF is less supportive of a housing mix approach whereby a requirement to provide a proportion of self / custom build plots is imposed on sites above a certain size. Such a policy approach only changes the house building delivery mechanism from one form of house building company to another without any consequential additional contribution to boosting housing supply. If these self-build plots are not developed in a timely manner or remain undeveloped then the Councils have effectively caused an unnecessary delay to the delivery of these homes or removed them from the HLS. Therefore appropriate release mechanisms are essential. The Councils should also give detailed consideration to the practicalities (for example health & safety implications, working hours, length of build programme, etc.) of implementing any such housing mix policy approach. It is considered inappropriate for large sites to provide serviced plots.

Question 41D : Another approach altogether?

The HBF is supportive of a positive development management policy approach to self / custom build planning applications combined with allocation of a proportion of small sized sites, land allocation on Council owned sites and exception sites. Therefore the Councils should encourage self / custom build via the aforementioned approaches.

Question 42 : Do you agree that the annual affordable housing target should be increased to reflect the 2017 SHMA?

The annual affordable housing target should be the most up to figure identified in the Councils latest evidence.

Question 43 : Do you think that existing Policy HOU2 site size threshold should be kept at 15 homes or more?

The site size threshold should be justified by viability evidence. It is unlikely that an alternative threshold of less than 15 dwellings could be justified.

Question 44A : Do you think that the affordable housing requirement for eligible sites in Question 43 should be kept at 25% of the total number of homes on the site?

The Councils viability evidence should be updated to confirm that 25% remains viable. It is understood that 25% of the HLS is unviable under current market conditions. The Updated viability evidence should include robust testing of PDL, greenfield sites and SUEs. The Councils are reminded that development should not be over-burdened the policy requirement should not be set so high that viability negotiations are undertaken routinely rather than occasionally.

Question 44B : If no should the percentage be increased to allow for the provision of affordable homeownership?

The overall percentage should not be increased. The affordable tenure mix should be flexible to incorporate the provision of affordable homeownership products.

Question 45 : Should an increase in affordable housing requirement be set for green belt release sites to reflect the likely financial viability of these sites?

The setting of affordable housing targets should be based on robust viability testing of all sites including previously developed land and greenfield.

Question 55 : Do you agree with the proposal to retain Policy EMP5?

HBF disagree with the proposal to retain Policy EMP5.

Question 98 : Do you support the proposed changes relating to design quality?

The reference to Code for Sustainable Homes in Policy ENV3 is out of date. Policy ENV3 should be updated.

Question 99A : Do you think that the national standards for housing developments on water consumption should be introduced in the Black Country?

The adoption of optional higher water efficiency standard should only be applied using the criteria set out in the NPPG (ID 56-013 to 56-017). The Black Country has not been identified as a water stress area in an up to date Water Cycle Study.

Question 99B : Do you think that the national access standards for housing development should be introduced in the Black Country?

No. National accessibility standards should only be introduced in accordance with the criteria set out in the NPPG.

Question 99C : Do you think that the national space standard for housing development should be introduced in the Black Country?

The nationally described space standard should only be introduced in accordance with the criteria set out in the NPPG (ID: 56-020).

Question 99D : Do you think the standards should be different for brownfield and greenfield sites?

No. It is not relevant to whether site is brown or green field.

Question 118 : Do you agree with proposals to streamline and simplify the Core Strategy Monitoring framework?

The plan making process in the Black Country should be improved. The existing adopted Core Strategy is over-due for review and second tier Local Plans are still not yet in place six years after adoption of the Core Strategy. Any streamlining and simplification of the monitoring framework should incorporate more effective monitoring mechanisms such as key performance indicators. Currently the Councils are underperforming by 3,000 dwellings against adopted Core Strategy housing targets without triggering any positive policy response.

Appendix B and C – housing trajectories

The housing trajectories in Appendix B and C should be up dated in the Core Strategy Review.

Conclusion

It is hoped that these responses are helpful in informing the next stages of the Black Country Core Strategy Review. If any further information or assistance is required please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



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