



Association of Black Country Authorities
Dudley, Sandwell, Walsall and Wolverhampton

Our Ref: HP/CW
Date: 30 September 2019
Please ask for: Christine Williams

Gemma Davies
Head of Economic Growth
Shropshire Council
Shirehall Abbey
Foregate
Shrewsbury
Shropshire SY2 6ND

Dear Ms Davies

Shropshire Local Plan Review – Strategic Sites consultation

Thank you for consulting the Black Country authorities on the Shropshire Local Plan Review. This letter is to confirm that following our meeting on 25 September 2019, the Association of Black Country Authorities (ABCA) endorsed the officer response sent to you by Michele Ross on 9 September 2019 (copy enclosed).

We would welcome the opportunity to continue to work with Shropshire District Council in a positive and constructive manner through the preparation of the Local Plan Review.

We trust you find these comments helpful and look forward to further discussions with you. If you would like to discuss our response please contact Ian Culley, Lead Planning Manager at Wolverhampton Council.

Yours sincerely

Councillor Patrick Harley
Leader
Dudley Metropolitan Borough Council

Councillor Mike Bird
Leader
Walsall Metropolitan Borough Council

Councillor Yvonne Davies
Leader
Sandwell Metropolitan Borough Council

Councillor Ian Brookfield
Leader
City of Wolverhampton Council

Dr Helen Paterson, Secretary to ABCA
Walsall Metropolitan Borough Council,
The Civic Centre, Darwall Street, Walsall, WS1 1TP.

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9 September 2019

Gemma Davies
Head of Economic Growth
Shropshire Council
Shirehall Abbey
Foregate
Shrewsbury
Shropshire SY2 6ND

Dear Gemma,

Shropshire Local Plan Review – Strategic Sites consultation

Thank you for consulting the Black Country authorities on the Local Plan Review.

This letter contains the response of the Association of Black Country Authorities (ABCA) to the Strategic Sites Consultation. In summary, ABCA strongly supports the potential for land at M54 junction 3 to be allocated in the next stage of the Local Plan review. We consider it presents a unique and once in a generation opportunity to drive forward the realisation of Shropshire's economic growth ambitions and at the same time form part of the strategic solution to meeting housing and employment land needs arising in the Black Country. Our detailed reasoning and justification for this position is set out below.

Background

You will recall that we wrote to you in July last year regarding the issue of housing and employment need across the Black Country and how it could be met. The letter asked for information on your Plan-making programme and to understand the opportunity for housing and employment development proposals identified in your Plan to meet needs arising from the Black Country.

In our response to the subsequent Preferred Sites consultation in November last year we welcomed the references in the document to 'supporting the growth aspirations of neighbouring areas' and within this context the spatial focus on the north and east of the County. This approach builds on existing physical and functional relationships between the Black Country and Shropshire, and recognises the opportunity for the Plan to accommodate mutually supportive cross-boundary growth needs in a sustainable manner.

The Strategic Sites consultation

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We fully endorse the references in the Strategic Sites consultation document to the junction 3 site as representing a 'once in a generation' opportunity to meet cross-boundary needs, through delivery of nationally significant employment opportunities, high quality housing and a local centre to provide services, facilities and infrastructure as part of a planned new settlement within an important strategic corridor. We also recognize that a number of significant issues need to be resolved before the Council would be able to choose the site as a preferred location for development and these issues are listed in paragraph 3.28 of the Strategic Sites consultation document:

1. Assessment of alternative options available to the Black Country for meeting the housing and employment needs arising in the Black Country;
2. The outcome of the Black Country Green Belt review;
3. Infrastructure capacity assessment to identify key impacts and investment requirements;
4. Infrastructure funding;
5. The views of neighbouring authorities, Government agencies and major infrastructure providers; and
6. Further evidence to support the economic development context.

We address these issues in turn below, focussing on (1) and (2).

1. **Alternative options.** The Strategic Sites consultation report correctly summarizes that the Black Country has a significant level of unmet need in the order of 22,000 homes and 300ha of employment land up to 2036. Following a review of our Plan timetable over the Summer of this year, we can confirm that the Plan will have an extended term to 2038, extending the gap further to around 26,000 homes and up to 380ha of employment land.

We recognize that paragraph 137 of the NPPF requires the strategic policy-making authority to demonstrate that it has examined fully all other reasonable options for meeting identified development needs before concluding that exceptional circumstances exist to justify changes to the Green Belt. In this context, this requires Shropshire Council to be satisfied that the Black Country can show that:

- a) We have made as much use as possible of suitable brownfield sites and underutilized land;
- b) We have optimized the density of development;
- c) We have engaged with neighbouring authorities about whether they could accommodate some of this identified need, as demonstrated through the statement of common ground.

In terms of tests (a) and (b) we have fully explored the capacity of the Black Country urban area by making use of all suitable and deliverable land and buildings identified in the most recent Strategic Housing Land Availability Assessments (SHLAAs) and assessing the potential impact of increasing

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densities in accessible locations, as set out in the most recent Urban Capacity Review report. We intend to update and re-publish this evidence in November 2019.

In relation to test (c), we confirm that we have engaged with neighbouring authorities to determine whether there are firstly any non-Green Belt locations which could be brought forward to meet our needs, and secondly, through the Plan review process, whether suitably located Green Belt locations could be brought forward. Through the Duty to Cooperate, in July 2018 ABCA wrote to all local authorities within the Birmingham and Black Country Housing Market Area (HMA), and those other local authorities which have a functional or physical relationship with the Black Country to understand if they would consider accommodating some of our unmet housing and employment land needs. The responses to this letter are published on the Black Country Plan website (<http://blackcountrycorestrategy.dudley.gov.uk/t1/p5/>).

The responses to this letter were mixed, and no local authorities have made a binding commitment in the form of the required statement of common ground to contributing towards addressing the shortfall. A number confirmed that they would be testing their ability to make a contribution through the Local Plan preparation process – most notably South Staffordshire and Shropshire. In addition, and since replying to this letter, both Lichfield and Cannock Chase Councils have progressed their Local Plans by publishing consultation documents which include a potential contribution to meeting wider HMA needs.

The South Staffordshire Local Plan Issues and Options Report (2018) includes a preferred housing target which is based on a 4,000 home contribution towards the HMA, the Lichfield Local Preferred Options Consultation (2019) includes a proposal to test between 3-4,500 homes to meet the needs of the HMA, and the approved Cannock Chase Local Plan Issues and Options consultation (2019) proposes that the Plan will test accommodating between 500 and 2,500 homes of unmet need from the HMA. In total, these proposals could deliver up to 11,000 homes over and above locally generated needs towards the unmet needs of the HMA. However, this contribution would not necessarily be exclusive to the Black Country and would need to have regard to any shortfalls across the HMA as a whole, including needs arising in Birmingham, where appropriate. This ‘discounting’ would reduce the contribution towards the Black Country, and a significant shortfall would remain.

In summary, with the exception of Shropshire, and those areas summarised above, other local authorities are either not currently progressing Local Plan reviews, have very limited physical capacity themselves or consider themselves to be too remote from the Black Country to be able to reasonably meet our needs. We take the view the Black Country has addressed the requirements of test (c) of paragraph 137, and we therefore consider that exceptional circumstances exist that can justify the release of Green Belt land in Shropshire.

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- 2. Green Belt assessment.** The Black Country local authorities and South Staffordshire Council commissioned a Green Belt Study and Landscape Sensitivity Assessment from LUC consultants in September 2018. This work has been completed in draft form and we anticipate the final Report being published in November of this year. The Black Country authorities have also commissioned a Historic Landscape Characterization Assessment and a suite of Conservation Area and Ecological appraisals to support this work and these studies should be completed to the same timescale. This work will provide a comprehensive and detailed assessment of the scale of environmental constraints across the Black Country green belt. This work is being used as a key element of the site assessment workstream which will directly inform the draft Plan.

At this stage, it is not possible to advise with any precision on the extent to which the work will identify additional housing or employment land capacity within the Black Country Green Belt to accommodate the shortfall. However, I draw your attention to the February 2018 Greater Birmingham HMA Strategic Growth Study which includes a strategic Green Belt assessment and sought to identify broad areas of search for future housing growth. The Study confirms that, at this strategic level, the majority of the Black Country Green Belt makes a principal contribution towards green belt purposes, and its capacity to accommodate large scale development is limited. The Study can be accessed via the following link -

<http://blackcountrycorestrategy.dudley.gov.uk/t2/>

While the Green Belt assessment and associated workstreams focus on physical capacity, it is also appropriate to consider issues of market deliverability. In the case of the Birmingham Plan, the Peter Brett Associates (PBA) Delivery Study¹ concluded that market deliverability placed significant constraints on the amount of housing which could be delivered in the Birmingham Green Belt up to 2031. These constraints reduced the actual capacity of the urban extension identified in the Plan consultation from 10,000 to 5,000 homes, over the 15 year period of the Plan². This assumption was based on a strong housing market recovery scenario in one of the strongest housing markets areas in the West Midlands. Given that the Black Country Green Belt is located primarily in Walsall and, to a lesser extent, in Dudley, these are the two main housing market areas for delivery of housing, with only small amounts of housing potential in Wolverhampton and Sandwell. Therefore, based on a scenario that there was sufficient unconstrained physical capacity identified within the Green Belt, it may well be that a Delivery Study (based on similar principles to that completed by PBA for Birmingham), could reasonably conclude that these two nominal housing market areas could only be expected to deliver up to 5,000 homes each over the 15-year Plan period, based on upon what the market can be expected to deliver. This would therefore only provide up to 10,000 homes in total leaving a significant shortfall to be met in neighbouring authorities.

¹ https://www.birmingham.gov.uk/downloads/file/1750/pg3_housing_delivery_on_green_belt_options_2013pdf

²

https://www.birmingham.gov.uk/downloads/file/1211/strategic_housing_market_assessment_2013_housing_targets_2011_to_2031_technical_paper

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For these reasons, we do not think it would be reasonable to conceive that there will be sufficient deliverable capacity in the Black Country Green Belt of a scale to meet our identified needs.

The Black Country has a strong functional economic relationship with Shropshire. 2011 commuting patterns between the Black Country and Shropshire suggest that some 2,180 working age residents from the Black Country travelled to work in Shropshire and that 4,615 residents from Shropshire travelled to work in the Black Country. The strongest relationship is with Wolverhampton, where some 1,058 residents travelled to work in Shropshire and 2,346 residents from Shropshire travelled to work in Wolverhampton.

When turning to migration data, between 2010/11 and 2017/18 the total number of residents exported from the Black Country to Shropshire was 16,100 and 7,320 exported from Shropshire to the Black Country. This equated to a net total of 8,810 people migrating from the Black Country to Shropshire.

In this context, the site identified at junction 3 of the M54 has direct access into the Black Country via the motorway and the existing railway station at Cosford, with a journey time of less than 20 minutes to Wolverhampton railway station and around 30 minutes to Sandwell & Dudley railway station. This degree of proximity and connectivity makes it well placed to accommodate housing and employment needs arising within the Black Country. In addition, whilst the Black Country authorities' first preference for development for employment would be in locations within or adjoining our existing urban areas, the future development of Cosford might provide opportunities that would not arise elsewhere.

3. **Infrastructure** capacity assessment to identify key impacts and investment requirements. We understand that the promoter of the site at M54 junction 3 is providing a range of evidence to address this issue and the Black Country local authorities are happy to assist the Council if you require any information from us.
4. **Infrastructure funding.** We are encouraged that the M54 corridor is identified as a strategic opportunity in the West Midlands Combined Authority Strategic Investment and Delivery Plan (SIDP), approved by the WMCA Housing and Land Board in February 2019. We also note that the M54/A5 Corridor is identified within the Economic Growth Strategy for Shropshire as a strategic corridor. This degree of alignment with regional and sub-regional economic development strategies means that growth opportunities within the Corridor could be well-placed to secure funding from a range of sources.
5. **The views of neighbouring authorities.** As stated above, the Black Country local authorities are supportive of the junction 3 allocation of the site in the Local Plan review.

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6. **Further evidence** to support the economic development context. The 2019 West Midlands Strategic Employment Study (WMSES) is anticipated to be completed in August of this year with publication to follow. The work flows from the 2015 Strategic Employment Sites Study, which found that the Black Country and Southern Staffordshire has a severe lack of strategic employment land on sites of a minimum of some 25ha in size to meet demand for large industrial units. This conclusion is consistent with the technical work undertaken to support the Black Country Plan, in particular the 2017 Economic Development Needs Assessment (EDNA).

We also note the conclusions and recommendations of the M54 Growth Corridor – Strategic Options Study commissioned by Shropshire Council and completed by Avison Young in June of this year. This Report recommends that the M54 Corridor as being ‘ripe for investment’ and that the Council should bring forward strategic allocations to meet market demand to drive forward economic prosperity and retain talent in the County.

The Report recommends that the junction 3 site should be prioritized as a key opportunity, recognizing the substantial economic benefits that could arise from the development given its potential to attract key growth sectors and close proximity to RAF Cosford. At a strategic level, Table 5.1 of the Report advises that ‘The site could contribute significantly to the realization of Shropshire’s economic growth ambitions as it would provide both employment and residential development’.

Summary

The M54 junction 3 site has the potential to deliver a strategically significant ‘game changing’ housing and economic development opportunity to the mutual benefit of Shropshire and the Black Country. Our response above has addressed the key questions raised in the Strategic Sites consultation document, and further evidence to substantiate our position will follow as work on the Black Country Plan progresses. Specifically, a tranche of evidence including our Green Belt assessment will be published in November this year with the draft Plan consultation programed for the Autumn of 2020.

In the meantime, the Black Country Council’s would welcome the opportunity to continue to work with Shropshire Council in a positive and constructive manner through the preparation of the Local Plan Review.

I trust you find this information helpful and if you require any further details please contact me.

Yours sincerely,

Michele Ross
Lead Planning Manager – Sub-Regional Strategy

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Planning

City Of Wolverhampton Council (on Behalf of the Black Country Authorities)