

# SHROPSHIRE LOCAL PLAN EXAMINATION

## Stage 1 Hearing Statement

<b>Representor unique Part A Ref *</b>	<b>A0149 – Raby Estate</b>
<b>Matter</b>	<b>2 – Duty to Cooperate</b>
<b>Relevant questions nos</b>	<b>1, 3, 4, 5, 6, 8</b>

\*Your unique reference can be found in the Schedule of Respondents (Schedule 3 of document SD014.01) at:

<https://shropshire.gov.uk/planning-policy/local-planning/local-plan-review/draft-shropshire-local-plan-2016-2038-examination/examination-library/earlier-regulation-18-plan-making-stages-of-consultation/regulation-19-pre-submission-draft-of-the-shropshire-local-plan-consultation/>



Raby Estate (A0149)

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## **MATTER 2 - DUTY TO COOPERATE**

Shropshire Local Plan Examination Hearing  
Statement

## Matter 2 Duty to cooperate

### Introduction

- 1.1.1. This representation should be read in conjunction with the previous Regulation 19 representations made by Raby Estate (ref: A0149).
- 1.1.2. The Raby Estate is promoting two sites for development. The proposed new settlement of Beslow and a site in the village of Cressage with Hub status in the Local Plan. The Estate is concerned that Shropshire Council are not meeting their requirement under the duty to cooperate and should provide additional housing to ensure this is met. This should be done by allocation a greater number of sites for residential development.

### **Question 1 – What are the genuinely strategic matters for the Local Plan as defined by S33A (4) of the Planning and Compulsory Purchase Act**

- 1.1.3. The strategic matters relevant to the Raby Estate are:
- Strategic Economic Planning
  - Strategic Housing issues
  - Strategic Employment
- 1.1.4. The strategic matters identified are long term strategic matters and will require due consideration going forward.

### Strategic Economic Planning issues

- 1.1.5. Economic Policy has been made at the local authority, Local Enterprise Partnership and Combined Authority level. It is therefore a Strategic Matter. There has been some cooperation between relevant parties on the policy making. There is evidence of very little cooperation on delivery on policy objectives through local plan making. The strategic matters in preparing economic policy are:
- a) the coordination of the growth of key and transformational sectors across WMCA and within the LEP area; and
  - b) cross boundary interrelationships that help to achieve growth.
- 1.1.6. Shropshire's strong performance in rural industries is recognised in the Marches LEP and Shropshire's economic policies. While there is some evidence of cooperation on the preparation of economic policies there is no evidence of cooperation between the Shropshire and the West Midlands Combined Authority or the Marches LEP of how the local plans of the relevant authorities (including Shropshire) will deliver overall on the objectives of the economic policy through spatial distribution of growth. The duty to cooperate statement between Telford and Wrekin Council and Shropshire (EV036) refers only to the importance of the M54/A5 corridor as a location for growth. Likewise, the duty to cooperate statement with Herefordshire Council (EV030) focuses on growth along the A49 strategic corridor. There is no evidence of cooperation between Shropshire and the West Midlands Combined Authority.
- 1.1.7. Of particular concern to the Raby Estate is the lack of jointly prepared evidence to show how

Shropshire's strong rural sectors will be able to achieve the desired regional growth objectives in the context of an urban focused growth strategy. The Economic Development Needs Assessment [EDNA] (EV043) refers to the strong economic growth in Shropshire over the past two decades. It is notable that in the last decade the spatial distribution of growth has been focused on rural regeneration. There is no study or analysis of the impact that an alternative urban focused growth strategy will have on meeting economic policy objectives.

- 1.1.8. The EDNA provides a detailed study to arrive at a quantum of economic development within Shropshire but provides no evidence or justification as to how the spatial distribution of economic development in Shropshire contributes to the jointly prepared strategic regional economic policy objectives. We cover this matter extensively in our response to Matter 4.

#### Strategic Housing issues

- 1.1.9. Appendix A, a letter dated 26 April 2022 from the Association of Black Country Authorities (ABCA) identifies the Strategic Matters on which Shropshire Council must cooperate with it. The letter identifies the extent of the housing shortfall of the ABCA being 28,234 over the period 2020-39. It also highlights a gap in planned delivery of 11,500. ABCA are seeking cooperation with neighbouring authorities including Shropshire to resolve the shortfall.

#### Strategic Employment issues

- 1.1.10. The letter from ABCA also sets out the strategic employment matters on which it has to cooperate with other local authorities. The ABCA employment land shortfall to 2039 is 210ha.

### **Question 3 – What are the relevant inter-relationships with other neighbouring authorities in terms of migration, commuting and housing markets?**

- 1.1.11. The Shropshire Council administrative area is adjoined by the following Local Planning Authorities and County Councils: Telford and Wrekin, Cheshire West and Chester, Cheshire East, Wrexham, Powys, Herefordshire, Malvern Hills, Wyre Forest, Worcestershire County, South Staffordshire, Stafford Borough, Staffordshire County and Newcastle Under Lyme.
- 1.1.12. In addition to these adjoining authorities, there are also Local Authorities that do not directly adjoin but have a functional relationship, most notably the Black Country.
- 1.1.13. Per the Housing Topic Paper (GC4i), Shropshire is considered it's own Housing Market Area (HMA), however it has close links to wider West Midlands including Staffordshire, the Black Country and Birmingham (the Greater Birmingham and Black Country Housing Market (GBBCHM)) when considering commuting, migration and the housing market.
- 1.1.14. GC4i recognises that there is significant migration between Shropshire and the Black Country Authorities and that commuters travelled from Shropshire to the Black Country for work, concluding that there is a clear relationship between the two areas. Shropshire therefore concluded that it was appropriate to meet some of the Black Country's unmet need via the duty to cooperate and will be providing 1,500 dwellings towards this need (as outlined in the Statement of Common Ground with the ABCA (EV041)).
- 1.1.15. Owing to Shropshire's size, there are a number of other authorities need to be considered within the context of the duty to co-operate, however there have been no further agreements to meet unmet need from other neighbouring authorities, as outlined by the Duty to Cooperate Statement of Compliance (EV042). However, owing to the number of direct neighbouring authorities, and the clear inter-relationship between them, it is quite possible that Shropshire will have to consider their

duty to cooperate with other neighbours in the future and as such, this should be kept under review.

**Question 4 – How have these inter-relationships been considered in preparing the Local Plan in terms of identifying the Local Housing Need (LHN) and setting the Local Plan’s Housing Requirement?**

- 1.1.16. Shropshire have signed Statements of Common Ground with the local authorities that they have inter-relationships with. A summary of this can be found at EV042. This confirms that the only commitment under the duty to cooperate is between Shropshire Council and the ABCA. Shropshire will provide 1,500 homes, as part of the total that they will provide over the plan period. This is confirmed in GC4i and the Local Housing Need Assessment (EV069).

**Question 5 – What is the justification for the allocation of 1500 homes to meet some of the unmet housing need from the Black Country?**

- 1.1.17. Shropshire Council, on the request of the Inspectors (ID1), provided GC4i. This, for the first time, outlined the justification for Shropshire Council accepting 1,500 dwellings from ABCA. Until this point, there was no rationale for this approach. It should also be noted that the PPG and NPPF are silent on this matter and do not provide a framework or methodology to calculate this.
- 1.1.18. GC4i outlines the approach and methodology adopted by Shropshire (paragraph 3.72 – 3.147). This involved considering migration patterns and taking the migration flow of 3.34% (out migration from the Black Country to Shropshire) and applying this to ABCA’s unmet need, resulting in a contribution of 943 dwellings. This was then rounded to 1,000. However notably, Shropshire states that a number of other factors (such as commuting patterns) and ‘qualitative’ factors (paragraph 3.113 of GC4i) equate to a further requirement for 500 dwellings, however no empirical justification is provided for this.
- 1.1.19. The above suggests that the approach taken is not justified (when having regard to Paragraph 35 of the NPPF) and is therefore inconsistent with national policy and therefore Shropshire do not meet their duty to cooperate, as outlined in Paragraph 24 of the NPPF.
- 1.1.20. Despite the agreement for Shropshire to take 1,500 dwellings from ABCA in EV041, there are also clearly unresolved matters between the authorities, with ABCA proposing to include a review mechanism (where the 1,500 dwellings could be raised if needed) and Shropshire refused. We will consider this matter in our response to Question 6, however it is clear that ABCA are of the opinion that the justification for only taking 1,500 dwellings is not robust, and a robust methodology would see Shropshire taking considerably more dwellings.

**Question 6 – Are there any other issues of unmet housing needs within the Housing Market Area (HMA) or relating to other authorities? If so, how are these being addressed?**

- 1.1.21. There currently do not appear to be other issues of unmet need within the Shropshire HMA, or in neighbouring authorities, however, despite Shropshire and South Staffordshire agreeing to meet a degree of the ABCA’s unmet need, there is still a significant amount of the unmet need to be directed elsewhere and as outlined above, this could cause pressures for other authorities meeting their housing requirements, and in turn Shropshire.
- 1.1.22. The extent of the issue was established by the publication of the Draft Black Country Plan in August 2021. The emerging plan has identified a housing shortfall in the order of 28,239 dwellings up to 2039 across the ABCA. While the ABCA have been having conversations with neighbouring authorities and have identified between 3,500-10,000 dwellings to meet their unmet need and

when additional plans come forward for review, this could rise to 16,700. ABCA confirm this in their letter to neighbouring authorities dated 26 April 2022 (Appendix A).

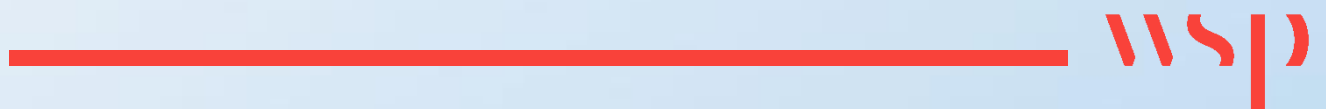
- 1.1.23. It is currently unclear how this need will be addressed, but it is clear that as an unconstrained authority, with a strong inter-relationship with the Black Country, Shropshire should meet more of the unmet need by agreeing an increase of provision to 4,000-5,000 dwellings, as requested by ABCA (letter dated 25 February 2021, Appendix B) and based on our analysis from the Housing Need Assessment submitted in support of our representations to the Regulation 19 Local Plan consultation (February 2021).
- 1.1.24. ABCA ask each of their neighbours to confirm that they will continue to explore opportunities to address the unmet need. Shropshire should take this opportunity in the Local Plan Review to commit to this, recalculate the need they can take (as a large, unconstrained inter-related authority) and reflect this within the housing requirement figures.
- 1.1.25. There are also issues associated with unmet need from Birmingham. While it is recognised that the issues concerning the relationships within the GBBCHM are not of importance for the examination of this plan, there could be significant repercussions in the future. With ABCA and Birmingham both being part of the GBBCHM area, they record a pooled provision from neighbours, however the dwellings will come from the authorities with the stronger relationships (ie the 2,000 proposed from Solihull will likely go to Birmingham). This could create a conflict that results in ABCA and Birmingham having to turn to the closest neighbours (ie those with the strongest inter-relationships) to ask them to accept further housing, to avoid double counting dwellings. Shropshire, as it has a closer relationship with the Black Country, is well placed to help ABCA with the additional shortfall as a result of this.
- 1.1.26. The above is evident from Request 1 of Appendix A which asks each authority to confirm that the dwellings provided will be solely for ABCA, and not the wider GBBCHM area. We anticipate that Shropshire, along with the other neighbours will have to respond to this and justify why they can (or cannot) make additional provisions. The statement that Shropshire make should be considered as part of the evidence base for this examination. However, this demonstrates that there are unresolved issues in relation to the duty to cooperate.
- 1.1.27. In summary, there are clearly unresolved issues in relation to meeting the ABCA's and wider GBBCHM area's unmet need. While a Statement of Common Ground has been signed between Shropshire and ABCA, there is clear evidence to suggest that additional housing will need to be found in Shropshire to meet unmet need.

**Question 8 – What is the position of other authorities in the HMA and elsewhere in terms of the planned level of housing in Shropshire? Have specific concerns been raised through duty to co-operate discussions or representations which still are unresolved?**

- 1.1.28. Shropshire is a self-contained HMA and therefore there are no other authorities to consider. As outlined by the Duty to Cooperate Statement of Compliance (EV042), there are no further disagreements between other Authorities and Shropshire. However, owing to the number of direct neighbouring authorities, and the clear inter-relationship between them, it is quite possible that Shropshire will have to consider their duty to cooperate with other neighbours in the future and as such, this should be kept under review and the plan should be amended accordingly.

# Appendix A

**LETTER FROM ABCA TO  
NEIGHBOURING AUTHORITIES  
(APRIL 2022)**





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

Our Ref: HP/CW  
Date: 26 April 2022

Dear Colleagues,

**Black Country Plan Review**  
**Duty to Cooperate: Strategic Housing and Employment land issues**

The Black Country Authorities (BCAs) are progressing the Black Country Plan (BCP) which will replace the Black Country Core Strategy as the overarching strategic planning and regeneration strategy for the area.

You may recall that we contacted neighbouring authorities including yours, in July 2018 and again in August 2020, to request assistance in accommodating identified housing and / or employment land needs arising from the Black Country. We received a number of positive responses to this request and note that a number of authorities have since progressed their Local Plan reviews in a consistently positive manner. We have also held Duty to Cooperate meetings in January 2020, June 2021 and August 2021 – the latter alongside the commencement of the BCP Regulation 18 consultation.

We were also fully supportive of South Staffordshire Council's convening of a meeting of all local authorities in the Greater Birmingham, Solihull and Black Country Housing Market Area (the HMA) and other neighbouring authorities with a functional relationship with the HMA in December 2021. The BCA suggested a series of actions in advance of that meeting, building on our Duty to Cooperate engagement to date, and which are directly relevant to our strategy of working with you to ensure that the Black Country evidenced growth needs can be met in full.

The purpose of this letter is to update you on progress with the BCP and to outline next steps. We also set out our strategy for ongoing engagement through the Duty to Cooperate with a focus on strategic housing and employment land issues. This includes a set of proposals which we are seeking your response to by way of a series of specific requests.



## Recent progress

1. The Regulation 18 BCP consultation took place between August and October 2021. We received around 20,800 responses and all of the representations can be viewed online via the link - <https://blackcountryplan.dudley.gov.uk/bcp/> . The bulk of feedback centred around the potential use of green belt land for development and we are currently reviewing all of the responses to inform the preparation of the Regulation 19 BCP programmed for consultation in the Autumn of this year.
2. We received responses from a number of neighbouring authorities – Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull, South Staffordshire, Stafford, Staffordshire and Worcestershire. These representations raised a variety of issues at a strategic level, recognising the broad scale of the shortfall and the need for ongoing and better aligned engagement going forward, in order to ensure a consistent and fair approach be taken to address longer term needs once the final shortfalls are confirmed.
3. The next sections of this letter summarise the current scale of the housing and employment land shortfalls and how we intend to address them.

## Strategic Housing Issues

4. The Regulation 18 BCP identifies a housing shortfall of 28,234 homes over the period 2020-39 (16,346 by 2031 and 11,888 2031-39). This shortfall is based on the most up to date local housing need (including the 35% uplift for Wolverhampton), the most recent housing monitoring information and land supply on sites allocated in the draft BCP including land currently designated as green belt. The Regulation 18 BCP proposes that this shortfall is addressed via the Duty to Cooperate through 'exporting' to sustainable locations in neighbouring areas.
5. As part of the preparation of the Regulation 19 BCP, we are undertaking further evidence gathering in relation to urban land supply. This will involve an update of the existing Urban Capacity Study including a detailed assessment of the implications of the ongoing restructuring of some retail and commercial sectors which may 'free up' space in town and city centres. However, the scale of any additional capacity is likely to be limited and is not anticipated to make significant headway into the shortfall outlined above.
6. As set out above, through the Duty to Cooperate, we are pleased that some Local Plans have responded positively to our request initially raised in 2018 for assistance in addressing our future growth needs. Potential contributions through our Duty to Cooperate engagement to date are outlined in the table below.

**Table 1 – Duty to Cooperate contributions (in order of Local Plan progress)**

<b>Local Plan</b>	<b>Status</b>	<b>Potential contribution to meeting Black Country housing needs</b>	<b>Comments</b>
Solihull	Submission (May 2021)  Examination underway	2,000 (minority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country, 2,000 HMA contribution noted by Local Plan Inspector February 2022. However, Solihull has a stronger functional relationship with Birmingham than with the Black Country.
Shropshire	Submission (September 2021)  Examination underway	1,500 (all)	Contribution towards the Black Country only, confirmed in Statement of Common Ground (August 2021)
Lichfield	Publication (July 2021)  Submission due April 2022	2,000 (all)	Contribution forms majority of 2,665 contribution to meet the needs of the HMA as a whole.
Cannock Chase	Preferred Options (March 2021)	Up to 500 (majority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country. However, Cannock Chase has a stronger functional relationship with the Black Country than with Birmingham.
South Staffordshire	Preferred Options (November 2021)	Up to 4,000 (majority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country. However, South Staffordshire has a stronger functional relationship with the Black Country than with Birmingham.
<b>Total</b>		<b>3,500-10,000</b>	

7. These Plans are providing for a minimum of 3,500 homes to specifically meet Black Country needs and up to some 10,000 homes to meet the needs of the HMA as a whole, a proportion of which will be available to the Black Country.
8. Of these HMA contributions, given the physical proximity and functional relationship between the Black Country and South Staffordshire, it is anticipated that the majority of the 4,000 contribution being tested through the South Staffordshire Local Plan could be available to meet Black Country needs. Conversely, given its relationship to Birmingham, we anticipate that the majority of the 2,000 home contribution from Solihull is unlikely to be available to meet needs arising in the Black Country. Under these scenarios, the contributions from the authorities listed in Table 1 could realistically provide up to some 8,000 homes towards meeting needs arising in the Black Country.
9. In addition, the highest growth scenarios set out in the earlier iterations of the Lichfield and Cannock Local Plans could also provide some 5,550 homes in excess of local needs (in comparison with the 3,165 currently offered). This additional capacity (3,000 homes in total over and above current contributions to the Black Country) has been highlighted by the BCAs and will be tested through the forthcoming Local Plan examinations.
10. Further contributions are being sought from Stafford (of up to 2,000 homes) and as yet undetermined contributions from Bromsgrove and Telford & Wrekin, both at the early stages of their Local Plan reviews. In the case of Telford and Wrekin, the higher growth option set out in the Issues and Options Report could provide some 3,700 homes over and above local needs, and the Black Country is well placed to provide a source of 'need' for this housing. The BCAs see this as being a minimum level of contribution given the historic role of Telford as a New Town to help address issues of overcrowding and living conditions in the West Midlands conurbation, and very high rates of housing completions over and above local needs in recent years. In total, this additional capacity from Stafford and Telford & Wrekin could provide some 5,700 homes towards meeting needs arising in the Black Country.
11. Taking into account this potential extra capacity of up to some 8,700 homes from Stafford, Telford & Wrekin, Lichfield and Cannock, added to current potential contributions (around 8,000 homes), could provide up to some 16,700 homes to meet needs arising in the Black Country.

12. Going forward, it is critical that those contributions currently expressed as meeting needs arising across the HMA as a whole are apportioned to individual Local Plans areas through Statements of Common Ground to provide the BCAs with certainty over the scale of contributions that is available to meet our shortfall. **However, even in the event of a contribution being secured at the higher end of the range of scenarios outlined above, a significant ‘gap’ of some 11,500 homes would remain for the Black Country up to 2039 (with a proportion of this gap arising before 2031). It is therefore critical that additional sources of land must be identified through the Duty to Cooperate if the Black Country is able to show how its identified growth needs can be accommodated.**

Request 1 - We request that any contributions that your authority is making to meet the needs of the HMA as a whole includes an apportionment to solely address needs arising in the Black Country.

Request 2 – We request that you provide confirmation that you have either explored all opportunities to accommodate unmet housing needs arising in the Black Country within your Local Plan work, or that you will actively test opportunities going forward.

### **Strategic Employment Land Issues**

13. As is the case with housing needs, the Black Country is unable to meet its identified employment land requirements in full. The Black Country Plan employment land shortfall to 2039 is 210ha as set out in the Regulation 18 Black Country Plan – this figure the difference between the need of 565ha and an anticipated supply of 355ha. This is consistent with the employment land requirement set out in Policy EMP1 of the draft Black Country Plan and section 4 of the 2021 Black Country EDNA. Para 2.22 of the 2021 EDNA recommends that the split of employment land provided for by the Plan comprise around 30% of B8 activity and 70% for E(g)(ii)(iii)/B2 use class. This means that the total B8 requirement is 170-176ha and for E(g)(ii)(iii)/B2 a requirement of 396-410ha. We are reviewing these requirements in the light of updated economic projections which include a more up to date understanding of the CV-19 recession recovery trajectory. This work may result in a refinement of the requirements but it is highly likely that our shortfall will remain.
14. In accommodating this shortfall, in the first instance we will look to those authorities within the areas of strong economic transactions with the Black Country (South Staffordshire and Birmingham) and areas of moderate economic transactions with the Black Country as identified in the 2017 EDNA (Cannock Chase, Lichfield, Tamworth, Solihull, Bromsgrove and Wyre Forest). In addition, the Shropshire Economic Development Needs Assessment (December 2020) highlights strong labour market linkages between Shropshire and the Black Country.

15. At this stage, we would not identify a specific functional geography for addressing the E(g)(ii)(iii)/B2 shortfall as distinct from the B8 element of the shortfall, but recognise the consented West Midlands Interchange site is reserved exclusively for B8 activity. With this in mind, we refer you to the West Midlands Interchange Apportionment Study produced by Stantec to support the Black Country Plan and published earlier this year (<https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/>). This suggests that a minimum of some 67ha of land at West Midlands Interchange could be apportioned to meet needs arising in the Black Country, with the potential for a larger contribution if other areas within the market area are able to meet their B8 needs in full. This would suggest that the quantitative B8 shortfall could be largely satisfied by this site should the programmed South Staffordshire EDNA update confirm a surplus of employment land against local needs. **This could reduce the Black Country employment land shortfall to 138ha. Any additional surplus of employment land arising from the South Staffordshire EDNA update would reduce the shortfall further.**
16. In terms of other potential contributions, the Shropshire Regulation 19 Local Plan is making a contribution of 30ha of employment land towards needs arising in the Black Country, **reducing the shortfall to some 108ha**. We are engaging with other emerging Local Plans through the Duty to Cooperate including Bromsgrove, Lichfield, Cannock, Telford & Wrekin, Solihull and Stafford, but no contributions have been put forward by those authorities and the BCAs will continue to press this matter through Local Plan examinations, particularly those authorities within the areas of strong economic transactions with the Black Country as listed above. We will also be seeking the participation of authorities listed in paragraph 14, and any others able to contribute to BCA employment shortfalls, in a Statement of Common Ground (SoCG) addressing this issue to inform the Black Country's Regulation 19 plan and will use the responses to this letter to inform the draft SoCG. **As is the case with housing, additional sources of land supply must be identified if the Black Country is able to meet its growth needs in full.**

Request 3 - We request that you provide confirmation that you have either explored all opportunities to accommodate unmet employment land needs arising in the Black Country within your Local Plan work, or that you will actively test opportunities going forward, and that you will be willing to enter into a Statement of Common Ground with the Black Country under the scope set out in paragraph 16 of this letter.

17. We draw your attention to the West Midlands Strategic Employment Sites Study (WMSESS) (<https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/>) published in 2021. The Report was produced by Avison Young and Arcadis consultants and commissioned by three of the West Midlands Local Enterprise Partnerships (the Black Country, Greater Birmingham and Solihull and Coventry Warwickshire) and Staffordshire County Council. The Study updates the 2015 West Midlands Strategic Employment Sites Study which identified a demand for strategic employment sites in the West Midlands, but a lack of suitable sites.

18. The Study advises that based on evidence of past trends in relation to take-up, and assuming that no additional strategic employment sites are brought forward to replace those that remain, the supply of allocated and committed employment land would appear to represent a maximum of 7.41 years supply. As it was in 2015, this represents a limited supply of available, allocated and/or committed sites across the Study Area that meet the definition of 'strategic employment sites', and there is an urgent market demand for additional sites to be brought forward to provide a deliverable pipeline, noting the very substantial lead-in times for promoting and bringing forward such sites. The Study identifies five areas where strategic employment sites should be identified and this includes the Black Country and southern Staffordshire.
19. The Study makes a number of recommendations for further work. This is because the shortfall in the availability and future supply of strategic employment sites cannot be robustly quantified without an assessment of market dynamics and projected sector growth patterns through an econometric demand forecast, which would add materially to the findings of this Study and would inform the strategy for delivering a sufficient supply of strategic employment land. The Study has already been given weight in the Local Plan process – most recently through the examination of the North Warwickshire Local Plan and the resulting Policy LP6 – Additional Employment Land.
20. There is clearly a potential relationship between the need to address the Black Country employment land shortfall and the need to bring forward additional strategic employment sites as set out in the WMSESS. Through the HMA Group and liaison with those bodies who were party to the 2021 Study, a draft brief has been prepared to address the recommendations for the 2021 Study and strongly recommend that this work is progressed in partnership with the local planning authorities across the 2021 Study geography, and other areas which share a functional relationship with the Black Country, for example Shropshire.

Request 4 - We request that you indicate whether your authority is willing to participate in the further work to address the recommendations of the WMSESS.

### **Next steps**

21. As set out above, there is a significant level of unmet need for housing and employment land to address evidenced Black Country growth requirements which cannot be met within the Black Country administrative area. There are three elements to our strategy to address the shortfall through the Duty to Cooperate and these are summarised below.

22. In the short term we will be continuing to engage with individual Local Plans to ensure 2018 Growth Study recommendations are maximised and to confirm current contributions to help address the Black Country shortfall, particularly in relation to those housing contributions which have been expressed at HMA level and not yet distinguishing a specific Black Country apportionment. For those Local Plans which are less progressed, we will engage in a positive and robust manner to ensure that the unmet needs of the Black Country are fully recognised and all opportunities to assist in meeting our needs are comprehensively explored. This will include opportunities identified in the 2018 Growth Study.
23. **But these current workstreams may not address our needs in full, and we strongly recommend to you that there is a compelling need to address this matter in a comprehensive and inclusive manner across a wide but functional geography.** We are also mindful of the forthcoming Birmingham Local Plan review and the potential for this to further increase the shortfall arising from the West Midlands conurbation. We outlined our suggestions on a potential programme of work as part of the 15<sup>th</sup> December South Staffordshire Duty to Cooperate meeting. This was shared with you in advance and we attach it to this letter. The key elements of this work programme are:
- To review the extent of the HMA in order to understand if this is the most appropriate geography by which housing needs and mechanisms to accommodate any shortfalls can be considered;
  - To confirm the scale of the housing shortfall across the whole of the HMA over a period of at least 15 years to inform the approach taken by current and emerging Local Plan reviews.
  - A review of whether the growth locations identified in the 2018 Growth Study work remain appropriate and whether new growth areas should be identified for testing through Local Plan preparation. This work may well result in the need for a new Growth Study but we would not want to pre-judge the work before confirming that is the case.
24. This work programme is currently subject to ongoing discussions largely through the HMA officer group, and we recognise that the existing governance arrangements are in need of review to ensure that we have in place mechanisms to manage and oversee the implementation of this work. The nature of these governance arrangements and the parties involved should be informed by the evidence but at this stage, a Statement of Common Ground across the HMA geography and including other authorities which have a functional relationship with it which sets out the nature of how we work together going forward is essential. We strongly encourage your authority to fully engage in this work.

Request 5 - We request that you indicate whether your authority is willing to participate in the further work outlined in the bullet points above, and that your authority would be willing to confirm this commitment through a Statement of Common Ground and review of governance arrangements to deliver these actions.

25. Turning to employment land, as with housing we will pursue a Statement of Common Ground with functionally related authorities to both secure current contributions and engage with less progressed Local Plans through the Duty to Cooperate to establish potential for further contributions. We have set out the compelling need for a follow-up study to address the recommendations of the 2021 West Midlands Strategic Employment Sites Study and have asked if your authority would be willing to participate in this work and assist with its resourcing.
26. Common to both the housing and employment land shortfalls is the final element of our strategy – for Local Plans to include an early review mechanism. This is important given the potential for there could continue to be a shortfall following the current round of Local Plan preparation. This shortfall should trigger the detailed evaluation of opportunities identified from the recommendations of the proposed work outlined above in relation to both housing and employment land through updated Local Plans. This approach has been used in a number of West Midlands Local Plans - most recently Wyre Forest, Stratford on Avon and North Warwickshire. We consider that a failure to include an early review mechanism is a serious omission and must be addressed in order for the Plan to be sound.

Request 6 - We request that you indicate whether your authority is willing to consider the inclusion of a commitment to an early review mechanism in your emerging Local Plan to enable the consideration of additional growth opportunities outlined in the work listed above in a timely manner should this be necessary.

### **Timetable for responses**

27. Moving forward, the BCAs are progressing the preparation of the Regulation 19 Plan having regard to the issues raised in the Regulation 18 consultation responses and evidence currently under preparation. This includes the Transport Study, updated urban capacity study and employment land update. The Transport Study in particular will provide us with a better understanding of the constraints and opportunities associated with the levels of and location of growth set out in the Regulation 18 Plan with potential implications for the development capacity of some sites.



28. To enable us to meet this timetable, and clear understanding of opportunities through the Duty to Cooperate is critical. **We therefore ask that you consider the requests set out in this letter and respond in writing to: [blackcountryplan@dudley.gov.uk](mailto:blackcountryplan@dudley.gov.uk) within six weeks of the date of this letter.** If you wish to discuss the contents of this letter before responding, please get in touch. We appreciate that this letter may raise difficult issues that need thorough consideration from both officers and Councillors. However, given the time that has already passed since the Black Country initially identified a shortfall in 2018 and the wider work already being undertaken across the HMA, we would be grateful if you could adhere to these timescales. If you anticipate a delay is being able to provide a response, it would be helpful if you could let us know as soon as possible.

Yours sincerely



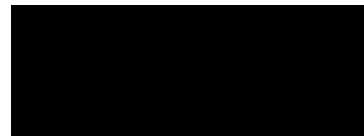
Councillor Patrick Harley  
Leader  
Dudley Metropolitan Borough Council



Councillor Mike Bird  
Leader  
Walsall Metropolitan Borough Council



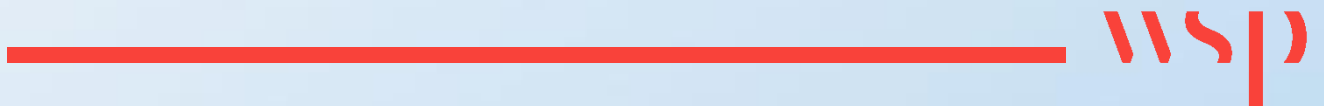
Councillor Kerrie Carmichael  
Leader  
Sandwell Metropolitan Borough Council



Councillor Ian Brookfield  
Leader  
City of Wolverhampton Council

# Appendix B

**LETTER FROM WALSALL COUNCIL  
TO SHROPSHIRE COUNCIL (FEB  
2021)**





# Walsall Council

**Councillor Mike Bird  
Leader of the Council**

Planning Policy  
Shropshire Council  
Shirehall  
Abbey Foregate  
Shrewsbury  
Shropshire  
SY2 6ND

25<sup>th</sup> February 2021

Dear Sirs

## **Shropshire Local Plan Regulation 19 consultation**

Thank you for Consulting Walsall Council (and the other Black Country authorities) on the Shropshire Local Plan Regulation 19 consultation. Following discussions through the Association of Black Country Authorities (ABCA), this letter provides Walsall Metropolitan Borough Council's formal response to the consultation.

### Background

Including through ABCA, Walsall Council has engaged actively and positively in the various stages of the Shropshire Local Plan. Our most recent engagement was as part of the ABCA response to the Regulation 18 consultation in September 2020. The ABCA representations addressed three principal issues – housing, employment land and minerals and waste, all associated with the requirement for the Local Plan to address the Duty to Cooperate and specifically to respond positively to help address the identified shortfall of land to meet growth needs arising in the Black Country. ABCA also requested that the Plan should contain a mechanism which would allow the Council to trigger a review of the Plan in the light of the rate and location of housing delivery or in the event of a greater need for additional housing - either associated with meeting the needs of Shropshire, or adjacent housing market areas including the Black Country.

We note the amendments made to the Regulation 18 Plan in responding to the representations from ABCA around the issue of employment land provision. We also note that the Plan retains the commitment to attribute an element of the housing target to meet Black Country needs.

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Given the scale of the quantitative and qualitative shortfall in the Black Country and based upon the evidence available, Walsall Metropolitan Borough Council considers statements saying that issues in the Plan might be subject to review insufficient. Instead a more firm undertaking to conduct an early review should be made in the Plan to ensure that it provides clear commitment to help meet projected development needs for the future.

As it stands, the Regulation 19 Plan still does not positively or effectively respond to cross-boundary strategic matters and as such we **object** to the Shropshire Local Plan and its proposed Strategic Approach.

We set out our detailed assessment of the key Duty to Co-operate issues below. These include employment and housing issues that need to be addressed in order for the Plan to be made sound.

### Employment

The Shropshire Local Plan makes provision for the incorporation of 30ha of land within the overall employment land target to meet needs arising in the Black Country. The evidential basis for this approach is set out in the Economic Development Needs Assessment (EDNA) published by Shropshire Council in December 2019, which identifies strong labour market linkages with the Black Country and Wolverhampton in particular, and suggests that close co-operation on employment land supply balance is recommended going forward.

The Black Country employment land requirement ranges between 592ha (baseline growth) and 870ha (aspirational growth based on West Midlands Combined Authority SEP). existing Black Country urban employment land supply (including recent completions) provides approximately 305ha of land, leaving a shortfall of between 287 ha and 565 ha, depending on the growth scenarios applied. The Black Country Authorities are considering all opportunities to bring forward additional employment land within the urban area, and land within the Green Belt, but this exercise will not make a significant impact upon addressing the unmet need. Work to find sites in other areas is on-going, and it will include some proportion of the consented 'West Midlands Interchange' at Four Ashes in South Staffordshire. However, contributions secured through the Duty to Co-operate are limited to a total of 50ha in total (including 30ha in the Shropshire Local Plan).

The 2015 West Midlands Strategic Employment Sites Study defines 'strategic sites' as those sites that provide at least 25ha that can bring net additional activity and jobs to the region and attract nationally or internationally mobile business activity. The Study found that the Black Country and Southern Staffordshire has a severe lack of strategic employment land on sites of a minimum of 25ha in size to meet demand for large industrial type units.

The 2017 West Midlands Land Commission report similarly concluded that "*the shortfall of land for employment space is at least as pressing as the shortage of land for new homes, and possibly more so*" (paragraph 5.20).

An update to the West Midlands Strategic Sites Study, commissioned by the three West Midlands LEPs and Staffordshire County Council, is anticipated to be published in early 2021. However, there remains a lack of strategic high-quality employment land. This was recognised in the Secretary of State decision on the proposed West Midlands Rail Freight Interchange in May 2020. This referred (paragraph 17) to “a significant level of need for additional logistics floor-space in the region” and the “strong market demand and shortage in the supply of large warehouse buildings and sites within the proposed WMI [West Midlands Interchange] Market Area”.

In quantitative terms, the employment land requirement identified in Shropshire’s EDNA is between 164ha and 264ha (including the current proposed 30ha Black Country contribution). The existing supply in Shropshire is 276ha and the Plan target 300ha. This suggests that there is headroom that could be attributed to meeting needs arising in the Black Country and the 30ha contribution could be increased further. The increase to the employment land contribution should also reflect qualitative factors which in this case includes the significant and increasing demand for advanced logistics premises in locations with good accessibility to the M54. Further consideration of the qualitative factors is outlined below.

The employment sites in Shifnal and Bridgnorth could be assumed to be capable of contributing towards non-strategic needs arising in the Black Country given their size and distance from the motorway network. This in turn would limit the range of occupiers who are likely to be attracted to them and so would be unlikely to be attractive to large scale and footloose inward-investment requirements. This is consistent with the findings of the EDNA, which acknowledges that demand for ‘Big Box’ units (10,000 sqm plus) has been generally limited within Shropshire. However, this is in part as a result of there being no readily available supply of suitably located, high quality larger stock to offer recently. Furthermore, the EDNA concludes that newly developed modern stock has largely catered to smaller occupiers and trade counter uses, and much of the existing larger stock is dated and in need of refurbishment in order to meet the requirements of modern occupiers.

From the evidence, it is clear that there will continue to be a significant quantitative and qualitative shortfall of land in the Black Country and neighbouring areas. The M54 Growth Corridor has been identified in the Strategic Options Study (2019) as a “key strategic gateway for both Shropshire and its neighbours” and a “key growth Corridor for both employment and residential development, resulting from the strong transport links present and critical mass from the presence of nationally significant education, training and employment opportunities”. The provision of just 30ha towards Black Country employment needs is not considered sufficient to respond positively or effectively to cross-boundary strategic matters and the alternative locations for such developments primarily along the M6 and M54 transport corridors is extremely limited; there are only so many junctions that could accommodate further growth.

Given the scale of the quantitative and qualitative shortfall and the size of Shropshire relative to its neighbours, we request that the Shropshire Local Plan should increase its employment requirement to provide for significantly more than the 30ha of employment land identified so far. In view of the headroom referred to above, there is a need for strong evidence as to how much land could sustainably and practically be delivered on the sites identified in the Regulation 19 document (e.g. at Shifnal and Bridgnorth) and through continuing consideration of strategic sites. In particular, land to the north of M54 Junction 3 has been

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promoted as a potential Strategic Employment Site, with potential to provide 75ha of employment land. This could complement development at Shifnal and take up opportunities that might arise at Cosford. The potential for employment, and housing, development in the area north of Junction 3 was strongly supported by ABCA in its September 2019 response to Shropshire's consultation on Strategic Sites. We remain in support of this proposal and take the view the Shropshire Local Plan should support a strategic settlement (which as referred to below) would also help to meet the housing needs of the Black Country.

### Housing

Turning to housing, the Shropshire Local Plan makes provision for up to 1,500 homes attributed to meeting needs arising in the Black Country. As referred to above, whilst the proposed allocations in the Plan at Bridgnorth and Shifnal could make some contribution towards Black Country needs given existing migrations patterns, geographical proximity and physical links, they are not strategic and do not benefit from direct access and visibility from the M54 corridor. Furthermore, it is likely that there will continue to be a significant shortfall of land to meet Black Country housing needs even in the light of this contribution and those of other emerging neighbouring Local Plans.

The Black Country has provided detailed evidence in the form of an Urban Capacity Review Update 2019. This study has demonstrated that the Black Country's housing need, between 2019–2038, is 71,500 homes, of which 44,500 homes can be accommodated in the urban area leaving a shortfall of 27,000. This shortfall is likely to increase by around 5,000 homes as a result of the publication in December 2020 of the new national method to calculate local housing need. An updated Urban Capacity Review is in preparation to inform the Draft Black Country Plan, but it is not anticipated that it will produce any significant urban capacity that has not been assessed so far.

From the evidence, it is clear that the Black Country cannot accommodate all of its needs in its existing urban areas. As you will know, the Black Country authorities have engaged in discussions with neighbouring local authorities as part of our Duty to Co-operate requirements, but the Green Belt is an issue for authorities over a wide area (including Shropshire) as well as for the Black Country (see below).

In terms of 'non-urban' opportunities within the Black Country, ABCA has undertaken a Green Belt and Landscape Sensitivity Assessment, supplemented by comprehensive environmental evidence, including historic landscape characterization and ecological surveys, which severely constrain capacity to deliver large scale development across much of the Black Country.

Whilst ABCA has yet to finalise the site assessment, viability and delivery work, it is envisaged that market deliverability will also limit the capacity of the Black Country Green Belt up to 2039. This assumption is based on the case of the Birmingham Plan, where the Peter Brett Associates (PBA) Delivery Study 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 Plan. This assumption was based on a strong housing market recovery scenario in one of the strongest housing markets areas in the West Midlands.

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As the majority of 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 potential delivery of housing in the Green Belt, with only small amounts of housing potential in Wolverhampton and Sandwell. Therefore, based on a scenario that there was sufficient unconstrained capacity identified in the Black Country Green Belt, a Delivery Study based on similar principles to that completed for Birmingham, may reasonably conclude that the Black Country could only be expected to deliver some 10,000 homes in the Green Belt over the 15-year Plan period, leaving a significant shortfall to be met in neighbouring authorities.

Turning to the neighbouring authorities, the Black Country authorities have undertaken Duty to Co-operate discussions to determine their ability to accommodate some of the Black Country's unmet need. A number of local authorities - including South Staffordshire, Lichfield and Cannock as well as Shropshire - have indicated that they will seek to test their ability to accommodate additional housing needs over and above their own local needs as part of their local plan review process. At this stage, it is anticipated that these contributions could accommodate in the region of up to 10,500-12,500 homes and, in the best-case scenario, this would leave the Black Country with a significant shortfall of approximately 14,500-16,500 houses, plus some further 5,000 homes added to this shortfall as a result of the new national method. For clarity, this position is set out in the table below.

black country need	capacity of black country urban area	indicative market capacity of black country green belt	potential contributions from neighbouring authorities	shortfall
71,500 (plus 5,000 as a result of new national method)	44,500	10,000	10,500 – 12,500, as follows: - South Staffs: 4,000 - Lichfield: 4,500 - Cannock Chase: 500 – 2,500 - Shropshire: 1,500	<b>9,500 - 11,500</b> (plus 5,000 as a result of new national method)

However, there is no certainty that the contributions from authorities outside of the Black Country will come forward. It is therefore important that firm commitments come forward now as part of the Shropshire Local Plan Review, the most advanced of all the neighbouring plans, and that those commitments are capable of meeting identified strategic needs. We request that the Shropshire Local Plan should increase its housing requirement by 3,000 to incorporate up to 4,500 dwellings to support the housing needs of the emerging Black Country Plan. Some 1,500 of this could be met by the proposed housing allocations in the Plan around Shifnal and Bridgnorth, with the addition of up to 3,000 dwellings to be met at Land to the north of Junction 3 of the M54 as part of a new Strategic Settlement. Land to the north of Junction 3 of the M54 was strongly supported by ABCA during the Strategic Sites consultation in 2019.

### Minerals and Waste issues

Our position on the minerals and waste policies DP29 to DP33 corresponds to that set out in the ABCA representations to the Regulation 18 consultation.

In brief there is evidence that facilities in Shropshire provide for both minerals and waste requirements arising in the Black Country. The availability of aggregates has been in excess above minimum guidelines and the Plan does not propose any additional site allocations. Turning to waste management, existing consented facilities are anticipated to provide sufficient capacity to accommodate forecast throughput negating the need for additional facilities.

For the reasons outlined above Walsall Metropolitan Borough Council **object** to the Regulation 19 Shropshire Local Plan on the basis it does not positively or effectively respond to cross-boundary strategic matters.

We are aware that other Black Country authorities are offering officer meetings to discuss a way forward. Walsall officers will, of course, be happy to participate. However, as Leader of the Council I would like to propose a Members' meeting to seek a resolution to the important issues.

Yours sincerely

**Councillor Mike Bird**  
Leader of the Council