

SHROPSHIRE LOCAL PLAN EXAMINATION

Stage 1 Hearing Statement

Representor unique Part A Ref *	A0149 – Raby Estate
Matter	4 – Housing and employment land
Relevant questions nos	1, 2, 3, 4, 6

*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)

MATTER 4 - HOUSING AND EMPLOYMENT LAND

Shropshire Local Plan Examination Hearing
Statement

Matter 4 – Housing and employment land

Introduction

- 1.1.1. This hearing statement should be read in conjunction with the previous representations made by Raby Estate (ref: A0149).
- 1.1.2. As set out in the February 2021 Representation (A0149) the Raby Estate is promoting two sites for development: the proposed new settlement of Beslow and a site in the village of Cressage. The Estate has the site's available ready for development should the housing requirement increase. In this response to Matter 4, we outline why the housing requirement should be increased and made more robust. The Raby Estate, as outlined above have the land available to support significant development when required.

Question 1 – Is the preferred approach to housing growth and the housing requirement set out in Policy SP2 of 30,800 dwellings (1,400 dwellings per annum) over the plan period of 2016 to 2038, justified, positively prepared and consistent with national policy?

- 1.1.3. In this hearing statement Raby Estate reiterates the points made in previous representations (A0149) that:
- The approach to the distribution of housing should not be focused towards urban areas but instead there should be a higher distribution to rural areas including Hubs such as Cressage and to new rural settlements including Beslow to enhance the vitality of rural communities.
 - The housing requirement is unambitious and fails to positively plan for growth or deal effectively with strategic housing and employment issues arising from the ABCA local authority areas.
 - The approach places too much reliance on windfalls while at the same time imposing greater restrictions on housing in community clusters and drawing tight development boundaries around settlements where provision for windfalls is made.

Housing Distribution

- 1.1.4. The plan proposes an urban focused growth strategy for this rural local authority area. This approach does not reflect the existing distribution of population. It also does not reflect the distribution of economic development. Shropshire has a large rural population with around 35% of its population living in villages, hamlets or dwellings dispersed throughout the countryside.
- 1.1.5. The economic policies of the Marches LEP ([EV109](#)) and the Shropshire Economic Growth Strategy ([EV044](#)) have objectives for growth in sectors that rely on the rurality of the local authority area for their success: agri-food, agri-tech, food and drink processing, environmental science and technologies, visitor economy and heritage-based businesses.
- 1.1.6. While there has been cooperation at a strategic level for the formation of economic policy there is no evidence supporting the plan to demonstrate that the proposed distribution of growth will be effective in meeting the objectives of economic policies. The Economic Development Needs Assessment [EDNA] ([EV043](#)) provides evidence that the Shropshire economy is performing well against its West Midlands comparators but no evidence of how Shropshire is performing against similar rural geographies with similar characteristics. It highlights that in some areas the economy is

underperforming against its urban counterparts in the West Midlands, particularly in relation to GVA, but also highlights that the sectors that are most important for Shropshire are those that derive their success from its rural nature.

- 1.1.7. Figure 5.3 of the EDNA contains a map of the size, scale and spatial distribution of employment and sector profile of businesses. The report claims that this map can be used to effectively map and graphically illustrate where businesses and sectors are located to be able to build a detailed picture of the characteristics of Shropshire's economic development and any clustering of sectors. Unfortunately, Figure 5.3 is unhelpful in all these respects as it is insufficiently detailed, and it is not possible to identify sector clusters. However, what the figure does effectively show is that there is significant diversity of business sectors outside of the main settlements in Shropshire and often high density of employment (>100 employees) in post code areas outside of the main settlements. A more granular study of the structure of Shropshire's economy and the distribution of economic development is necessary to better understand the implications of a significant change in the distribution of growth.
- 1.1.8. Before being able to justify an alternative approach to the Core Strategy we suggest that further analysis of the economic impacts of the change in approach is essential. A comparison of the economy against local authorities with similar rural characteristics (eg similar location quotients) in addition to the West Midlands as a whole would have provided helpful evidence of the relative performance of the prevailing growth strategy and any shift away from it.
- 1.1.9. There is currently insufficient evidence for the proposed change away from the Core Strategy approach to distribution of development. The approach to the distribution of development is therefore unjustified and does not meet the essential test of Para 35 of the NPPF

Scale of Growth

- 1.1.10. The draft local plan sets unambitious targets for housing growth that inter alia fail to accommodate unmet need from neighbouring areas or take account of market conditions. The plan has not been 'positively prepared', it is 'unjustified', 'ineffective' and 'inconsistent with national policy'.
- 1.1.11. Each local planning authority has a duty to cooperate with each other on strategic matters (such as housing delivery) that cross administrative boundaries, as outlined by §24 of the NPPF. The NPPF (at §60) also outlines that the Government's objective to significantly boost the supply of housing and outlines dwellings should come forward where it is needed without delay. §61 also outlines that the local housing needs assessment should be used to determine the minimum number of homes required and that Plans should be prepared in an aspirational manner (at §16 (b)). The Local Plan Review, as submitted, does not comply with these aspects of the NPPF.
- 1.1.12. As outlined in our response to Matter 2, Shropshire Council are accommodating 1,500 dwellings of unmet need from the Association of Black Country Authorities (ABCA). When the Local Plan Review was submitted for examination, the justification for this figure was not provided, however in the Housing Topic Paper (2022) ([GC4i](#)) Shropshire Council's justification is now provided. As outlined in our response to Matter 2, this calculation can be interrogated and as the ABCA have done, a case can be made for Shropshire taking a greater proportion of the unmet need.
- 1.1.13. Shropshire's agreement in principle to accommodate a total of 1,500 dwellings of unmet needs from ABCA over a 22-year plan period (equating to an additional 68dpa) remains unambitious. It remains our strong view that the housing requirement should be increased significantly higher above 1,400dpa to accommodate more unmet needs from ABCA and other areas. The overall housing

requirement therefore needs increasing to accommodate this and until this has happened, the Plan cannot be considered be positively prepared, effective and consistent with national policy.

Deliverability over the plan period

1.1.14. Much of the requirement is proposed to be met by windfall sites, sites saved from the SAMDev Plan or sites in clusters where policies restrict development to a maximum of three dwellings per site.

Delivery	Number of dwellings proposed	Percentage of future supply over plan period
Windfall	2,682	9%
Saved Sites	3564	12%
Clusters and rural areas where restriction to no more than three dwellings per site¹	3080	10%
Total	9,326	31%

1.1.15. Whilst the historic evidence of windfall delivery in Shropshire is acknowledged, the ability of windfalls to sustain these levels of delivery will diminish over time and such a reliance should not be used as a reason to not allocate sufficient sites and therefore the Plan has not been 'positively prepared'. In this local plan there are much greater restrictions on the delivery of housing in community clusters (Policy SP10). Where windfalls are proposed in settlements development boundaries are drawn in such a way as to restrict delivery.

1.1.16. To rectify the above, the Plan will require amendments to make it robust and sound. As there is currently a lot of faith being placed in sites that have not come forward for development in the past five years (despite allocation) or are yet to be identified. As such, a greater buffer should be built into the housing requirement to account for those dwellings that won't come forward during the Plan period and therefore allocating additional sites can accommodate this.

1.1.17. The Five-Year Housing Land Supply Statement ([EV048.01](#)) outlines that since the start of the plan period, completions have been higher than the housing requirement. This suggests that the Local Plan Review is not positively prepared or consistent with national policy as there is evidence that there is a much higher demand for housing as it is being brought forward for development ahead of schedule, which indicates a significant need. If the Review was to be aspirational, it would consider this trend and revise the housing requirement (and delivery) to provide a higher level of housing.

1.1.18. The housing requirement would therefore need to be revised (and increased) to ensure that the plan is consistent with Paragraph 35 of the NPPF and national policy when considered against Paragraphs 60 and 61 when considering the delivery of homes, but also as a whole.

¹ Figure 3 of GC4i – 'Distribution of Residential Development Across Shropshire' outlines that that circa 10% of the total housing requirement will come from Community Clusters and rural areas. This means that assumptions must be made when calculating the exact distribution of housing in Shropshire

- 1.1.19. This gives confidence that with more allocations and supportive policies, a higher housing requirement figure can be achieved over the plan period. In these terms, a housing requirement which is lower than recent completion rates cannot be considered ambitious – and therefore the Plan has not been ‘positively prepared’.

Question 2 – Is the housing requirement in the Local Plan appropriately aligned with forecasts for jobs growth?

- 1.1.20. While the housing requirement in terms of scale is broadly aligned to the forecast for jobs growth as set out in §8.47 to 8.57 of (EV043), the housing requirement in terms of spatial distribution is not aligned when compared against the emphasis towards rural sectors in the policies of the Economic Growth Strategy [EGS] (EV044) and the Strategic Economic Plan [SEP] (The Marches) (EV109).
- 1.1.21. The EDNA (EV043) identifies rural based sectors as representing existing high location quotients and future growth (Table 3.8). The EDNA (see Figure 5.3) also shows the distribution and scale of employment by sector distributed significantly outside of the Strategic, Principle and Key Centres in rural areas. The EGS (EV044) and the Marches SEP (EV109) identify rural enterprise (agri-food and agri-tech industries, the food and drink industries and the visitor economies) as key growth sectors.
- 1.1.22. The EDNA fails to highlight the importance of employment areas outside of higher order settlements for the county. While there are significant clusters of offices outside of the main settlements the EDNA does not report on them – see for example Table 7.4 or Table 7.5. Neither does it identify the location of key employers (such as ABP) or education establishments (such as Harper Adams) as being in rural areas outside of main settlements. The report appears to fail to understand or give proper regard for the nature of the rural economy.
- 1.1.23. The strength of the rural economy, the network of villages and the distribution of both small scale and large-scale employment outside of main centres is not appropriately recognised in the local plan. There is a significant misalignment between economic policies that sit alongside the local plan and the local plan’s spatial distribution of growth.
- 1.1.24. Economic policies for growth in rural sectors require policies in the local plan for proportionate level of growth of housing and social infrastructure located in rural areas. The sustainability and vitality of rural hubs such as Cressage is essential to support populations living and working in rural areas. There is no justification for the shift away from the Core Strategy position on distribution of growth. The proposed strategy does not reflect the appropriate economic policies of Shropshire Council and provide dwellings where they can support those policies.
- 1.1.25. As such, the spatial strategy and housing requirement do not accord with Paragraph 61 of the NPPF, which states that current and future demographic trends and market signals (and should therefore be directed to rural areas to account for this).
- 1.1.26. EV043 highlights workers are looking to reduce commuting times and increase working flexibility, with reports from local estate agents of increased demand for housing in rural locations, often with home office facilities. The Local Plan’s evidence base therefore suggests that people do not want to live in urban areas. This trend is likely to have increased following the Covid-19 pandemic, whereby

employees commuting, and employment preferences have shifted². This not only indicates that there will be less need for offices in main centres but also additional need for home office solutions in rural settlements.

- 1.1.27. Additionally, with the expected investment in rural sectors, it is likely that people working in these industries will want to live near to areas in which they work, to avoid the long commuting times associated with accessing some rural areas.
- 1.1.28. The above therefore highlights that the housing requirement of the Local Plan Review (which has an urban focus) is not consistent with where job growth will be focused or the County's economic strategy, which seeks to promote rural sectors (such as agri-food and agri-tech industries, the food and drink industries and the visitor economies) and support a prosperous rural economy. This strategy is therefore consistent with Paragraphs 78 and 79 which through suitable development seek to meet the need of rural areas and promote their vitality and viability through these means. Particular attention should therefore be given to NPPF Paragraph 83, which states that planning policy and decisions should recognise and address the specific locational requirements of different sectors. The NPPF Paragraph 81 also outlines that planning policy needs to create the conditions in which businesses can invest, expand and adapt. Significant weight should also be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.
- 1.1.29. The above demonstrates how the relationship between job/ economic growth and housing requirement should be managed to be consistent with national policy. As currently drafted, the Local Plan Review and proposed spatial strategy does not create an environment where there is coherent and cohesive relationship between the proposed economic strategy and housing strategy. This needs to be reconsidered before the Plan can be found sound.
- 1.1.30. The strategy identifies the need for a 'step change' in Shropshire's economy to reduce levels of out-commuting, retain employment and skills locally, increase productivity and address housing affordability issues. It will be delivered, in part, by Policy SP12. Part 5(a) of this policy states that the delivery of employment will be supported by investment in "housing of the right type, quality, tenure and affordability that will support the move towards increased home/agile working, in the right locations with jobs, services, facilities and leisure to make Shropshire a good place to live, work and play". These economic growth aspirations will not be realised if the investment potential in housing delivery will be frustrated through an unambitious and inconsistent spatial strategy and housing requirement guidelines.
- 1.1.31. This demonstrates that the housing requirement and spatial strategy is not sustainable, as it promotes a spatial strategy that leaves behind rural areas, does not meet the need of rural areas and encourages lengthy commutes to work in rural areas (often by private car). The spatial strategy (in the context of its conflict with the economic strategy) is therefore not consistent with sustainable development (as outlined by NPPF Paragraph 11).

² Office for National Statistics (2021) *Business and individual attitudes towards the future of homeworking, UK: April to May 2021*. This article indicates that 85% of employees wished to see a 'hybrid' approach to home and office working in the future. This is the most recent ONS data-set available on this matter.

Question 3 – What provision is made within the Local Plan to fulfil the identified unmet housing needs of the Black Country, and will the Local Plan’s approach be effective in addressing this sustainably within the plan period, in accordance with national policy?

- 1.1.32. Shropshire have included 1,500 dwellings within their housing requirement to address unmet need from the Black Country. This is agreed between Shropshire Council and the ABCA in the August 2021 Statement of Common Ground ([EV041](#)), however EV041 clearly indicates that there is a level of disagreement between Shropshire Council and ABCA, as the former declined ABCA’s request for a mechanism for an early review of the Local Plan. This suggests that ABCA likely believe that they are going to require the additional 3,000 dwellings (meaning a total of 4,500 dwellings) that Walsall Metropolitan Borough Council requested Shropshire take under the duty to cooperate in February 2021 ([Appendix A](#)).
- 1.1.33. The above suggests that ABCA believe (and have evidence to demonstrate) that this approach will not be sustainable and ultimately lead to a need to find additional dwellings elsewhere, when Shropshire could take a greater proportion of the unmet need as a relatively large and unconstrained authority. This is compounded by a more recent letter sent to neighbouring authorities ([Appendix B](#)) which once again asks them to review the amount of unmet need that they could accept.
- 1.1.34. In our response to Matter 2, we outline why Shropshire should accommodate a greater provision for the Black Country’s unmet need under the duty to cooperate.

Question 4 – The soundness of proposals for the land allocations in the Local Plan will be considered at Stage 2 of the Examination. However, given that many ‘saved’ sites which are not before us are included in the housing land supply, is it realistic that this examination can determine if the Council have a 5-year supply of deliverable housing land?

- 1.1.35. As outlined in our response to Matter 3, the Plan has an overreliance on ‘saved sites’. These sites are not considered for re-allocation in this Plan, their sustainability has not been reappraised and the public/ examiners have not asked to comment on these sites.
- 1.1.36. On this basis, this examination cannot accurately calculate housing land supply, as it is unclear whether they are actually deliverable within the next five years.
- 1.1.37. For example, there is no clear statement from Shropshire Council regarding the number of these saved sites are impacted by the nutrient neutrality advice. Therefore, there has been no analysis undertaken as to whether the mitigation required to ensure that the site is developable will render to site undevelopable within five years.
- 1.1.38. Having regard of the above, this examination will be unable to determine whether Shropshire Council have a deliverable housing land supply of five-years until the ‘saved sites’ are re-appraised for sustainability and deliverability in light of the new guidance from Natural England on nutrient neutrality.

Question 6 – Should the Local Plan include a housing trajectory showing the expected rate of delivery of housing land?

- 1.1.39. Yes. This is a clear minimum requirement of Paragraph 74 of the NPPF. While the Plan outlines that housing will be needed to be delivered at a rate of 1,400 dwellings per year, this is a basic assumption, with delivery likely to fluctuate based on a number of factors.



- 1.1.40. While a broad assumption for a requirement of circa 1,400 dwellings to be delivered per year can be made, the Plan should take into account the delivery rates outlined in the evidence base for each site and then make a more accurate indication of the proposed delivery rates, and progress can be monitored more accurately.

Word count – 2,946 (excluding questions, footnotes and tables)

Appendix A

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





Walsall Council

**Councillor Mike Bird
Leader of the Council**

Planning Policy
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Shirehall
Abbey Foregate
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SY2 6ND

25th 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	9,500 - 11,500 (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.

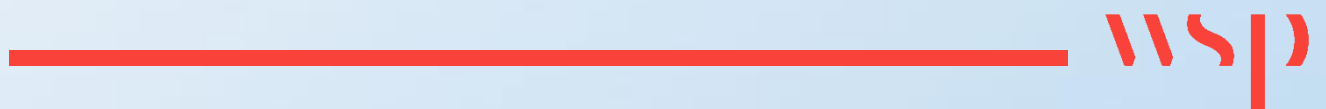
We are aware that other Black Country authorities are offering officer meetings to discuss a way forward. Walsall officers will, of course, be happy to participate. However, as Leader of the Council I would like to propose a Members' meeting to seek a resolution to the important issues.

Yours sincerely

Councillor Mike Bird
Leader of the Council

Appendix B

**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)

Local Plan	Status	Potential contribution to meeting Black Country housing needs	Comments
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.
Total		3,500-10,000	

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 15th 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 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



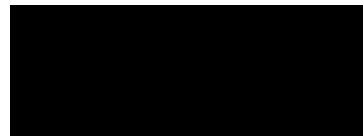
Councillor Patrick Harley
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