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## REPORT ON HOUSING IN SOUTH STAFFORDSHIRE LOCAL PLAN

### FOR WM CPRE

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#### 1. Previous Comments

West Midlands CPRE asked me to review the Housing Evidence for the South Staffordshire Plan Regulation 19 Consultation building on the report I did when I previously advised the Lower Penn Action Group on the Regulation 18 Consultation.

My previous technical housing report concluded that the Standard Methodology figure should be considered a robust assessment of housing need in South Staffordshire (4131, 243 dwellings per annum (dpa) over 17 years) over the plan period, including some 700 additional to demographic need. A further 750 were also added for houses built since 2018 to match up the supply figures (total requirements 4881).

I went on to conclude that the case for the additional 4,000 houses proposed to meet un-met housing need in the Black Country (the overspill) was unproven. I recommended that those 4,000 houses should be removed from the Plan and, if necessary, a policy included for an early review of the Plan when more up-to-date information is available.

I finally concluded that, even if the Black Country overspill were accepted, the supply in South Staffordshire was excessive. Not only were there 1153 homes (13%) in the supply above the need (even with the Black Country overspill included), but a further 1050 could be reasonably expected to be delivered on windfall sites over the plan period, creating an oversupply of 6203, (127% above the need generated within South Staffordshire)

Since the Regulation 18 consultation, South Staffordshire Council have adjusted the Plan Period from 2018-2038 to 2038 to 2018-2039 and produced new figures in their Regulation 19 document.

They have also updated their Strategic Housing Market Assessment (SHMA 2022) and Strategic Housing and Economic Land Availability Assessment (SHELAA 2022).

This report specifically considers:

1. the updated plan figures on supply and need
2. issues with the supply figures
3. issues of un-met housing need from other authorities.

## 2. Government Reforms

At the same time the Government has announced that it will be introducing reforms to the planning system, including removing the mandatory requirement to follow the Standard Methodology for housing need and placing more emphasis on local constraints which now need to be given significant weight in plan making.

The gist of this was set out by Michael Gove, Minister for Levelling Up, when he announced that the Government would be bringing forward changes to planning regulation in a Press Release on 5 December and in a more detailed letter to Conservative MPs of 5 December 2022.

It is worth stressing four important elements of his reforms which would directly impact on how the level of housing need and supply should be calculated in this plan and also in future plans in the Black Country and Birmingham:

1. He makes clear that the calculation of housing numbers should no longer be considered mandatory but an advisory starting point. He also said that it will be up to local authorities, working with their communities, to determine how many homes can actually be built, taking into account what should be protected in each area. He specifically identifies Green Belt, National Parks, the Character of an Area, or Heritage Assets as constraints.
2. He will instruct the Planning Inspectorate that they should no longer override sensible local decision making, which is sensitive to and reflects local constraints and concerns, rebalancing of the relationship between local councils and the Planning Inspectorate. The following will have to be taken into account: genuine constraints such as national parks, heritage restrictions, and areas of high flood risk, Green Belt and the Character of an Area.
3. He will get cities to build more new houses, and stop them, as he says: *'offloading their responsibilities to provide new housing onto neighbouring green fields by ending the so-called 'duty to co-operate' which has made it easier for urban authorities to impose their housing on suburban and rural communities.'*
4. He will consult on a new approach to accelerating the speed at which permissions are built out, specifically on a new financial penalty.

As yet the mechanisms are not laid out for these changes but they are certainly likely to be in place before either the four Black Country Plans or the Birmingham Plan are submitted to the Secretary of State and I will consider the impact on those plans further on as well as particularly the impact of (3) on supply in South Staffordshire.

### 3. Updated Housing Need and Supply

#### a. Housing Need

According to the latest Standard Methodology (SM) Calculation (ONS2014 2022-2032, 2021 Affordability) the annual demographic requirement for housing in South Staffordshire is 189 dpa and the adjusted calculation 241 dpa and this should be the starting point for assessing housing need. This is slightly lower than the previous figure of 243 dpa.

The plan figure is then calculated as  $17 \times 241 = 4097$ . 992 dwellings have then been added for completed houses from 2018-2022, which results in a total figure of 5089.

There seems to be some difficulties with the way this calculation has been done.

Firstly, the additional completed dwellings over one year from the previous preferred options is 242, yet the existing planning permissions and allocation of houses (according to Table 8 of the Plan) has only changed by 100.

Secondly, the overall completions would result in 28 dwellings above the SM figure of 964 from 2018-2022.

According to the 2022 SHELAA (Para 5.2) there is more over-provision than that:

*The most recent housing delivery test results were published on 14 January 2021. This indicates that South Staffordshire delivered 136% of the relevant housing requirement over the measurement period.*

If one looks at the most up to date Housing Delivery Data for South Staffordshire<sup>1</sup>, (published in 2021) 912 homes were completed from 2018-2021, and there was a requirement of 672, so there was an oversupply of 240 houses.

Taking the total figure for 2018-2039 (5,089) and reducing it by 240 for the over delivery acknowledged by the Council would give a figure of 4,849.

It certainly does not appear credible that in 2021 the need was 4,881 and in 2022 it is 5099 with the same end year, even though 1. the SM calculation has reduced, 2. the Council has delivered more than the SM calculation in that year and 3. the current supply has only risen by 100 dwellings.

So, it seems to me (pending more up to date delivery data) the figure of 4,849 should be considered reasonable and appropriate. This figure is also easily achievable using

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<sup>1</sup> Housing Delivery Test: 2021 measurement - GOV.UK ([www.gov.uk](http://www.gov.uk))

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the existing allocated and safeguarded land, as well as a suitable level of windfalls, so I see no reason to call in aid 'local constraints' in relation to meeting this target.

The Plan goes on to add a further 4,000 houses to its 5,089 local housing need figure supposedly to meet need from other authorities, making a total of 9,089 homes (8,849 if one were to allow for overprovision from 2018-2021)

It should further be noted that the 2021 CENSUS results for South Staffordshire itself show there were 46,100 households in the Borough, 1,872 or 4.06% fewer than the 47,972 in the 2014 ONS projections, suggesting further reasons for caution about the level of housing need.

*b. Housing Supply*

In terms of supply there are number of issues which concern me, in particular, over-supply, windfalls, density and yield. I address each below.

Oversupply

The first thing to note about the supply in South Staffordshire is that on its own terms the Plan significantly over-supplies housing in the Borough (even including the Black Country overspill) by 1087 homes (12%) (See my Table 1).

Minimum Housing Supply (South Staffordshire Plan 2018-2039)	Plan	Plan Plus increased Windfalls	Only Allocated and Safeguard Land/Increased Windfalls
Tier 1	4160	4160	2118
Tier 2	1707	1707	1337
Tier 3	711	711	570
Tier 4/5	301	301	301
Other Sites	2871	2871	
Windfalls	600	1500	1500
Oversupply 2018-2021		240	240
<b>Total</b>	<b>10,350</b>	<b>11,490</b>	<b>6066</b>
Need	5089	5089	5089
Black Country Overspill	4000	4000	4000
Above Need (with Black Country Overspill)	1261 (14%)	2401 (26%)	-3023 (-33%)
Above Need (without 4 Black Country Overspill)	5261 (103%)	6401 (126%)	977 (19%)

Table 1: Based on Summary of Minimum Housing Provision in South Staffordshire Plan

This oversupply is hard to justify, especially given there is no evidence put forwards that suggests housing in the authority is not being delivered, indeed South Staffordshire is currently exceeding its housing targets.

In terms of delivery the SHELAA says, (Para 6.1):

*'It is also important to note that in the last 24 years (1996-2021) only two full planning permission for 10 or more dwellings have lapsed once permission was granted. Therefore, it is not considered appropriate to apply a blanket non-implementation rate to sites of 10 or more dwellings with full planning permission.'*

The SHELAA does suggest that sites under 10 dwellings have sometimes not been completed within 5 Years and gives a historic rate of 19%, although I could not find a background table this refers to.

Para 6.3 of the SHELAA refers to the NPPF assuming all small sites will be deliverable, so the level of discounting may be excessive, especially if the historic rate includes the years following 2008 when recession impacted on many small sites.

In the case of delivering windfalls, since the past windfall rate are calculated based on completions, there seems little justification for discounting them, especially as the current windfall allowance (as discussed further on) appears to still be conservative.

Moreover, the Plan assumes these are 'minimum' figures, partly because the assessments are in many cases based on generalised density assumptions. In other words, there may well be room for increasing delivery on some sites.

According to the Plan (Para 5.22) this is justified because it:

*'will help the plan to meet the national policy requirement to respond to changing circumstances in the plan period.'*

However, this seems a weak justification given the level of over-supply. Not only is the Plan heavily over-supplying for its own need but the evidence suggests that the need in the conurbation is over-estimated while supply is under-estimated. Moreover, such over-supply does not seem consistent with the Council's own climate goals.

### Windfalls

The second issue is the under-provision of Windfalls. The Regulation 18 Plan included as provision of 450 windfalls (30 dpa for 15 years). This has been increased to 600 windfalls (40 dpa for 15 years) in the Regulation 19 Plan. It remains highly conservative in my view when tested using the Authority's own evidence.

It is welcome that there is a windfall allowance as they can play a very significant role in housing supply. Revised NPPF (Para 71) sets out how this should be addressed saying:

*Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.*

And, importantly, neither NPPF (nor NPPG) restrict the size of windfalls. The glossary of NPPF defines them simply as:

**Windfall sites:** Sites not specifically identified in the development plan.

The 2022 SHELAA gives a table of windfall provision in the Borough. This covers the period 2012-2020 and gives an annual windfall rate of 231 dwellings. This is slightly lower than the 2021 SHELAA which gave a figure of 265 dwellings from 2000-2016.

<b>Windfalls in South Staffordshire 2012-2020</b>		
Annual windfall rate	<b>231</b>	<b>Dwellings per annum (DPA)</b>
% Greenfield	<b>25</b>	%
% Former residential	<b>12</b>	%
% Former employment	<b>36</b>	%
% Other brownfield	<b>27</b>	%
<b>Total windfalls</b>	<b>1850</b>	<b>Dwellings</b>
Total: Greenfield	458	Dwellings
Total: Former residential	229	Dwellings
Total: Former employment	657	Dwellings
Total: Other brownfield	506	Dwellings

*Source: South Staffordshire Housing Monitoring 2012 – 2020*

Table 2: Windfall Completions, South Staffordshire (From 2022 SHELAA)

Windfall Allowance Options

Gross completions all sites 2000 – 2016	4235	265 pa
Gross windfalls	3273	205 pa
Windfalls less completions on former residential land	2211	138 pa
Non-residential land windfall sites >10 dwellings	1496	94 pa
Non-residential land windfall sites >10 dwellings excluding colliery site and large scale conversions	1002	67 pa
Non-residential land windfall sites <10 dwellings	715	47 pa

Table 3: Windfall Completions, South Staffordshire (From 2021 SHELAA)

What is also clear from both sets of SHELAA material is that there has been a steady historic supply of windfalls totalling at least 100 dpa.

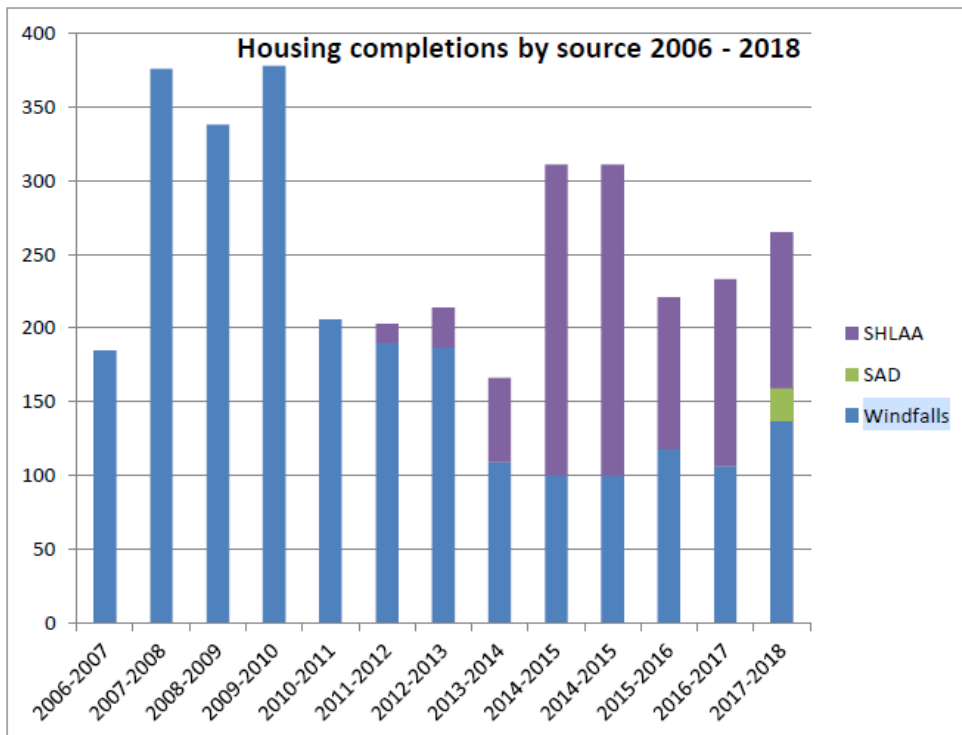


Table 4: Housing Completions, South Staffordshire (From 2022 SHELAA, 5 Year Land Supply)

The 2022 SHELAA, however, goes on to concentrate only on small windfalls, (sites under 10 houses).

The reason for concentrating on small sites is given in Para 5.59 of the SHELAA where the authority argue that large windfalls are one-offs and unlikely to be replicated. However, while for individual sites that may be true that logic does not, of itself, exclude future large windfalls coming forwards. There is certainly good reason to think that, as structural economic changes to retail and office requirements play through, further large windfalls will come forward. Indeed, the pandemic has accelerated these changes, including substantial office space reduction.

The SHELAA does accept larger sites may come forward (Para 5.60) but says it has not enough evidence to include them. This risk being a circular argument because by definition, windfall sites are not ones that are known about and so will never have the kind of evidence that is being required in the SHELAA, precisely why it is correct to use historic data.

The SHELAA goes on to say there has been an average of 70 dpa on small sites since 2012, although it is worth noting that this may be influenced downwards by the early recessionary years, when many authorities saw a dip in small windfalls. No individual data is given on this so it is hard to tell.

<b>Windfalls in South Staffordshire 2012-2020 on sites of 1-9 dwellings</b>		
Annual windfall rate on small sites	<b>70</b>	<b>DPA</b>
% Greenfield	<b>34</b>	%
% Former residential	<b>38</b>	%
% Former employment	<b>1</b>	%
% Other brownfield	<b>27</b>	%
Total windfalls on small sites	557	Dwellings
Total: Greenfield	187	Dwellings
Total: Former residential	214	Dwellings
Total: Former employment	5	Dwellings
Total: Other brownfield	151	Dwellings

*Source: South Staffordshire Housing Monitoring 2012 – 2020*

Table 5: Windfall Completions, 1-9 Dwellings, South Staffordshire (From 2022 SHELAA)

They further reduce this down to dwellings of 1-4 houses, claiming that sites above that may be double-counted in the brownfield register with allocated houses. This is not an approach I have encountered elsewhere. It would seem to exclude large number of small windfalls which will come forwards in the future and are not currently allocated, even if a few of them may be on the register.

What is remarkable is that even when they have whittled down the historic windfall completions to a level which is below other authorities and which clearly excludes likely and reliable historic sources of windfalls, their own annual windfall rate still exceeds the 40 dpa given in the plan and to justify this they rely on restrictions on development on gardens which the council has in place. Such restrictions may well play an important role in development control but NPPF does not exclude those from the calculation and there is no reason to believe they will not continue on appropriate sites.

<b>Windfalls in South Staffordshire 2012-2020 on sites of 1-4 dwellings</b>		
Annual windfall rate on small sites	<b>57</b>	<b>DPA</b>
% Greenfield (G)	<b>33</b>	%
% Former residential I	<b>41</b>	%
% Former employment I	<b>1</b>	%
% Other brownfield (B)	<b>24</b>	%
Total windfalls on small sites	455	Dwellings
Total: Greenfield	151	Dwellings
Total: Former residential	188	Dwellings
Total: Former employment	5	Dwellings
Total: Other brownfield	111	Dwellings

*Source: South Staffordshire Housing Monitoring 2012 – 2020*

Table 6: Windfall Completions, 1-4 Dwellings, South Staffordshire (From 2022 SHELAA)



Noticeably, when questioned about the windfalls at the SHELAA Panel Meeting in 2017 by development interests (in Appendix 1 of the SHELAA), the council admitted their provision was conservative:

*MW asked if the windfall allowance had been tested. PW confirmed that it was based on monitoring data and was deliberately conservative at 30 dws/pa against actual of at least 47.*

The average of 47 for small sites (in the 2021 SHELAA) has now risen to 70 with the latest evidence.

It can be seen then that, even relying only on small windfalls (under 10 dwellings), which most councils do, the Plan figure of 40 dpa is well below the 70 dpa level achieved. If one adds in larger windfalls, the level of windfall supply significantly increases and 100 dpa would represent the lowest level of overall windfalls achieved by the Council since 2006, including in years of recession.

In other words, the assumption in the Plan of only 40 dpa of windfalls seems not merely conservative, but highly unlikely. There appears to be a justifiable historic supply of 70 dpa from small sites (which is the way the figure is usually calculated in Plans) and a figure of 100 dpa would represent the base level of all windfalls achieved in South Staffordshire.

It seems that a minimum windfall assumption of 70 dpa seems easily justified. However, a more realistic figure would be 100 dpa, which has been exceeded in every year since 2006, would amount to 1500 over the plan period. This would increase supply over the plan period by 900.

In my Table 1 the final column demonstrates that, if one includes a more realistic windfall provision, one can provide more than enough housing for the needs of South Staffordshire and make a more reasonable contribution to Black Country Need of 977 homes on existing allocated sites.

### Density

The Plan includes a policy on density (Policy HC2) which includes minimum 35 dwellings per hectare (dph) net at all sites with an aim to have higher densities where services permit.

It is welcome that this is a minimum density and also that the policy specifically requires developers to demonstrate they have made efficient use of land and that this could be a reason for refusal. This presumably would also include gross/net assumptions on developable land.

The SHELAA's assumed densities are set out in the table below based on historic permissions. In some cases, these would be below 35 dph and it is unclear if this has been reviewed for all greenfield sites in the plan.

Density assumptions (dwellings per net developable hectare)	
Village edge/isolated greenfield sites	32 dph
Sites within existing village envelope/brownfield sites	38 dph
Sites on the edge of an adjacent urban area (e.g. the Black Country)	35 dph

Table 7: Density Assumptions (From 2022 SHELAA)

The density for brownfield sites seems to me comparatively low and I would consider 40 to 45 dph to be consistent with other areas, especially as historic densities may well be lower than currently.

There may also be windfall sites, such as town centre replacements, where the density achieved is much higher, closer to 100 dph, as achieved in more urban districts.

There is, in my view, therefore, a case for the plan including a higher minimum density, still fairly moderate, of 40 dph for brownfield sites.

Even as it is, this policy gives further comfort that the supply side may, in reality, be under-estimated.

#### Yield and Deliverability

There are some further assumptions in the SHELAA in relation to the yield from each site. In some cases, there is specific site information which justifies the number of houses on each site. However, where that is not the case the SHELAA uses assumptions about how much of the land will be developable and what density will be achieved. In the case of sites above 2 hectares, for example, only 60% of the gross land is assumed will be developed. While these may be reasonable for the purposes of that exercise, they allow for the assumption that minimum housing delivery may be exceeded.

Lastly in terms of supply it should be noted that Policy SA3 of the Plan - Strategic development location: Land North of Linthouse Lane, gives the capacity of the whole site area released from the Green Belt as 1976 homes, of which only 1200 are anticipated to be provided within the Plan Period.

However, that assumes that delivery of housing on that site (as on others) reflects past delivery rates achieved in the past ten years (2010-2020) as is explained in the 2022 SHELAA (Para 5.49).

The Council goes on to say in the same paragraph of the SHELAA that:

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*These assumptions have also been reviewed more recently in 2022 through a targeted consultation with neighbouring and HMA local authorities, alongside local developers, land promoters and agents.*

That consultation was narrow, but it is true that the build out rates do seem to largely reflect historic build out rates on sites up to 500 dwellings. However, for larger sites (particularly over 1,000 dwellings) where 120 dpa are assumed, the actual build-out rate is untested in South Staffordshire.

Moreover, the introduction of financial penalties for slow build out rates by the Government, as proposed in their reforms (see above) could also speed up delivery on that site.

Should housing delivery on the Linthouse Lane site exceed expectations, a further 776 homes would be added to the supply, something even more likely if other large sites were withdrawn from the plan, and this would further reduce any deficit and provide further comfort that the overall supply figure could be reduced elsewhere.

The SHELAA (Para 6.5) includes land for 293 homes which is considered suitable, 71,027 homes which is potentially suitable, and 30,107 homes which is considered unsuitable (whether because its location is not close to a local service centre or because it is open space, local nature reserve or other designations or reasons).

I have not considered all the sites but I am aware that most will be greenfield sites (given the nature of South Staffordshire) so I do not consider there is likely to be significant additional urban supply within the Borough itself which could alleviate the need for housing in South Staffordshire. However, that cannot be ruled out.

#### **4. Duty to Co-operate**

It can be seen that without the extra 4,000 houses, included in the plan for unmet need in the Black Country and now Birmingham, the justification for the level of housing supply does not exist, and the strategic sites not required. That being the case there are no 'exceptional circumstances' to justify the loss of Green Belt.

Moreover, the sustainability case would point to the Black Country and Birmingham meeting their own need within the urban area if achievable.

This is something that the Government clearly intend to achieve through their planning reforms as set out by Michael Gove.

At this stage that duty still exists, but for South Staffordshire it is predicated on assumptions about housing requirements in other Boroughs which would be likely to be reviewed downwards under Mr Gove's reforms to take account of constraints, particularly Green Belt impacts, in the Black Country, Birmingham and in surrounding districts, such as South Staffordshire.

With that in mind it is worth also considering the technical basis for reviewing those figures.

*a. Black Country*

Para 5.13 of the Plan refers to the shortfall of 28,239 houses (based on the standard methodology and including a 35% uplift for Wolverhampton) which was being promoted by ABCA (for example at the Shropshire Plan hearings) before the Black Country Plan collapsed after Dudley withdrew its support

In one sense it could be said there is currently no housing figure for unmet need since there is no plan and it will be at least a year before any future figure is put forwards in individual Issues and Options consultation which may already be subject to Mr Gove's reforms.

We know there will be four individual plans. Walsall, Wolverhampton and Dudley have all agreed this at Cabinet and at some point, Sandwell will do the same. The time-scale on those plans while each slightly different would suggest Issues and Options in late 2023 and the Regulation 19 Stage in 2025.

How those plans approach housing has yet to be determined. The level of need may vary, either because of a national change of approach or simply because changes in the affordability ratio and time scale impact on need.

What is clear it that there is an appetite for reviewing the housing numbers, both in terms of supply and demand, to reduce the need for Green Belt releases, whether in the Black Country of elsewhere.

For example, The Walsall Cabinet Paper (2 November 2022) says:

*The BCP proposed to allocate specific sites for development but was not intended to allocate land in Walsall town centre or the district centres. The only site allocation document that covers the district centres is the district centre inset to the UDP which was adopted in 2005. The WLP could therefore draw on one of the recommendations of the Brownfield Land Study (the Chilmark Report) that was commissioned by the West Midlands Combined Authority. Chilmark suggested that there may be capacity for additional housing in the town and district centres. This could also draw on the work of the Willenhall Framework Study. (Para 4.9)*

This sentiment was echoed by councillors at the Cabinet Meeting which agreed to the new local plan.

However, it is not just a procedural issue, the claimed unmet need from the Black Country had already been undermined by up-to-date evidence which supported a lower level of unmet need.

Firstly, on the demand side the Interim CENSUS results (See Table 8) demonstrated that the actual number of households in the Black Country in 2021 was substantially lower than the 2014ONS forecasts on which the Standard Methodology housing need was based, with nearly 9,000 fewer than projected in 2021, suggesting that, despite a growing population, the assumptions underlying those figures (particularly the ongoing reduction in household size) were exaggerated.

The CENSUS was closest to the 2016ONS projections. If these are projected forwards to 2039 the difference in the SM calculation increases to nearer The CENSUS was closest to the 2016ONS projections. If these are projected forwards to 2039 the difference in the SM calculation increases to 15,5800 fewer homes, even including the arbitrary addition of 35% for Wolverhampton.

In our view the CENSUS would have provided the robust evidence needed for the Association of Black Country Authorities (ABCA) to argue for a lower housing need than the Standard Methodology, had they progressed the Black Country Plan. The CENSUS may yet do the same for individual authorities, especially if Wolverhampton follows Bristol’s lead and challenges the imposition of the 35% additional housing as arbitrary.

<b>Population</b>				
2021	Census	ONS2014	ONS2016	ONS2018
Dudley	323,500	321,700	321,800	325,147
Sandwell	341,900	335,600	335,000	333,731
Walsall	284,100	285,400	287,400	289,406
Wolverhampton	263,700	263,100	265,200	267,530
Black Country	1,213,200	1,205,800	1,209,400	1,215,814
Difference to Census		7,400	3,800	-2,614
<b>Household</b>				
2021	Census	ONS2014	ONS2016	ONS2018
Dudley	137,100	134,789	134,682	135,821
Sandwell	130,200	134,074	128,790	128,571
Walsall	112,200	115,825	113,626	113,951
Wolverhampton	105,100	108,673	106,757	107,664
Black Country	484,600	493,361	483,855	486,007
Difference to Census		-8,761	745	-1,407
<b>Household Size</b>				
2021	Census	ONS2014	ONS2016	ONS2018
Dudley	2.36	2.39	2.39	2.39
Sandwell	2.63	2.50	2.60	2.60
Walsall	2.53	2.46	2.53	2.54
Wolverhampton	2.51	2.42	2.48	2.48
Black Country	2.50	2.44	2.50	2.50
Difference to Census		0.06	0.00	0.00

Table 8: Comparison of CENSUS and ONS Projections for the Black Country Boroughs

Secondly, the Chilmark Report on Brownfield capacity in the Black Country was published on ABCA’s website.

That took samples from different sizes of centre, in Tier 1’s case Sandwell, in Tier 2’s case Willenhall for Homes above Shops Wolverhampton. ABCA said that they would examine other centres additional supply to include in material with the Regulation 19 consultation which never happened.

In lieu of that (and to inform submissions to ABCA), WM CPRE tabulated the potential additional supply and submitted it as part of our Regulation 18b response to ABCA. Including up to date windfall figures, that shows a potential additional supply of 4,340 (Chilmark actual) and 12,206 (Chilmark potential).

Additional Potential Housing Supply	Chilmark	Multiplier for other locations	Theoretical Total
Homes above shops in other Boroughs	812	3	2436
Tier 1 Homes	910	4	3640
Tier 2 Homes	230	17	3910
Employment Land Existing Discount to 10%	154		154
Employment Land (Additional)	1130	15% discount	960
5 Year Windfall Average (Not advocated in Chilmark)	1104		1104
<b>Potential Total</b>	<b>4340</b>		<b>12,204</b>

Table 9: Theoretical Additional Supply in the Black Country from Chilmark/Windfalls

Neither of these was tested further since the plan was abandoned but, along with an underestimate of windfall potential, suggested between 5,000 and 12,000 more houses in the could be provided in the Black Country.

Taking these two pieces of evidence together would support the view that the unmet need in the Black Country could have been over-estimated by between 20,000 and 30,000 and may not exist at all.

That being the case the unmet need for the Black Country cannot be taken as established and there is strong evidence it is being exaggerated.

The responsible thing for the South Staffordshire plan to do, especially in the light of the Gove statement, would be to simply withdraw the 4,000 houses for the Black Country.

*b. Birmingham*

However, the South Staffordshire Plan does not now rely alone on need from the Black Country. It now refers to a shortfall of housing Birmingham put at 78,415 dwellings. This figure results from the technical work supporting Birmingham's Issues and Options consultation which closed in December 2022.

Although Para 1.14 of the Plan continues to refer to housing '*near to the source of unmet housing needs in the Black Country*' it appears need in Birmingham is now being called in aid of high house numbers in South Staffordshire.

It should however be noted that that is only an Issues and Options consultation and the position is likely to change.

In particular it is worth noting that there is compelling evidence that the position is being exaggerated including because:

1. the current calculation of need of 7,136 dpa is approximately three times the latest (ONS2018) demographic need of 2,388 dpa.
2. the figure being given is (as was the case with the Black Country) inconsistent with the CENSUS data to the tune of 29,646 households in 2021.
3. the overall SM figure has risen dramatically in one year from 6,750 dpa (the affordability addition being multiplied by the 35% addition), meaning the SM calculation could reduce by 7,720 for the plan period simply if house prices fall next year and the affordability issue changes.
4. the council has simply added the 35% cities uplift (37,000 dwellings) to its overall with no regards to whether that can be met in its own boundaries as normally required by NPPG.

Moreover, Birmingham is relying on a windfall provision of 584 dpa, when its average windfall completions since 2001-2021, according to its latest SHELAA, has been 1562 dpa (including the recession) and its average from 2017-2021, 1,922 dpa, suggesting an under calculation of nearly 30,000 windfall homes over the plan period.

Even Birmingham's own consultants say in the most recent 2022 HEDNA that they consider there is a case for Birmingham adopting lower housing numbers which meets the NPPF requirements, and that predates the changes by Michael Gove. Yet, Birmingham has not consulted on a range of housing requirements but presents the figures as a given in its Issues and Options paper.

Birmingham (Dwellings per Annum)	10 Year Household Average 2022-2032	Affordability Adjustment (based on 2021 figure of 6.49)	Affordability Adjusted Figure	Standard Methodology Result, including 35% uplift
ONS 2014	4,574	712	5,286	7,136
ONS 2016	3,337	519	3,856	5,206
ONS 2018	2,388	372	2,760	3,726

Table 10: Standard Methodology Calculation, Birmingham, 2021 Affordability

Birmingham (Dwellings per Annum)	10 Year Household Average 2021-2031	Affordability Adjustment (based on 2020 figure of 5.58)	Affordability Adjusted Figure	Standard Methodology Result, including 35% uplift
ONS 2014	4,550	450	5,000	6,750
ONS 2016	3,304	327	3,631	4,902
ONS 2018	2,350	232	2,582	3,486

Table 11: Standard Methodology Calculation, Birmingham, 2020 Affordability

Birmingham	2021 Census Population	Projections for year 2021 in ONS SNPPs and SNHPs	Difference between ONS projections for 2021 and Census 2021	Difference as % of Census
2014ONS	1,144,900	1,165,500	20,600	1.80%
2016ONS	1,144,900	1,172,100	27,200	2.38%
2018ONS	1,144,900	1,157,285	12,385	1.08%
	<b>2021 Census Households</b>			
2014ONS	423,500	453,146	29,646	7.00%
2016ONS	423,500	430,909	7,409	1.75%
2018ONS	423,500	426,334	2,834	0.67%

Table 12: Comparison of ONS projections and CENSUS results, Birmingham

Simply adopting the CENSUS figures and the actual historic windfall rate would eliminate almost all the unmet need in the city. Indeed, the extent of the disjoint be-



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tween actual need and supply and a wide range of evidence suggests the current position may become untenable.

More detailed evidence on Birmingham's housing numbers is included in my report submitted by WM CPRE to their Issues and Options consultation which is appended to this report.

Sufficient to say the 'early indication' of a shortfall in Birmingham referred to in Para 5.13 of the Publication Plan is not one I recognise or is clearly established and it is, anyway, likely it will be reviewed downward as part of the plan making process.

The alleged shortfall does not appear to me to represent compelling evidence at this stage to justify the release of Green Belt land under 'exceptional circumstances' In South Staffordshire.

## **5. Conclusions**

This report sets out the situation with regards to Housing Need and Supply in South Staffordshire.

It concludes that during the plan period

1. The housing need in South Staffordshire can reasonably be set at 5089 but with 240 houses discounted for oversupply from 2018-2020.
2. The current total supply in the plan (including new allocations) would be at least 11,490, including a reasonable assumption for windfalls, of which 6,066 are already allocated or delivered.
3. There is, therefore, no need for those additional new housing allocations, especially in Green Belt where exceptional circumstances are required and only sites already allocated or delivered should be included.
4. This would result in 6066 homes in the plan, 977 (19%) above local need, giving ample flexibility.
5. The unmet need in the Black Country and in Birmingham is subject to considerable uncertainty and much of it may not exist. The CENSUS and up-to-date supply data both point to considerably lower short falls.
6. Given the early stages of the Birmingham Plan and (now separate) Black Country Plans South Staffordshire should withdraw all additional housing sites from the Green Belt to meet those needs and remove the 4,000 houses to meet that need.
7. Furthermore, given the statement of Michael Gove in relation to planning there is no need to include a review policy for unmet need as the duty to cooperate will not exist when those plans come forward.
8. In terms of specific policies, I have not made a detailed study but would suggest that the density policy should include a higher figure (perhaps 40 dph) for urban brownfield sites.