

12/12/2023

Submitted by email to:

Dear Sir/Madam,

Response on Behalf of St Modwen Homes – Dudley Local Plan Spatial Strategy and Consultation Nov-Dec 2023

Introduction

These representations are prepared on behalf of St Modwen Homes (SMH) and concern SMH's land interests which are located outside the Borough in Bromsgrove District. They are therefore deliberately not site specific and pertain specifically to the manner in which Dudley is seeking to demonstrate it is working on a collaborative basis with local planning authorities in the wider Housing Market Area (HMA) and Functional Economic Market Area (FEMA).

The council will be aware of the requirements of Duty to Cooperate (DtC) and failure to demonstrate compliance with this gateway test results in a plan that is unable to proceed any further at the Local Plan Examination stage. It is with this in mind that it is hoped these comments are considered constructive at this Regulation 18 stage.

Representations to the Housing Requirement

Prior to addressing issues relating to DtC and the Councils spatial development strategy specifically concerning housing provision, it is appropriate to first ensure the Council is taking an appropriate approach to establishing its overall housing requirement. Then it is necessary to understand what approach the Council is taking to addressing that requirement.

In this context paragraph 5.12 of the Plan states the following:

This Plan sets a housing target for the borough of 10,876 new homes over the period 2023-41, compared to a local housing need for 11,954 homes as calculated by the Standard Method, creating a shortfall of 1,078 homes.

The basis for establishing a local housing need figure is established through the NPPF and PPG. The NPPF indicates at paragraph 61 that:

*To determine the **minimum** number of homes needed, strategic policies should be informed by a **local housing need assessment**, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that **cannot be met within neighbouring areas** should also be taken into account in establishing the amount of housing to be planned for. (RPS emphasis)*

The approach of the Council in establishing its 11,954 local housing need figure has been as indicated above based simply on Standard Method (SM). However, this is not its local housing need figure. SM is simply the starting point for establishing its local need requirement.

In RPS's view the Council has failed to account for affordability issues. Whilst the SM includes the affordability uplift, based on Dudley's ratio of median house price to median gross annual workplace-based earnings is 6.70¹ it doesn't factor the underlying issues of affordability in the borough. This has evident since the mid 1990's the affordability ratio

¹ Table 5c - Ratio of median house price to median gross annual (where available) workplace-based earnings by local authority district, England and Wales, 1997 to 2022

Our ref:



increase year on year from its starting position of 3.62 in 1997. Over the duration of the 18 year plan period, its inevitable that issues of affordability as set to worsen in Dudley and the Local Plan should take a more forward looking approach and increase the overall local housing need figure, to ensure an increased supply in affordable housing will come forward.

Additionally there is no indication that the Local Plan is looking to provide an uplift to reflect the employment growth aspirations of the borough compliant with NPPF paragraph 81 and the PPG which advises on SMH that:

*It does not attempt to predict the impact that future government policies, **changing economic circumstances** or other factors might have on demographic behaviour. Therefore, there will be circumstances where **it is appropriate to consider whether actual housing need is higher than the standard method indicates.***

Given Strategic Priority 4: Fostering economic growth and investment seeks to increase jobs and Policy DLP18 Economic growth and job creation which seeks to deliver 72 Hectares of new employment, it appears there is an imbalance with the local housing need figure failing to provide an appropriate uplift to reflect the need to balance new homes for the workers the Borough is looking to attract. Without this uplift there is a genuine prospect of unsustainable levels of in commuting occurring, acknowledging that current estimates indicate that not all the employment land can be met within the administrative boundary and looking to identify some of that needs close to its boundary within South Staffordshire.

Representations to the Demonstrating Cooperation with Neighbouring Authorities

It is noted that paragraph 5.13 of the Plan states:

*National planning policy requires this **unmet housing and employment land need to be provided for across the Greater Birmingham and Black Country Housing Market Area (GBBCHMA), the Functional Economic Market Area (FEMA) and other areas with which the borough has a physical or functional relationship.** As a result, the Council continues to **work constructively with neighbouring authorities** to help provide as much certainty as possible about how and where the borough's full housing and employment land needs will be delivered. The Duty to Cooperate position will be elaborated on in more detail in Statements of Common Ground at the Publication stage.*

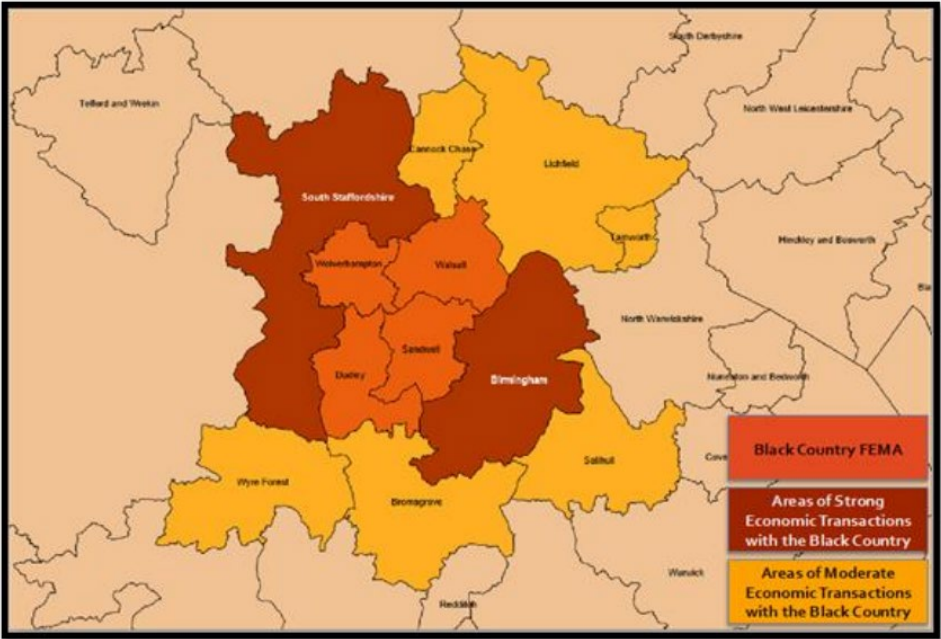
As indicated above, it is clear there will be a significant shortfall in the boroughs' local housing need above the 1,078 homes which it currently is indicating it cannot accommodate. Additionally, it is clear that adjoining authorities in the Black Country including Wolverhampton which based on SMH needs to account for the cities and urban centres 35% uplift are unable to account for their own housing needs. The DtC process, however, must follow Dudley firstly considering appropriate Green Belt release within its own administrative boundaries.

Given the abandonment of the Black Country Plan Review and the decision of the four authorities (led by Dudley) to 'go it alone' the Council through its DtC Statement will need to address not only its own unmet housing need figure but also address how the unmet needs of the other 3 Black Country Authorities are being met. It is simply not acceptable for the Dudley Plan to 'turn a blind' eye on the unmet needs within the wider HMA which it is currently doing.

As advised by NPPF paragraph 24 there exists a duty on Dudley to cooperate with its neighbours and this needs setting out in a formal DtC statement (or any successor document). The statement will need to demonstrate how the totality of the unmet needs are being accommodated by its neighbours.

Boundaries of the Black Country FEMA are shown below. As set out within the 2017 EDNA and confirmed within the 2022 EDNA update, Dudley's strongest FEMA relationships with exporting LPAs outside of the Black Country, based on net migration patterns, **are with Wyre Forest and Bromsgrove.**

Our ref:



This will inevitably mean needing to demonstrate that meaningful discussions and acceptance of accommodating its growth has taken place with the two local authorities that adjoin Dudley and do have available capacity of Bromsgrove and South Staffordshire. Whilst the Local Plan Issues and Options consultation addresses how it will potentially deliver some of its employment unmet needs in South Staffordshire, it remains totally silent on how Bromsgrove can potentially accommodate both its unmet employment and housing needs.

In contrast to what the Plan states at paragraph 5.13, there is no evidence presented whatsoever that the two Council's of Dudley and Bromsgrove have cooperated.

This is a clear failure of the Plan.

There exists suitable, available and achievable areas of land, particularly located along the conurbation edge that are well located for delivering a proportion of the unmet needs within Bromsgrove. It is clear that should the Dudley Plan continue to progress to Examination without any meaningful contribution towards delivering its unmet needs particularly within Bromsgrove it is destined to fail the DtC (or its successor) requirements.

The council will be aware of the requirements of Duty to Cooperate (DtC) and failure to demonstrate compliance with this gateway test results in a plan that is unable to proceed any further at the Local Plan Examination stage. It is with this in mind that it is hoped these comments are considered constructive at this Regulation 18 stage.

Yours sincerely,