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Birmingham Local Plan: Preferred Option Consultation Chapter 4 Planning for Growth (Housing)

Overall Housing Position

WM CPRE commissioned an independent assessment of housing need and supply for Birmingham which updated work undertaken (and submitted) at the Issues and Options stage and also took account of the current Government consultation on updating the Standard Methodology.

That report is attached to this submission which it underpins.

We welcome additional work undertaken to consider some additional elements of housing supply, notably use of redundant employment land, and we welcome the reduction in the overall shortfall given in the Preferred Option Plan. Albeit, with the caveat that we have not examined individual sites in detail.

However, there are two reasons why we think the shortfall is still exaggerated:

- 1. WM CPRE considers that the level of genuine housing need is considerably lower than the figures given by the current Standard Methodology and there is strong justification (some of which was considered in the background HEDNA) for adopting a lower target for housing.
- 2. We consider that the total supply should be increased by approximately 10,000. The main reason for this is that the Birmingham Plan (as with the previous plan) seriously undercounts the likely level of windfalls in the city.

Taking these two points together there is likely to be a surplus of housing in Birmingham, which could be as high as 50,000 dwellings as set out below.

Since, the Preferred Options Plan was put out for consultation the Government has begun a consultation on changes to the NPPF and a new Standard Methodology (NSM) which runs until 24 September. In other words, it will not be concluded until after this consultation.

Should the NSM be adopted it would dramatically impact housing need for Birmingham to the extent that a further Regulation 18 consultation would almost certainly be required.

The NSM would, for Birmingham, be more in line with the most recent housing ONS housing need evidence (albeit we are awaiting post-CENSUS ONS housing projections).

This is largely by coincidence as the NSM is not, in any sense, a measure of housing need, being based on Stock and Affordability, neither of which are measures of housing need.

It is also counterweighed by the impact of the NSM on Birmingham's neighbours, many in or containing Green Belt, who see almost unprecedented and unjustified additional housing requirement which will almost inevitably undermine sustainable development across the region.

We note, in this regards, that the Preferred Option acknowledges the role of the GBCHMA in addressing housing shortfalls across the sub-region. Given the evidence, Birmingham may need to review the wording (Page 29) on housing shortfall so that policy emphasises meeting neighbouring authorities' needs.

More Detailed Comments on Housing Numbers

On the supply side the current figures (given in the Preferred Option, Page 28) should be increased.

That is because (as set out in the assessment):

- **CHAPTER 1 -** account needs to be taken of the 2,894 over-supply in the existing plan up to 2020 as well as the 6,624 completions since 1 April 2020.
- **CHAPTER 2** the lapse rate of 12% should be reduced to the historic figure of 8.2%, which adds 641 to the identified supply and
- **CHAPTER 3** most significantly, the windfall supply should be based on at least 1,000 dpa (lower than the 10-year average of 1,317 completions since 2011), which would increase the windfall allowance by 9,425.

Using the current SM approach (based on the preferred option figure) these three factors would reduce the housing shortfall from 46,182 to 33,193.

This would still be higher than the HEDNA figure of 4,326 dpa.

Taking the most up-to-date 2018 ONS figures would create a total need of only 62,680 (82,620 with the 35% uplift). Based on a supply figure of 103,027 this would imply a

surplus of 40,347 (20,407 with the 35% uplift). Adding the extra supply identified above would lead to a surplus of 52,596 (32,656 with the 35% uplift).

Moreover, this calculation has to be seen in light of other evidence. All these need figures would exceed both the baseline and growth-based jobs requirements (apart from the ONS 2018 figure). The 2021 CENSUS data has also supported the contention that the ONS2014 projections are excessive.

The NPPG says of plan making:

Where an alternative approach results in a lower housing need figure than that identified using the standard method, the strategic policymaking authority will need to demonstrate, using robust evidence, that the figure is based on realistic assumptions of demographic growth and that there are exceptional local circumstances that justify deviating from the standard method. This will be tested at examination.¹

That NPPG requirement appears to be met, as the HEDNA itself accepts, and we consider such an approach should be pursued by Birmingham which could result in a substantial surplus in supply.

Using the proposed NSM approach the shortfall would be 2,153 with the current supply and become a surplus of 10,807 homes adding in the supply identified above.

While WM CPRE does not endorse that approach, if it is adopted by Government, it will be incumbent in Birmingham to alleviate a small part of the pressure on other neighbouring authorities whose housing need would be dramatically increased and that means maximising the supply side figure based on robust evidence (such as the historic windfall evidence) even if that now exceeds Birmingham's own need.

Housing Options

In terms of the Housing Options addressed on Pages 24-27 of the Preferred Options Plan WM CPRE makes the following comments

- 1. we support the increased density targets, (as in Policy HN4) which appear well evidenced and reasonable. The council's assessment has demonstrated that, in practice, higher densities are being achieved in centres and on public transport networks. The density increases in HN4 are caveated with design criteria which seem reasonable to us.
- 2. Similarly, we support the approach of Policy HN9 to renewal and regeneration, albeit we have not considered individual areas in detail.

¹ NPPG Paragraph: 015 Reference ID: 2a-015-20190220, Revision date: 20 02 2019

- 3. We consider the use of redundant Open Space is in principle sound. However, We would need to examine the specific sites named before taking a view on those. Strong safeguards will be needed to ensure land is not removed which is needed for community purposes.
- 4. We welcome the use of redundant employment land where it does not impede delivering sufficient employment land and we would support this approach with suitable caveats on design and suitability for housing.
- 5. We agreed that the option to release of Green Belt should be rejected, as Birmingham has limited Green Belt and it is hard to see how 'exceptional circumstances' would be met.

Sustainability Appraisal

For the reasons set out in the attached report, WM CPRE is also critical of the Sustainability Appraisal in regards to Housing.

Its sole focus on the alternative of more Green Belt releases as a reasonable alternative is not one we agreed with. There is, as set out above, reasonable scope for lower a housing requirement and that should have been considered as a 'reasonable alternative'.

Moreover, the approach to assessment appears to us to underplay the negative results of Green Belt development as opposed to the current options. We consider housing need can be met in the city and their alternative of 5,000 more Green Belt homes would have negative impacts for transport, climate change, biodiversity and landscape which are not acceptable.

Yours Faithfully,

P·W· King

Vice-Chairman, CPRE West Midlands And Chair of his Planning Committee

Note: This is a response by the CPRE Regional Group. I will be making a separate response on behalf of the Worcestershire Branch of CPRE, which will mainly be about its impact on Bromsgrove District. Someone else will be making a separate response on behalf of the Warwickshire Branch of CPRE, within whose remit Birmingham falls.

Enclosure: This letter is accompanied by a report by Gerald Kells: Birmingham Plan preferred option 2024 send. This should be regarded as an appendix to this letter of objection.