Solihull Local Plan Review Draft Local Plan Supplementary Consultation

Gladman Representations



March 2019

CONTENTS

Exec	utive Summary	2
1	Introduction	4
1.1	Context	4
2	national planning policy/Guidance	5
2.1	National Planning Policy Framework (2018)	5
2.2	Planning Practice Guidance	7
3	legal compliance	9
3.1	Duty to Cooperate	9
3.2	Sustainability Appraisal	10
4	housing requirement	11
4.1	Standard Method	11
4.2	The Case for Upward Adjustment (Excluding Cross Boundary Needs)	
4.3	Cross Boundary Housing Needs	12
5	HOUSING SUPPLY	15
5.1	Supply Sources	15
5.2	Flexibility	16
5.3	Site Selection Process	17
5.4	Safeguarded Land	18
6	affordable housing	19
7	Conclusion	22

EXECUTIVE SUMMARY

- i. This submission provides Gladman's written representations to the Supplementary Consultation of the Draft Solihull Local Plan Review.
- ii. Gladman specialise in the promotion of strategic land for residential development with associated community infrastructure.
- iii. Gladman welcome the action taken by the Council to review the existing Core Strategy. The review is necessary to ensure that the development plan includes an up-to-date housing requirement and spatial strategy to inform and direct development. The review also provides the opportunity to ensure that the development plan of Solihull is consistent with most recent national planning policy and the changing sub-regional context.
- iv. This representation focuses its comments on the following matters:
 - a. Housing Need and Requirement
 - b. Housing Supply
 - c. Affordable Housing.
- v. There is evidence of a significant housing shortfall within the wider HMA which will continue to exist largely unaddressed should the draft Local Plan Review be adopted as proposed. Solihull is one of only a handful of areas within the UK which benefit from the development of a new HS2 railway station within the Borough. This will significantly improve transport connections to other major cities in the UK and will also provide opportunities to secure significant increases in the number of jobs available within the Borough.
- vi. Gladman do not consider that the proposed strategy of the Council is sufficiently responsive to this context. The failure of the Council to grasp this through the Local Plan Review could result in significant social and economic harm to Borough and wider region should the opportunity provided by HS2 and the UK Central Hub not be captured and wider housing needs of the HMA not be addressed in full.
- vii. To address this concern, Gladman consider that the Council should, alongside its HMA partners, seek to uplift the housing requirement and supply to a level which is necessary to ensure that the unmet housing needs of the HMA are addressed in full. This should include further releases of land for development purposes from the Green Belt where required.
- viii. Gladman hold some concern over the approach taken by the Council through its site selection process. The approach outlined would imply that those sites which score "green" within the first step of the assessment, owing to their location and physical character, are automatically taken

- forward by Council as allocations without regard to further issues considered in further detail through Step 2. Gladman consider that all sites should be subject to this detailed assessment.
- ix. Gladman object to the Council's proposals to revise its approach to securing affordable housing. The adoption of any option outlined by the Council through the consultation document will be almost impossible to monitor and test for viability and could lead to additional delay during the application determination process. A percentage-based approach provides for more certainty and clarity.

1 INTRODUCTION

1.1 Context

- 1.1.1 Gladman specialise in the promotion of strategic land for residential development with associated community infrastructure. This submission provides Gladman's representations to the consultation on the supplementary version of the draft Solihull Local Plan Review.
- 1.1.2 Gladman welcome Solihull Metropolitan Borough Council's (the Council) continued progress to advance its Local Plan Review towards adoption. The Review of the Solihull Local Plan is a necessity, given the current absence of a sound and up-to-date housing requirement for the Borough following a successful legal challenge to the Solihull Local Plan (adopted in 2013). The Review provides the opportunity for the Council to ensure that the development plan is up-to-date and in alignment with recent changes to national planning, as well as being sufficiently responsive the wider sub-regional context.
- 1.1.3 The supplementary consultation largely focuses on how changes to national planning policy, as introduced through the publication of the revised National Planning Policy Framework in July 2018 (NPPF 2018), affect the Council's draft proposals for the Local Plan as consulted upon in early 2017. The consultation provides a necessary sense check in this regard, providing opportunity for comment before the Local Plan Review is advanced to its publication stage.
- 1.1.4 Comments are also sought by the Council on sites identified for development over the plan period, and the methodology used by the Council to select preferred sites and dismiss others.
- 1.1.5 The comments provided within this representation initially summarise changes made to national planning policy (See Section 2) before moving onto consider the legal requirements for Local Plan including the Duty to Cooperate and Sustainability Appraisal (see Section 3). The representation then considers the Council's proposed housing requirement (see Section 4), housing land supply (see Section 5), and affordable housing policy proposals (see Section 5).

2 NATIONAL PLANNING POLICY/GUIDANCE

2.1 National Planning Policy Framework (2019)

- 2.1.1 On the 24th July 2018, the Ministry of Housing, Communities and Local Government (MHCLG) published the revised National Planning Policy Framework. The first revision since 2012 sought to implement 85 reforms to national planning policy as announced through the 2017 Housing White Paper. This version of the NPPF was itself superseded on the 19th February 2019 (NPPF 2019), with the latest version making alternations to wording in Paragraph 177 in relation to the Government's approach to Appropriate Assessments, clarification to footnote 37, and minor amendments to the definition of 'deliverable' as set out in Annex 2 of the NPPF.
- 2.1.2 The revised NPPF introduces a number of major changes to national planning policy. The changes reaffirm the Government's commitment to ensuring that up-to-date plans are in place which provide a positive vision for the areas they cover. Plans should also provide a framework for addressing housing needs and other economic, social and environmental priorities, and provide a platform for local people to shape their communities. In particular, Paragraph 16 of NPPF 2019 states that Plans should:

'Be prepared with the objective of contributing to the achievement of sustainable development;

Be prepared positively, in a way that is aspirational but deliverable;

Be shaped by early, proportionate and effective engagement between plan-makers, and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees;

Contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals;

Be accessible through the use of digital tools to assist public involvement and policy presentation; and

Serve a clear purpose, avoiding unnecessary duplication of policies that apply to a particular area (including policies in this Framework), where relevant'.

- 2.1.3 NPPF 2019 revises the tests of soundness required to be demonstrated before a Local Plan can be adopted. Paragraph 35 of the NPPF confirms that to be considered "sound" Plans must be:
 - a) Positively Prepared Providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs, and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;

- b) **Justified** An appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- c) **Effective** Deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- d) **Consistent with national policy** Enabling the delivery of sustainable development in accordance with the policies in this Framework.
- 2.1.4 Annex 1 of the NPPF 2019 confirms that for Plans submitted for examination to the Secretary of State following the 24th January 2019, the policies contained in the NPPF 2019 apply. The Local Plan Review will therefore be tested against the policies of the NPPF 2019.
- 2.1.5 To support the Government's continued objective of significantly boosting the supply of new homes, it is important that the Local Plan provides a sufficient amount and variety of land that can come forward without delay where it is needed to meet housing needs.
- 2.1.6 In determining the minimum number of the amount of homes needed, strategic plans should be based upon a local housing needs assessment, defined using the standard method unless there are exceptional circumstances to justify an alternative approach.
- 2.1.7 Once the minimum number of homes that is required has been defined, Paragraph 67 of NPPF 2019 requires a Local Planning Authority to have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment (SHLAA). This assessment should be used to identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Paragraph 67 requires a supply of:
 - a) Specific, deliverable sites for years one to five of the plan period; and
 - b) Specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.
- 2.1.8 Annex 2 of NPPF 2019, provides updated definitions for the terms 'deliverable' and 'developable'.

 These are:

'To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

a) Sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). b) Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.'

'To be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged.'

- 2.1.9 Local Authorities are required to meet the assessed housing need as defined by the Standard Method as a **minimum**, unless any adverse impacts would significantly and demonstrably outweigh the benefits of doing so. Where it is found that full delivery of housing needs cannot be achieved (owing to conflict with specific policies of the NPPF), Local Authorities are required to engage with their neighbours to ensure that identified housing needs can be met in full (see Paragraph 35 of the NPPF 2019).
- 2.1.10 Securing the full and timely delivery of housing is a key objective of NPPF 2019. Paragraph 73 of NPPF 2019 confirms the need for local planning authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing. This should include a 5%, 10% or 20% buffer to the five-year supply depending on local circumstances.
- 2.1.11 The NPPF 2019 introduces the need for local planning authorities to ensure that housing delivery is maintained in alignment with the minimum requirements of the Plan over the duration of the plan period. The Housing Delivery Test provides a measure of how many homes are delivered in an authority over a rolling 3-year period in contrast to its housing requirement or need. Where delivery falls below specific thresholds of the housing requirement, the Housing Delivery Test identifies specific actions or consequences required to be implemented to strengthen the future supply.

2.2 Planning Practice Guidance

- 2.2.1 The Planning Practice Guidance (PPG) was first published by the Government to provide clarity on how specific elements of the NPPF should be interpreted. The PPG has been updated to reflect the changes introduced by the revised NPPF to national planning policy. The most significant changes to the PPG relate to defining housing need, housing supply and housing delivery performance.
- 2.2.2 The Standard Method was introduced by the Government to simplify the process of defining housing need, and avoid significant delay and debate experienced in plan preparation and at planning appeals.
- 2.2.3 The Standard Method is derived utilising a three-step process defined in PPG¹. This establishes that local authorities are to use nationally published household projections to determine the basis of

¹ See PPG Ref ID: 2a-004-20190220

their housing requirement, applying an upward adjustment (where necessary) in accordance with a predetermined formula to account for affordability problems. Where this approach results in a significant uplift over and above the previous housing requirement (an uplift of 40% or more on the existing OAN), a local planning authority is permitted to apply a cap to the housing requirement to that limit rather than adopt the total implied by the Standard Method.

- 2.2.4 PPG confirms the NPPF 2019 position that the Standard Method forms only the **minimum** level of housing need for a local authority area². PPG also sets out circumstances where the housing requirement could be increased to a level which is higher than that identified through the application of the Standard Method³. These circumstances include:
 - Where growth strategies are in place, particularly where those growth strategies identify
 that additional housing above historic trends is needed to support growth or funding is in
 place to promote and facilitate growth (e.g. housing deals);
 - Where strategic infrastructure improvements are planned that would support new homes;
 - Where an authority has agreed to take on unmet need, calculated using the standard method, form neighbouring authorities, as set out in a statement of common ground;
 - Previous delivery levels, where these have exceeded the minimum figure identified; and
 - Recent assessments of need, such as a SHMA, where these suggest higher levels of need.
- 2.2.5 Whilst the Standard Method provides the Government's preferred approach to defining the minimum level of housing need for each local planning authority, alternative approaches may be applied where justified by exceptional circumstances⁴.
- 2.2.6 Following the publication of the 2016-household projections by ONS in September 2018, the Government sought to review the Standard Method⁵. The review highlighted the Government's concerns with the 2016-projections, and in particular its failure to support the Government ambition to deliver 300,000 dwellings per year. The consultation culminated with updates to the Standard Method as introduced through revisions to PPG made on the 20th February 2019. Most significant of these updates is the confirmation of the need for local planning authorities to use the 2014-household projections as the starting point for the assessment of housing need under the standard method⁶.

² See PPG Ref ID: 2a-002-20190220

³ See PPG Ref ID: 2a-010-20190220

⁴ See PPG Ref ID: 2a-003-20190220

⁵ See Technical Consultation on Updates to National Planning Policy and Guidance October 2018

 $^{^6\,\}mbox{See}$ PPG Ref ID: 2a-004-20190220 and 2a-005-20190220

3 LEGAL COMPLIANCE

3.1 Duty to Cooperate

- 3.1.1 The Duty to Cooperate (DTC) is a legal requirement established through Section 33(A) of the Planning and Compulsory Purchase Act 2004, as amended by Section 110 of the Localism Act. The DTC requires local planning authorities to engage constructively, actively, and on an ongoing basis with neighbouring authorities on cross-boundary strategic issues through the process of ongoing engagement and collaboration.
- 3.1.2 As confirmed in Section 2 of this representation, NPPF 2019 has introduced a number of significant changes on how local planning authorities are expected to cooperate, including a new requirement for the preparation of Statement(s) of Common Ground (SOCG) which demonstrate that a Local Plan has been prepared based on effective cooperation with agreements reached with neighbouring authorities on strategic level cross boundary issues.
- 3.1.3 As demonstrated by the outcome of the examination of the St Albans Local Plan in 2017, if a Council fails to satisfactorily discharge its statutory duty to engage in the DTC, a Planning Inspector must recommend non-adoption of the Plan. This legal test cannot be retrospectively rectified with modifications to the plan.
- 3.1.4 Gladman recognise that the DTC is a process of ongoing engagement and collaboration. It is clear that the DTC is intended to provide effective policies on cross boundary strategic matters. This much is clear by the recent changes to the tests of soundness for plan making which now sets out the need for "cross boundary strategic matters to be dealt with rather than deferred". The Council will now therefore need to ensure that it engages effectively with its neighbours on cross boundary strategic matters to meet the tests of soundness as well as to secure the legality of the Local Plan.
- 3.1.5 Gladman acknowledge that there has been a level of cross-boundary engagement undertaken by the Council with its neighbouring authorities in the current and previous plan making process. The Council is a member of the Greater Birmingham and Solihull LEP and forms part of the West Midlands Joint Authority. A HMA wide assessment of housing need and supply assessments have been published to inform locally prepared planning documents.
- 3.1.6 It is however unclear, how the Council has engaged with its neighbours since these documents were prepared and during the preparation of the Local Plan Review. For example, there is no account of cross boundary engagement informing the production of the consultation document, despite its likely impact on neighbouring authorities and changes to the policy, economic and political context experienced within the sub-region.
- 3.1.7 Gladman make further comments regarding cross-boundary engagement in Section 4 of this representation.

3.2 Sustainability Appraisal

- 3.2.1 In accordance with Section 19 of the 2004 Planning and Compulsory Purchase Act, policies that are set out in local plans must be the subject of a Sustainability Appraisal (SA). Incorporating the requirements of the Environmental Assessment of Plans and Programmes Regulations 2004, SA is a systematic process that should be undertaken at each stage of the Plan's preparation, assessing the effects of the Local Plan's proposals on sustainable development when judged against all reasonable alternatives.
- 3.2.2 The Council should ensure that the results of the SA process conducted through the Review clearly justify any policy choices that are ultimately made, including the proposed site allocations (or any decision not to allocate sites) when considered against 'all reasonable alternatives'. In meeting the development needs of the area, it should be clear from the results of the assessment why some policy options have been progressed and others have been rejected. Undertaking a comparative and equal assessment of each reasonable alternative, the Council's decision making, and scoring should be robust, justified and transparent.
- 3.2.3 The SA must demonstrate that a comprehensive testing of options has been undertaken and that it provides evidence and reasoning as to why any reasonable alternatives identified have not been chosen for allocation/release from the Green Belt. A failure to adequately give reasons in the SA could lead to a challenge of the Council's position through the examination process. The SA should inform plan making. Whilst exercising planning judgement on the results of the SA in the Local Plan is expected, the SA should still clearly assess any reasonable alternatives and clearly articulate the results of any such assessment.

4 HOUSING REQUIREMENT

Question 1: Do you believe that there are exceptional circumstances that would justify the Council using an alternative approach, if so what are the exceptional circumstances and what should the alternative approach be?

4.1 Standard Method

- 4.1.1 Section 3 of the consultation paper sets out the Council's approach to defining housing need. This confirms that the Council will adopt the Standard Method for assessing its housing needs. Gladman supports this approach. NPPF 2019 is clear that Standard Method is to be used by authorities to determine housing needs unless there are exceptional circumstances to justify a departure from this. Gladman do not consider such exceptional circumstances to exist in Solihull.
- 4.1.2 Whilst Gladman is supportive of the Council's approach, it must be recognised that the Standard Method represents the starting point of this assessment, defining only the minimum level of housing need. Gladman consider that there is a strong case for the housing requirement in Solihull to be uplifted above this starting point (see Section 4.2 and 4.3 of this representation).
- 4.1.3 The proposed starting point for the housing requirement of 767 dwellings per year reflects the demographic needs of the Borough as defined through the 2014-household projections and uplifted in response to affordability issues utilising the formula set out in PPG.
- 4.1.4 The use of the 2014-household projections reflects changes made to PPG and as such is supported by Gladman. Gladman accept that the adjustment made for affordability made by the Council through its assessment of housing need is reflective of the formula as set out in PPG. Gladman however remind the Council of the need to monitor its affordability indicators whilst the Local Plan Review is being prepared in order to ensure that any significant changes to affordability signals are captured and reflected within the housing requirement.

4.2 The Case for Upward Adjustment (Excluding Cross Boundary Needs)

- 4.2.1 The Standard Method provides only the starting point for the assessment of housing need, deriving the minimum level of housing required for a local planning authority. PPG sets out a number of conditions, which may be experienced locally, that may justify the adoption of a housing requirement which is in excess of the minimum requirement implied by the Standard Method. These are summarised in Paragraph 2.24 of this representation.
- 4.2.2 Solihull is home to one of only four railway stations which is to be built as part of the first phase of the UK's High Speed 2 Network (HS2). Phase 1 of HS2 now benefits from Royal Assent and has recently commenced construction with first services targeted for 2026. HS2 will improve the capacity, quality and frequency of train journeys between Solihull, London and Birmingham (and

eventually Leeds and Manchester), and relieve existing infrastructure which operates at or close to capacity.

- 4.2.3 The HS2 station in Solihull will be delivered in close proximity to the NEC and Birmingham Airport, with proposals to extend the Midland Metro to Solihull and the HS2 station, together with other forms of rapid transport likely to enhance transport connections between the Borough and the wider urban area. The benefits of these investments to Solihull and the wider economy of the West Midlands will be significant and experienced within this plan period.
- 4.2.4 A key component of HS2 proposals is the UK Central Hub which includes the proposed HS2 railway station, the NEC, Birmingham Airport, and Jaguar Land Rover. The UK Central Hub aims to secure long term benefits to the regional economy as a result of the development of HS2 in Solihull securing around £15 billion of investment and securing between 75,000 and 100,000 new jobs. The delivery of UK Central Hub is therefore of critical importance to the region, and sufficient homes should be planned for in the authority and wider HMA to support the achievement of this.
- 4.2.5 Mindful of this context, it is unclear to Gladman why the Council has not sought to increase in housing requirement above the minimal level identified by the Standard Method. The development of HS2 and the UK Central Hub represent unique once in a generation investments which will deliver substantial opportunity for economic growth within the Borough over the plan period. The failure to plan for this appropriately could lead to significant affordability pressures, unsustainable commuting patterns and could even harm or reduce the economic benefits which might be secured from their delivery. The failure of the Council to capitalise on this context, leads Gladman to conclude that the Council's proposals for the housing requirement is not sufficiently positively prepared or effective, and is therefore unsound.

4.3 Cross Boundary Housing Needs

- 4.3.1 Ensuring that cross boundary needs are met by local authorities in plan making is a significant issue, and one that is now engrained into the tests of soundness defined by the NPPF. PPG also sets out that the unmet housing need of neighbouring authorities may also provide a further reason to increase the housing requirement above the minimum level indicated by the Standard Method.
- 4.3.2 The unmet housing needs of the wider HMA represent a significant strategic cross boundary challenge in the sub-region which should be considered through the context of the Local Plan Review. The Council's response to this context has been to increase the housing requirement above the Standard Method figure by 2,000 dwellings.
- 4.3.3 Whilst this increase to the housing requirement is welcomed, Gladman question the basis for the increase applied, and why a larger figure has not been pursued given the large shortfall evidenced within the wider sub-region. There is no discussion provided by the Council to this wider shortfall within the consultation document.

4.3.4 Table 1 (below) sets out the current position experienced within the HMA in relation to unmet needs. Table 1 highlights that despite commitments made within adopted and emerging development plans to meet a proportion of the unmet needs of the HMA, approximately 70% of declared unmet need within the HMA remains.

Table 1: Cumulative Shortfall v Adopted/Proposed Housing Requirements in the HMA

Local Authority	-/+ OAN (italics = proposed)	Cumulative
Birmingham	-37,000	-37,000
Black Country	-22,000	-59,000
Tamworth	-1,825	-60,825
Cannock Chase	-500	-61,325
Lichfield	+1,000	-55,825
	+3,000 – 4,500 (through review)	
North Warwickshire	+5,270 (4,410 for Birmingham,	-51,415
	rest for Coventry)	
Stratford-on-Avon	+5,440 (2,270 for Birmingham	-49,145
	rest for Coventry)	
Solihull	+2,000	-47,145
Bromsgrove	0	-47,145
Redditch	0	-47,145
South Staffordshire	+4,000	-43,145

- 4.3.5 It is clear when reviewing Table 1 that the window for this need to be accommodated within the HMA is slowly closing, as authorities within the HMA progress their plans towards adoption. Of the authorities within the HMA only Bromsgrove and Redditch are yet to consider what contribution (if any) would be made to the unmet housing need of the HMA.
- 4.3.6 Gladman acknowledge that the matter of unmet need within the wider HMA is not something which the Council can address on its own. However, the disjointed approach to addressing this issue as currently adopted within the HMA will not be effective in delivering a full and respective resolution to this issue.
- 4.3.7 Given this context, It is clear that in order to secure an effective outcome on a HMA wide basis there is an urgent need for the authorities across the HMA to come together and adopt a SOCG/Memorandum of Understanding to set out how this unmet need is to be addressed. This approach has proven effective in the case of the Coventry and Warwickshire HMA, where the

- defined unmet needs of Coventry have been addressed in full by wider authorities in the HMA thanks to the preparation and conclusion of a Memorandum of Understanding⁷.
- 4.3.8 Noting the significance of the shortfall in supply which remains within the HMA, Gladman consider that it is likely that all authorities with a potential capacity to address this shortfall will need to adopt a higher proportion of this than currently outlined.
- 4.3.9 In the case of Solihull, Gladman consider that there are strong justifications for the authority to accommodate a larger proportion of this unmet need than currently outlined. This is summarised below:
 - There is evidence that the migratory links between Solihull and Birmingham are amongst the strongest in the HMA⁸;
 - Solihull will benefit significantly from improvements to the quality and frequency of public transport connections to Birmingham and London as provided by HS2. Solihull is one of the few locations within the UK to benefit directly from HS2;
 - Planned investment in the Midland Metro and Transit routes would collectively serve to improve the quality of public transport links of Solihull with Birmingham and the wider HMA;
 - The Borough already performs a significant role within the economy of the HMA providing the location of over 100,000 jobs. Birmingham Airport and the NEC are key draws for investment and visitors to the region; and
 - The role of Solihull within the West Midlands economy the will evolve over plan period should the UK Central Hub initiative be realised in full.
- 4.3.10 Gladman acknowledge that the Borough experiences significant constraint to development given the presence of the West Midlands Green Belt, however this constraint is similarly experienced by other authorities within the HMA.
- 4.3.11 Indeed, Gladman note and welcome the Council's decision that existing levels of housing need and land supply constraint within the Borough provide the exceptional circumstances required in National Planning Policy to justify the release of land from within the Green Belt for development. Gladman however believe the housing requirement should be increased further in response to unmet needs in the wider HMA with additional releases from the Green Belt identified as necessary.

⁷ See Memorandum of Understanding relating to the planned distribution of housing within the Coventry and Warwickshire Housing Market Area (2016)

⁸ See Table 2.2 of the Greater Birmingham and Solihull LEP Black Country Authorities Joint Strategic Housing Needs Study Stage 2 Report (2014)

5 HOUSING SUPPLY

Question 2: Do you agree with the methodology of the site selection process, if not why not and what alternative/amendment would you suggest?

5.1 Supply Sources

5.1.1 The Table on Page 13 of the consultation document sets out the sources of supply for the plan period. For ease of reference, a copy of this table is provided below (see Table 2).

Table 2: Solihull Housing Land Supply 2018-2035 (at 1st April 2018)

Source	Estimated Capacity
Sites with Planning Permission (started)	1,106
Sites with Planning Permission (not started)	2,199
Sites identified in land availability assessments	364
Sites identified in the brownfield land register	200
Solihull Local Plan allocations without planning	1,236
permission at 1st April 2018	
10% deduction to sites with planning permission (not	-400
started), sites identified in land availability assessments	
and SLP sites	
Windfall housing land supply (2018-2033)	2,250
UK Central Hub Area	2,500
Allocated Sites	6,310
Total Estimated Capacity	15,765

- 5.1.2 Table 2 illustrates that in order to meet its housing requirement in full, the Council will be reliant on housing delivery from committed sites, sites identified within the SHLAA, sites identified on the Brownfield Land Register, existing allocations, windfall development, and proposed new allocations.
- 5.1.3 Gladman welcome the 10% deduction made towards sites which have not yet commenced but benefit from planning consent, sites identified within the SHLAA and sites identified on the Brownfield Land Register to account for potential lapse rates and non/under delivery.
- 5.1.4 Gladman note that the issue of Windfall delivery is addressed in the Topic Papers supporting the Draft Local Plan which was previously consulted upon in 2017. Within the Topic Paper reference is made to evidence illustrating a strong record windfall delivery in the Borough since 1992 to support the windfall allowance identified, however this evidence is not provided within this document. Gladman request that the Council provide this evidence in order to clearly and transparently

demonstrate that the 2,250 dwelling windfall allowance made by the Local Plan Review is justified and realistic.

5.1.5 Gladman consider that the Council should review its existing allocations before rolling forward the allocation of these sites through the Local Plan Review. These allocations were first identified in the Core Strategy which was adopted 5 years ago, yet despite this have not yet come forward. Whilst there may be perfectly reasonable reasons for this which do not necessarily mean these sites cannot be developed, a review should be undertaken by the Council to ensure that it does not reallocate sites which are faced with fundamental barriers to delivery. Where it is clear that the site no longer holds a reasonable prospect of delivery by the end of the plan period, the allocation should be removed. Gladman do not believe that the allocation of a site within the development plan is on its own enough evidence to demonstrate reasonable prospect. There should be other evidence of developability provided for each site.

5.2 Flexibility

- 5.2.1 Table 2 confirms that the adoption of the Local Plan Review would result in a supply of 15,765 dwellings. Whilst the boost in housing land supply afforded by the adoption of the Local Plan is welcomed, Gladman is concerned that there is insufficient flexibility provided within the supply to ensure full and consistent delivery of the housing requirement.
- 5.2.2 Securing the full and consistent delivery of housing is a key objective of national planning policy. This is illustrated by requirements for local planning authorities to demonstrate a five-year supply and the introduction of the housing delivery test through NPPF 2019 as a tool to measure delivery performance. The Council will therefore need to ensure that its supply is robust and is resilient to change.
- 5.2.3 Should the Council adopt the position set out in Table 2 as the basis of supply in the Borough over the next 17 years, a buffer of just 720 dwellings (or 4.8%) will be provided. This contrasts with the lapse rate of 10% planned for earlier within Table 2.
- 5.2.4 The absence of a detailed housing trajectory within the Local Plan means that it is difficult to provide any comments on the deliverability of the housing requirement. Without this information it is unclear what assumptions the Council is making in terms of the lead-in time and build out rate for each of the sites identified within the supply. Indeed, it is unclear whether the Council has undertaken any such assessment. Gladman request this information is provided before the Local Plan Review is submitted. This information is important for demonstrating the effectiveness of the proposed strategy.
- 5.2.5 The proposed housing land supply includes several sites which are strategic in scale and likely to require land assembly and significant new infrastructure before they can be developed. There is also a significant degree of geographical concentration within the proposed spatial strategy (particularly around the settlement of Balsall Common) which may serve to dampen delivery rates

due to market saturation. Sites currently designated as Green Belt will also require the adoption of the Local Plan Review before they can be developed.

5.2.6 Given these issues, Gladman consider that there is a need for the level of flexibility within the supply to be increased. Gladman believe that at least 20% flexibility should be provided within the plan noting the Green Belt constraints of the Borough. To secure this level of flexibility the Council will need to identify land sufficient to accommodate an additional 2,291 dwellings. In the unlikely event that 100% of this growth comes forward before the end of the plan period 2035, the additional housing provided over an above the housing requirement would have the benefit meeting the unmet needs of the wider HMA.

5.3 Site Selection Process

- 5.3.1 Page 17 of the consultation document sets out in broad terms how the site selection process has been undertaken by the Council.
- 5.3.2 Gladman agree that the Call for Sites process provides a good starting point for this assessment for determining what land might be available for development.
- 5.3.3 Gladman agree in principle with the two-step approach adopted by the Council for its site selection process which applies a sequential preference towards non-green belt sources of supply (Step 1), followed by a more in-depth review of suitability and deliverability (Step 2). The sequential approach adopted by the Council is reflective of national planning policy which requires exceptional circumstances for land to be released from within the Green Belt for development implying that other sources of non-Green Belt land should be considered first.
- 5.3.4 Gladman however consider that Step 1 and Step 2 of the Council's assessment should be applied to all sites which do not score "red" in the Step 1 assessment. This however does not appear to have occurred, with all sites scoring "green" under Step 1 automatically taken forward as allocations and not subject to the more detailed tests undertaken in Step 2. Whilst national planning policy sets out that Green Belt land is to be considered sequentially, this should not be at the cost of other sustainability factors, site suitability and deliverability.
- 5.3.5 Gladman do not object in principle to any site which has been shortlisted by the Council as an allocation through the Local Plan Review. However, based on comments made early within this representation, Gladman consider that the amount of allocations made within the Local Plan Review will need to substantially increase.
- 5.3.6 Whilst the protection of land within the Green Belt which holds an importance function should form a principle consideration of the Council's site selection process, Gladman consider that regard should also be had towards the scale and location of sites, both in terms of sustainability but also in terms of enhancing the deliverability of the Plan. The Council should aim to distribute growth within the Borough to maximise market choice and provide a supply which offiers a range of different

scales of sites, to secure deliverability of the housing requirement across the short, medium and long term.

5.4 Safeguarded Land

- 5.4.1 Paragraph 136 of the NPPF sets out that Strategic Policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, so that they can endure beyond the plan period.
- 5.4.2 Paragraph 139 of the NPPF adds, that when defining Green Belt boundaries, plans should (amongst other things):
 - Where necessary, identify areas of safeguarded land between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period; and
 - Be able to demonstrate that Green Belt boundaries will not need to be altered at the end
 of the plan period.
- 5.4.3 As confirmed in National Planning Policy, Safeguarded Land is not available for development now, and can only come forward following the conclusion of a review by the Council. Safeguarded Land may also be returned to Green Belt status where it is deemed no longer necessary. As a result, there is no adverse effect of identifying areas of land within the Green Belt for Safeguarded Land. The benefit of Safeguarded Land being to ensure the longevity and permanence of the Green Belt, whilst providing flexibility for future needs to be accommodated if necessary. Gladman therefore consider that the Council should consider the identification of Safeguarded Land through the Local Plan Review.

6 AFFORDABLE HOUSING

Question 40: Would the above approach of requiring affordable housing contributions of 40% of total square meterage or habitable rooms/floorspace incentivize developers to build more smaller market housing?

Question 41: If so, what is the most effective approach? Is it to calculate affordable housing as: (a) 40% bedroom numbers, (b) 40% of habitable rooms, or (c) 40% of habitable square meterage?

Question 42: What is the best way of measuring developable space for this purpose: bedroom numbers, habitable rooms or habitable floorspace?

Question 43: What other measures would incentives developers to build more small market housing?

- 6.1.1 Gladman hold several concerns with the Council's proposed approach to affordable housing. Gladman consider that the need and justification for the proposed approach does not reflect the evidence base supporting the Local Plan.
- 6.1.2 The Council resolve that the affordable housing needs of the area are significant and as such (at the Draft stage) warrant the application of an affordable housing requirement of 50% (now proposed to be amended). Gladman however question the justification for this requirement when evidence provided within the Part 2 SHMA would appear to indicate that the affordable housing needs of the Borough are much lower at 210 dwellings per annum (roughly 25% of future housing needs)⁹. As such the need for affordable housing moving forwards would appear to be lower than set out by the Council in the consultation document, and the approach applied is not justified by current evidence.
- 6.1.3 The second justification provided by the Council is the need to secure a higher proportion of smaller market dwellings in response to housing needs evidence. Unfortunately, no data is provided as part of the public consultation to illustrate the mix of housing delivered within the Borough in recent years. In terms of future housing need, the Part 2 SHMA¹⁰ sets out that the largest proportion of future market housing need in the Borough is for 4-bedroom dwellings or more (35%), with the next highest amount of need for 3-bedroom dwellings (at 33.3%). By contrast the need for one- and two-bedroom dwellings is comparatively lower at 6.9% and 25% respectively. Based on this evidence, Gladman do not share the view that there is a significant need for smaller housing stock within the Borough with the housing need moving forwards over the plan period being more balanced across all sizes of dwelling.

⁹ See Table 5.10 of the Strategic Housing Market Assessment Part 2 Objectively Assessed Need for Affordable Housing (2016)

¹⁰ See Tables 4.4 and 4.5 of the Strategic Housing Market Assessment Part 2 Objectively Assessed Need for Affordable Housing (2016)

- 6.1.4 Gladman also has concerns about how the Council propose to monitor the implementation of its proposed approach for affordable housing. As proposed the total number of affordable dwellings secured at each site would be considered on a case by case basis, and as such the Council would be unable to predict with any degree of certainty the number of affordable homes which might come forward from its identified supply. The Council would therefore be unable to conclude how effective the Local Plan would be in responding to affordable housing need.
- 6.1.5 This is more problematic for outline planning applications where details relating to the number of bedrooms, habitable rooms, and floorspace are more likely to be determined later through the detailed application stage. As a result, for outline planning applications the principle of development will be secured without information on the amount of affordable housing to be provided.
- 6.1.6 The variable approach implied by the adoption of any of the three proposals put forward by the Council to deliver affordable housing also creates problems for measuring the viability of the policy on development. It is unclear given the substantial variation the adoption of any of these requirements would have how the Council could assess this. As a result, the Council is unlikely to know what impact the implementation of this policy would have on viability, harming the soundness of the Local Plan. This absence of viability evidence, together with the variation of conditions in which the policy would be applied would mean that applications would need to be viability tested on a site by site basis.
- 6.1.7 The potential need for site by site viability would substantially increase the length of time in which it would take for the Council to determine planning applications submitted within the Borough. The fact that the contribution made towards affordable housing could not be made until the detailed application stage, also increases the prospect for delay at this stage of the planning application process and the amount of uncertainty given the potential for disagreement.
- 6.1.8 A percentage-based policy based on the number of homes delivered, as currently adopted, gives more certainty and clarity as to the Council's requirements and provides a measurable target for the Council to consider the performance of housing delivery against. Gladman consider that this approach is more effective in securing affordable housing delivery.
- 6.1.9 Gladman consider that the reaction made by the Council towards perceived shortages in the delivery of smaller housing types could more effectively be addressed through the application of other policy tools.
- 6.1.10 First is the role of Starter Homes. Starter Homes are now confirmed by the Government as forming part of the definition of Affordable Housing as confirmed in Annex 2 of the NPPF2. Starter Homes are defined through Section 2 and 3 of the Housing and Planning Act 2016, as homes for first time buyers of at least 23 years old and not over the age of 40. Starter Homes are to be marketed at 80% of market value up to a cap of £250,000. Whilst forming part of the affordable definition, Starter

Homes do not remain as affordable homes in perpetuity and as such will one day form part of the Borough's supply of market dwellings. Given the restrictions placed on Starter Homes, both in terms of people qualifying for Starter Homes and price paid, the size and type of homes provided as Starter Homes within a development are likely to be smaller in size (i.e. 2, 3, perhaps 4-bedroom dwellings). The application of policy enabling greater delivery of Starter Homes within the Borough, will therefore increase the supply of smaller housing stock.

6.1.11 Second is density. A key priority of the NPPF 2019 is making efficient use of land for development. The Government's policies for this are set out in Paragraph 122 and 123 of the NPPF. This includes policies which seek higher densities in city and town centres and other locations served by public transport. The application of minimum density requirements elsewhere should also be considered. Whilst the matter of density should take into account site specific issues, character and opportunities, Gladman consider that the application of density requirements at sites or areas of the Borough may also be effective in securing a higher proportion of smaller dwellings.

7 CONCLUSION

- 7.1.1 This representation has been prepared by Gladman in response to the current consultation on supplementary version of the Draft Solihull Local Plan Review.
- 7.1.2 Gladman agree that the change in circumstances experienced since the Draft Local Plan was prepared (as provided by the revised NPPF and HS2) necessitates the need for a further consultation. Gladman therefore welcome the opportunity provided by this consultation to submit comments on the Council's proposals in relation to these issues.
- 7.1.3 Gladman agrees with the Council that the Standard Method represents the most appropriate approach to defining the minimum housing needs of the authority. The Standard Method is engrained in national planning policy, and there are no evident exceptional circumstances present within Solihull to justify a departure from this approach. The Standard Method represents only a minimum level of housing needed within a plan area, and there may be other reasons to justify an uplift to this baseline position.
- 7.1.4 Gladman questions the justification of the Council not to uplift the housing requirement in response to economic needs and secured investments, despite committed development to deliver HS2 to the Borough, and the Borough's key role within the Midlands Engine, Greater Birmingham and Solihull LEP. Gladman consider that this investment and associated job growth will lead to increased pressure for additional housing within the Borough over the plan period which should be addressed with an uplift to the housing requirement.
- 7.1.5 Whilst Gladman welcome the provision made within the housing requirement to accommodate some of the unmet needs arising from Birmingham, Gladman consider that there is a strong case for this to be increased giving the notable strong links between the Borough and the wider HMA, the significant level of residual unmet housing need in the HMA, and significant investment secured in the Borough for the plan period. Gladman urge the Council to engage with its HMA partners to secure a signed SOCG which secures a full resolution to the unmet needs of the HMA prior to the submission of the Local Plan Review for examination.
- 7.1.6 The Council should publish the necessary evidence to justify its proposed windfall allowance in order to ensure it is justified. The Council should review the deliverability of its current allocations before these are rolled forward into the Local Plan Review.
- 7.1.7 Gladman is unable to conclude with any reasonable degree of certainty that the supply proposed through the Local Plan is deliverable. This is due to the absence of site-specific information regarding the timescales for delivery. The Council should publish a Housing Trajectory before it submits the Local Plan review for examination.

- 7.1.8 Gladman consider that the Local Plan Review contains an insufficient level of flexibility within the supply to ensure the consistent and full delivery of the housing requirement. The absence of flexibility within the supply leaves the Local Plan Review at substantial risk of failure should conditions experienced today change, and sites fail to come forward as envisaged. This is especially the case given the Green Belt constraint experienced within the Borough. As a result, in order to minimise the potential effect no or delayed delivery at any allocated site would have, Gladman consider that there is a need for additional allocations to be identified.
- 7.1.9 Gladman consider that the Council should also identify areas of Safeguarded Land from within the Green Belt. This is in order to protect the longevity and integrity of the Green Belt beyond the plan period in alignment with national planning policy.
- 7.1.10 Gladman largely agree with the approach adopted by the Council in its site selection process. Gladman however consider that all sites scoring "green" within the first stage of the assessment should also be subject to the stage 2 assessment to ensure that these sites are sufficiently suitable to accommodate housing.
- 7.1.11 Gladman object to the adoption of any of the three proposals put forward by the Council for securing its future affordable housing need. Supporting evidence to the Local Plan Review appears to illustrate that the affordable housing need of the Borough is half that outlined by the Council at just 25% of future dwellings required. The mix of housing needed over the plan period would appear balanced, with more focus on 3, 4, or 5+ bedroom dwellings. The adoption of any three of the proposals outlined by the Council would result in monitoring difficulties, reduce the effectiveness of development meeting affordable housing need, and increase the likelihood for delays in the determination process. It is unclear how the Council would assess the viability of this policy approach on new development. Gladman would therefore submit that the Council should instead seek to adopt a percentage-based requirement based on a proportion of the overall housing need.