

Submission on behalf of Golden End Farms

Solihull LPR Draft Submission Plan

December 2020

Policy P5: Provision of Land for Housing (and Para 220-222 and Para 225-231)

Q5. General comments on soundness of policy

Local Housing Need Assessment

1. We consider that the approach to the provision of land for housing is not sound, and significantly underprovides for housing needs arising from the growth strategy in the plan. The plan acknowledges that the arrival of HS2 and the associated UK Central Hub Proposals (UKC) will have a profound effect on the Borough, but the Draft Submission Plan then singularly fails to properly accommodate the housing needs that will arise from it. We also question whether the plan does enough to help meet the wider housing shortfall of the Housing Market Area (HMA). This is set out in detail below.
2. Policy P5 states that at least 5,270 net additional homes will be allocated in the Local Plan Review to ensure a sufficient housing land supply to deliver 15,017 additional homes (938 dpa) in the period 2020-2036.
3. The supporting text to Policy P5 seeks to show that a supply of 15,017 dwellings is sufficient to meet Solihull's local housing need (LHN) as well as making a significant contribution to address the shortfalls across the Housing Market Area (HMA). As set out at Paragraph 220, based on the Standard Method Solihull's LHN is 12,912 dwellings (807 dwellings per annum). Paragraph 228 states that a further 2,105 dwellings will be delivered within the Borough over the plan period to meet HMA shortfalls.
4. As acknowledged by the Local Plan, the Standard Method should be a minimum starting point in determining the number of homes needed in an area. Government guidance makes clear that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates, for example where growth strategies for an area are likely to be delivered during the plan period or where strategic infrastructure improvements are being implemented that are likely to drive an increase in the homes needed.
5. Paragraph 221 of the plan states that this additional need has been assessed through the Housing and Economic Development Needs Assessment (HEDNA) which considers the impact of the UKC proposals on housing needs in the Borough. The HEDNA concludes that the UKC growth proposals would result in a housing need of just 9 dwellings per annum above the Standard Method bringing the overall annual requirement to 816

dwellings. Over the plan period this would result in a local housing need for Solihull of 13,056 dwellings.

6. Having interrogated the HEDNA in detail, for the reasons set out below, we strongly disagree with the way the UKC impacts on housing need have been assessed and the resulting conclusions that have been reached as reflected by the Draft Submission Plan at Policy P5.
7. To establish how many additional homes will need to be provided as a result of UKC, the HEDNA firstly establishes how many new jobs are likely to be created over the plan period. It considers that a total of 22,998 jobs will be created by the proposals contained in the Local Plan including a baseline jobs growth of 10,000 new jobs and the generation of an additional 12,998 jobs as a result of UKC.
8. Taking a number of factors into account including economic activity rates, double jobbing assumptions and crucially commuting patterns, the HEDNA then converts the jobs growth figures to a dwelling growth. Its conclusions are based on a scenario where a commuting ratio of 0.98 is applied to the 10,000 baseline jobs (i.e. a broad balance between in and out-commuting), but it is assumed that only approximately 25% of all UKC jobs will be taken up by Solihull residents with the remaining jobs (approximately 75%) will be taken by those commuting into the Borough.
9. Based on these assumptions, the HEDNA shows that the baseline jobs growth of 10,000 jobs would result in annual housing requirement of 684 dwellings over the plan period. Based on the commuting assumptions, the additional annual housing requirement arising from UKC is 132 dwellings giving an overall housing requirement for Solihull of 816 dwellings per annum. This is the figure quoted at Paragraph 221 of the Draft Submission Plan. This figure is broadly similar to the annual housing requirement derived from the Standard Method, only marginally increasing the local housing requirement to 13,056 dwellings over the plan period.
10. As stated at Para 6.43 of the HEDNA an annual housing requirement of 379 dwellings is generated by the remaining jobs created by UKC, a total of 6,064 dwellings over the plan period. These are not accounted for in the housing needs figure for Solihull and would have to be provided for by other authorities within the HMA. The HEDNA envisages that this will be addressed through duty-to-cooperate discussions as noted at Para 6.31, 6.34 and 6.44.
11. It is clear from the assessment that the UKC growth proposals will significantly increase housing requirements, but the Local Plan seeks to only provide a very small proportion of this housing need within the Borough and is looking to other authorities to provide for the remaining homes. Although it is not explicitly stated in the HEDNA, the commuting patterns set out at Table 34 would lead to the conclusion that Solihull is expecting authorities such as Birmingham, Coventry, Tamworth and the Black Country authorities, all areas that cannot meet their own housing needs, to accommodate some of the UKC housing growth. Circa 50% of the resultant housing need (more than 4,000 new homes) would need to be provided for within these authorities; the majority in Birmingham (circa 3,000 dwellings).

12. The HEDNA states at Para 6.44 that *“The Council should as far as possible strive to achieve delivery of new housing where the jobs are to reduce the mismatch between the location of new houses and jobs in Solihull. The Council should also work through the duty to cooperate with neighbouring authorities to ensure there is enough housing to meet regional growth.”* We would agree with this conclusion, but unfortunately the Draft Submission Plan appears to shy away from its responsibility in addressing the housing needs arising from the growth proposals and in helping to address shortfalls across the HMA.
13. It has to be strongly questioned how sound this overall approach to housing delivery is. Whilst historic commuting patterns might suggest UKC will generate significant in-commuting, in large part this is likely to be a result of the historic constrained housing supply that exists in Solihull. In planning for sustainable growth, it is surely the responsibility of the planning authority to seek to reverse, at least in part, those historic commuting patterns and provide housing to meet more of the forecasted jobs growth. This is particularly important when the authority is well aware that the neighbouring authorities on which it is seeking to rely on providing such growth also have constrained supply and have their own housing requirement shortfalls.
14. If, for example, the Local Plan was to strive for a complete balance between housing and employment growth, it would need to plan for the delivery of the additional 379 dwellings per annum. In total, some 1,195 dwellings per annum would have to be delivered in the Borough therefore, or 19,120 dwellings over the plan period, as opposed to the identified LHN of 12,912 dwellings (807 dwellings per annum). Whilst there will ultimately need to be a balance, certainly it is clear that to achieve sustainable growth there has to be some attempt to redress the commuting and provide for higher housing growth in Solihull itself. Even if for example Solihull were to accommodate 50% of the housing need arising from the UKC growth proposals, it would need to provide an additional 2,200 homes above the Standard Method resulting in an overall housing need of approximately 15,100 dwellings over the plan period (944 dwellings per annum), before then accounting for a contribution to the HMA shortfall.

Contribution to HMA

15. The Submission Draft Plan identifies a housing land supply of 15,017 dwellings, but out of this the Plan also seeks to make a contribution to the HMA shortfall in the order of 2,105 dwellings. The HMA Position Statement (dated July 2020) suggests that whilst significant progress has been made with the HMA shortfall for the period to 2031, a shortfall of 2,500 dwellings still remains and furthermore a significant shortfall is now emerging for the period beyond 2031. Whilst the scale of the shortfall beyond 2031 is not yet known it is evident that it will be substantial and it is also noteworthy that the HMA Position Statement states that other planning authorities are now considering levels of growth above local need up to and beyond 2031. The Submission Draft Plan seeks to accommodate housing needs to 2036 and this should therefore have formed part of the Plan's considerations. It is clear that a higher contribution than 2,000 dwellings should be made to the HMA needs.

Conclusion

16. It is clear that the identified housing requirement of 15,017 dwellings over the plan period is not a sound approach to meeting sustainable housing growth objectives, will not be enough to meet housing growth arising from HS2 and UKC and will not enable Solihull to contribute towards addressing HMA housing shortfalls. Clearly, more land has to be allocated in the Local Plan to meet housing requirements.

Q6. Specific modifications requested

1. The housing requirement should be increased to ensure the plan meets the housing needs arising from the HS2/UKC proposals and as well as providing a greater contribution to meet HMA housing shortfalls. We estimate that the Local Plan needs to make provision for the delivery of at least 17,500 dwellings over the plan period, and probably nearer 20,000 dwellings to ensure the sustainable growth of the area and contribution to the wider HMA needs.