

BIRMINGHAM DEVELOPMENT PLAN EXAMINATION

Examination Statement Matter A: Housing need and the housing trajectory

Main Issue: Does the Plan appropriately identify housing needs and does it

. The Statement

addresses the following issues

- What is Objectively Assessed Housing Needs;
- Does Birmingham have an up to date NPPF compliant Strategic Housing Market Assessment (SHMA)?
- Failure of the Council to consider all components of the Objectively Assessed Need

What is Objectively Assessed Housing Need .

- 3 *The NPPF (paragraphs 47 and 159 refer) defines the objectively assessed need for housing need in terms of **housing** and not **households**. The two are entirely different, with **housing** need being typically higher than **household** need. It is therefore necessary for the Council to make a clear statement on what its objectively assessed **housing** need is and not **household** need. In this context the following is observed:*

The Plan does not contain a statement on what the OAN for **housing** is. It states in paragraph 4.4 that the SHMA indicates a need of 80,000 **households** over the plan period.

raph 3.7) states that

there is a need for 81,500 **households**, which equates to an OAN of 84,000 **dwellings**. This is different to the Plan at paragraph 4.4 above. Paragraph 11.50 of the SHMA, however, expresses the **housing** need as a range from 81,500 to 105,200 **homes**. It is unclear as to whether this reference now relates to **households** or **dwellings**. It would appear to be **households** as it refers to the same figure as that set out in the bullet above of 81,500.



The GBSLEP Joint Housing Study indicates that the OAN for Birmingham
is 86,400 **dwelling**s

Add that without agreement with neighbours it would be very difficult to set sound evidence-based targets for the future, because future demand in any one local authority area depends on provision in neighbouring areas” [RPS Emphasis]

8. _____ recommendations that to achieve a **sound plan** the Council should base its OAN on **the housing market area, not just its own.**
9. Despite this recommendation, the Council has set out its OAN on the basis of its own need alone and the wider housing market area. This is inconsistent with paragraph 159 of the NPPF.
10. In the context of the above, reference is made to the recent Charnwood Borough Local Plan Examination where the authority undertook an assessment of its own need and not that of the wider HMA, and was found unsound. The Inspector in his letter set out the following.

“18. Whilst some analysis of how the figure of 790 houses per year would accommodate in migration from Leicester City and elsewhere is undertaken, there is no assessment of the housing needs of the HMA as a whole or the role of Charnwood in accommodating them. The scope of the HRS



Matter A

Question 2: If not, what alternative objective assessment of housing needs should the Plan be based upon?

19. RPS is aware that others have submitted evidence on the range that the OAN should fall within and does not repeat those submissions here⁴. However, methodically, the OAN should be based upon an assessment that comprehensively appraises housing need from all four components of OAN.
20. The assessment should be informed by the latest demographic evidence (paragraph 15 of the PPG). This should be complemented by the economic component which embraces the economic growth plans and proposals for GBSLEP Economic Growth Plans (paragraph 18 of the PPG).
21. This should all be considered against market signals evidence from past trend evidence for the City to consider if an uplift of the demographic evidence is required (paragraph 19 of the PPG). It should then consider the capacity of the evidence to meet the full objectively assessed housing need for affordable housing (paragraph 47 of the NPPF and paragraph 29 of the PPG).
22. Only having considered all four components can a housing need assessment be OAN, which has not been undertaken by Birmingham City.

Question 3: Does the Plan meet the full needs for market and affordable housing, as far as is consistent with the policies set out in the National Planning Policy Framework?

23. At present it is clear that the authority is not meeting its OAN.
24. The NPPF sets out (paragraph 14 refers) that local planning authorities should meet their OAN for housing unless specific policies in the NPPF indicate that development should be restricted.
25. With regard contained within the NPPF, the NPPF refers to the Green Belt as a policy that indicates development can be restricted. It is therefore acknowledged that this can be provided as a reason for not meeting the OAN, whilst still being consistent with the NPPF. This

“We will plan to ensure Birmingham’s residents will be experiencing a high quality of life, living with attractive and well-designed neighbourhoods. The choice of affordability will be meeting the needs of all and local jobs and services will be accessible by a range of transport choices”. (Paragraph 3.2)

“To develop Birmingham as a City of sustainable neighbourhoods that are safe, diverse and inclusive with locally distinctive character” (paragraph 3.5(i))

“The continued revitalisation and modernisation of the City’s economy will be central to the growth agenda ensuring that jobs and prosperity are generated for current and future residents” (paragraph 3.11)

“In delivering the principles of sustainable neighbourhoods a wide choice of housing sizes, types and tenures will be provided to meet community needs including homes for families, for the elderly and appropriate levels of affordable housing” (paragraph 3.23)

27. There is therefore a clear commitment **to meet** local development needs. If this were not the case, and the Council chose not to meet its OAN and development needs in full, then the Plan would be required to set this out explicitly.
28. **If** the Council consciously made the decision not to meet 30,000 plus housing need as a result of the Green Belt, serious housing shortages would exist. As a result, it would have to clearly make a statement that it consciously decided not meet its needs and pu ETB1mD0ac(case)14(dCo)15(ou)(pl)6(i)5(g)de anothertrt this

32. In conclusion, the decision **has been made to meet local need** and is clearly expressed in strategic priorities and the Plan. The decision is therefore entirely consistent with the NPPF. The Council has also made it clear that the level of housing need **justifies exceptional circumstances** to release land from the Green Belt rather than apply paragraph 14 and not meet housing need. Again, this principle is sound and meets the requirements of the NPPF. The question on soundness is therefore balanced on **the extent that the City Council is taking action** on its decision to meet housing need and release green belt sites. It is currently falling short of being found sound in that it does not make every effort to meet its housing need, having already determined that it **will** meet housing need and **will** release sites in the Green Belt to accommodate this need. It is this component of decision making and planning judgement that is unsound against the NPPF.

Question 4: What proportion of the assessed housing need should be met outside the Plan area, and by what mechanism should that proportion be

33. At present there is no **agreement** or **mechanism** for meeting housing need outside of the Plan area. As such the Plan cannot be found sound.
34. The approach taken by the City Council is one of abdication of responsibility to Plan positively. Many of the local authorities neighbouring Birmingham have progressed with their Local Plans with a number adopted or reaching latter stages in their plan processes. In doing so, many have incorporated review mechanisms into their Plan to potentially accommodate the need from Birmingham. However, they have not categorically stated how much they are prepared to accommodate **and many of these are Green Belt authorities themselves**. Much of this stems from a lack of cooperation and positive planning under the Duty to Cooperate, and despite being introduced in 2011 there is still
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35. The position is now that surrounding authorities have had to plan on the basis of review mechanisms to address the lack of information coming from Birmingham City. This has left great uncertainty on how a significant catalyst of housing need will be met. It is now proposed by Birmingham City to exacerbate this situation by publishing a Plan that contains no strategic policy on where over 30,000 (based
36. It cannot be sound that a location that generates a self-admitted need for over 30,000 houses can consider its Plan sound without **any** cross boundary policies and mechanisms in place within the Plan to establish where its unmet need will be met.
37. While the Council presents the case that this issue is being address within the GBSLEP Joint Housing Study (phase 3), it is not. Furthermore, even if it were, the simple fact is that the Plan, as submitted, does not include any positive cross boundary policy or agreement in respect of meeting a minimum of 30,000 new homes of unmet need.
38. In this context reference is made to Brighton and Hove and Stevenage Plans that have been found unsound on the basis that no firm evidence / agreement has

been provided on how unmet need will be met from the exporting authority by adjoining authorities. The same principle exists at Birmingham to an exaggerated scale. As such and despite any reference to ongoing GBSLEP evidence, the simple fact exists that the Plan has been submitted with a significant omission in its strategy.

39. If the Birmingham Plan were to be found sound with an omission of over 30,000 dwellings with no agreement on how this will be distributed and no agreement in neighbouring plans on who will accept unmet need, with the only mechanism being proposed being the GBSLEP Joint Housing Study that has no empowering mechanism within it, then the unmet housing need of at least 30,000 new dwellings will not be met for a significant length of time, if at all.
40. There is the serious potential for a prolonged hiatus of meeting 30,000 dwellings to exist. This is not sound and **would amount to a fundamental sub-regional failing on the statutory Duty to Cooperate.** It is therefore imperative that Birmingham establish within its Plan exactly how unmet housing need will be met.
41. In respect to what proportion should be distributed to other authorities, this cannot be established until the Council has exhausted all options (which it has failed to do) within its own administrative boundary as the first locations to be developed. After this, the full remaining unmet need needs to be accommodated. Additional land should be released from the Green Belt before considering distributing unmet need elsewhere.

Mechanism

42. There is no mechanism in place for distributing housing need within the GBSLEP area. The Birmingham and surrounding GBSLEP authorities have set out that the GBSLEP Joint Housing Study (phase 3) will be the mechanism for identifying distributions options for unmet need. However, this study has emerged as nothing more than an academic exercise and powerless of any mechanism to ensure that unmet housing need is addressed.
43. It has been confirmed at the recent 2014 Presentation of Phases 1 and 2 of the GBSLEP Joint Housing Study that any actions arising from Phase 3 of the Study would be entirely voluntary by the adjoining authorities, **many of which are Green Belt authorities and are similar restricted by the NPPF.** In essence the neighbouring authorities will be asked whether they will accommodate additional growth from Birmingham. If they choose not to then there is no mechanism in place to ensure that this housing need is met. This position has been confirmed at the 2014 presentation referred to above. If this is how the authorities perceive the Duty to Cooperate functioning then it is a significant failing of what is necessary to meet that requirement.
44. **On the basis of this arrangement no mechanism exists to deliver unmet need.** The Joint Housing Study (and Phase 3 of it) is simply an academic exercise to seek to understand unmet housing need and engage with authorities within the GBSLEP area to seek a voluntary action to accommodate some of
As such it has not formal mechanism.
45. The only formal mechanism that can and does exist is the statutory Duty to Cooperate (DtC). It is therefore through this mechanism that unmet need should



be met and the GBSLEP study is a way of circumventing the requirement of the statutory DtC process that requires a positive action and outcome.

46. The Council should have undertaken its Plan on the basis of the DtC and have in place firm arrangements for accommodating its unmet need in place in advance of submitting its Local Plan. The Plan is therefore unsound and currently not legally compliant.