

South Staffordshire Local Plan review

Examination in Public

Hearing Statement for Matter 4 – Development Needs and Requirements

On behalf of Clowes Developments

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Introduction

Pegasus Group is instructed by Clowes Developments to respond to the South Staffordshire District Council Local Plan Examination: Matters, Issues and Questions Identified by the Inspectors, which has been produced by the Inspectors appointed to hold an independent examination of the South Staffordshire Local Plan ('the Plan').

This Statement relates to Matter 1 – Procedural and Legal Requirements.

Clowes Developments are promoting land at Himley, to the north and south of the B4176 and to the west of the A449. Land to the south of the B4176 is being promoted for employment development to the north of the B4176 for residential development. A Site Masterplan is at **Appendix 1** but the two parcels of land being promoted can come forward independently of each other.

To the north of the B4176 Clowes are promoting land for residential development with a gross area of 4.59ha (net 2.59ha), for 88 residential units.

Clowes Developments' land interests to the south of the B4176 extend to 71.2ha and are being promoted for a range of Use Class B2 and B8 units, with a combined floor area of 84,844sqm.

The Masterplan at Appendix 1 shows how the land interests could accommodate the proposed development.

Clowes Developments have made representations to previous consultation on the earlier stages of preparation of the Local Plan that has been submitted for examination.

Matter 4: Development Needs and Requirements

Issue 1: Whether the identified future housing development need and requirement set out in the Plan are justified, effective and consistent with national policy. (focus Policy DS4)

Q1. What is the minimum number of new homes needed over the plan period calculated using the standard method? Has the calculation of Local Housing Need been undertaken appropriately using the standard method and correct inputs reflecting the methodology and advice in the PPC?

Under the December 2023 Standard Method, the minimum number of homes required per annum in South Staffordshire is 223 dwellings, which equates to a minimum requirement of 4,014 dwellings over the plan period. This is slightly less than the 4,086 dwellings identified in the Plan, which has been calculated based on a higher minimum need of 227 dwellings per annum (the previous outcome in early 2024). It is considered that this has been calculated appropriately, in line with the advice and methodology in the PPG.

Q2. Are there any circumstances where it is justified to set a housing figure that is higher than the standard method indicates?

Yes. The Framework and PPG are clear that the standard method simply establishes the minimum number of homes, not the maximum, needed per annum – it serves as a starting point (NPPF Paragraph 61). Notably, Paragraph 61 of the NPPF also states that 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, and Paragraph 67 adds that a housing requirement may be higher to reflect growth ambitions linked to economic development and infrastructure investment.

Policy DS4 sets out that SSDC will deliver a minimum of 4,276 dwellings over the plan period, with this figure comprising 4,086 dwellings for South Staffordshire, and 640 dwellings to contribute towards the unmet needs of the GBBCHMA. As noted in the representations submitted on behalf of Clowes Developments, this is a significant decline from the 9,089 dwellings (including 4,000 to address unmet needs) included in the previous Regulation 19 Publication Plan in 2022. The need to address the overwhelming shortfalls in the GBBCHMA under the duty to cooperate, and to ensure a positively prepared plan, would provide clear justification for a higher housing figure. This matter is discussed in more detail in relation to questions 3 and 5 below.

Doc SST/ED15, the May 2021 Strategic Housing Market Assessment, identifies at Table 6.4 that the total annual need for affordable housing across South Staffordshire, dependent on affordability thresholds, ranges from 128 dwellings per annum to 418 dwellings per annum.

Paragraph 2A–O24 of the National Planning Practice Guidance makes provision to encourage local authorities to consider increasing planned housing numbers where this can help to meet the identified affordable need:

“The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probably percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the strategic plan may need to be considered where it could help deliver the required number of affordable homes.”

The council should demonstrate through evidence that they have considered this matter. It is considered that an affordable housing need could be a clear justification for an increase in the total housing requirements to be planned for.

Q3. In Policy DS4 the Local Plan identifies a minimum housing requirement of 4,726 homes over the period 2023–2041. Is this justified? If not, what should the housing requirement be?

Whilst the Standard Method has been used as the starting point for calculating the number of homes needed for South Staffordshire, in line with national policy, Clowes Developments continue to harbour significant concerns regarding the level of homes proposed in the Local Plan, having particular regard to the need to comply with the duty to cooperate and make an appropriate, justified contribution towards meeting the unmet needs of neighbouring authorities; this is necessary to ensure a positively prepared plan. Whilst the 4,726 figure includes a contribution of 640 dwellings to meet the unmet needs of the GBBHMA, this is unjustified, with the evidence suggesting that additional homes to contribute towards this need are required, and thus a higher housing requirement in the Local Plan.

No account has been given to the district's relationship with the City of Wolverhampton, for which the 35% standard method uplift figure is applicable under the December 2023 NPPF. Whilst Paragraph 4.14 of South Staffordshire's SHMA update (2024) identifies that part of Wolverhampton falls within SSDC's authority boundary, it is suggested by SSDC that this does not need to be accounted for within South Staffordshire Local Plan's housing requirement. According to Wolverhampton's Publication Plan, dated November 2024, there is a substantial shortfall of 10,398 homes (paragraph 1.111) within Wolverhampton. The latest evidence confirms that there continue to be severe shortfalls elsewhere in the GBBCHMA; for example, Birmingham recently identified a shortfall in their Preferred Options Document, dated July 2024, of 46,153 dwellings.

The shortfall across the GBBCHMA area is also evident in Doc SST/ED11 submitted to the Examination and dated 29 November 2024. The 29 November 2024 Statement identified that the shortfalls across all HMA authorities (Birmingham, Bromsgrove, Cannock Chase, Dudley, Lichfield, North Warwickshire, Redditch, Sandwell, Shropshire, Solihull, South Staffordshire, South Warwickshire, Tamworth, Telford & Wrekin, Walsall, Wolverhampton and Wyre Forest) for the period 2023–2042 totals 76,427 dwellings. It also recognises that the figures it identifies could change as local plans progress.

Contributions toward unmet need are also set out in the Paper where proposed. The Paper is also referred to as a 'statement of common ground', which seeks to set out an agreed approach between the contributing authorities (Shropshire, Cannock Chase, South Staffordshire and Telford & Wrekin) and the receiving authorities (Black Country authorities and Birmingham) on how the contributions will be apportioned amongst relevant authorities, where the apportionment is based on net migration flows between the exporting local authority and each of the receiving authorities.

Whilst that apportionment is not considered in detail in this paper, the agreement itself is already out of date. Since its publication:

- 1) The Inspectors for the Shropshire Local Plan have recommended its withdrawal, and the Council have confirmed (see letter at Appendix 2) that they are recommending withdrawal of the Plan to Full Council. This means that the proposed contribution will not be coming forward from that draft Plan

- 2) The NPPF published in December 2024 introduced a new standard method for calculating local housing need. Whilst this has resulted in a significant reduction in need for Birmingham, plus reductions for Sandwell and Wolverhampton (very minor) all other authorities in the GBBCHMA area will have increased housing requirements. Unmet need is therefore likely to increase across the area, and the Duty to Co-Operate (and its replacement, once enacted following the Levelling Up and Regeneration Act 2024, will remain important.
- 3) Amended Local Plan legislation is also proposed to be enacted (through the LURA) in 2025. This will result in amended requirements for Plan-making where a large number of authorities, including South Staffordshire will be in immediate Plan review as their housing targets in current /emerging Local Plans are less than 80% of the new standard method requirements.

Notwithstanding the shortcomings of the November 2024 GBBCHMA Paper, it is evident that the 'significant housing shortfall across the HMA' that is acknowledged is only likely to increase.

The Spatial Housing Strategy Topic Paper (2024) (Doc EB14) continues to recognise the relationship between the District and adjoining GBBCHMA authorities and the opportunity to deliver unmet housing needs along the north/north-western edge of the Black Country to minimise the extent to which households from these areas are displaced from existing communities, jobs and education. The Topic Paper at Paragraph 4.10 concluded that *'if unmet housing needs were located in close proximity to Wolverhampton and Walsall (i.e. along the north-western and northern edges of the Black Country) then this may minimise the extent to which households from these two areas are displaced from their existing communities, jobs and education'*.

Taking into account that South Staffordshire adjoins the conurbation and can thus address unmet needs closest to where this exists, and with the district falling within a Functional Economic Market Area with significant cross-boundary flows and high commuting ratios (as acknowledged in paragraph 5.9 of the SHMA, Doc SST/ED15), Clowes affirm that it would be appropriate for South Staffordshire to absorb a greater, proportionate amount of unmet need on sustainable sites on the edge of the conurbation, in order to accord with national policy and the duty to cooperate, for Policy DS4 to be positively prepared and sound.

The Local Plan and SHMA also notably fail to consider the impact of committed development at the HS2 West Midlands Interchange, which is projected to create 8,500 new jobs, and up to 8,100 indirect jobs off-site. This, and the additional job creation arising from the committed strategic employment developments at i54 and ROF Featherstone, will have a *"profound effect on the local and sub-regional property market"*, as acknowledged in Paragraph 4.22 of the EDNA (Doc Ref EB44). The resulting demand for more housing in the GBBCHMA ought to be factored into the housing requirement for South Staffordshire. As noted above, Paragraph 67 of the NPPF states that the housing requirement may be greater to reflect economic growth ambitions and planned infrastructure development. In not doing so, Policy DS4 is unsound in this regard.

In summary, Policy DS4 is unjustified and not positively prepared having regard to the shortfall of housing across the GBBCHMA, the district's role in the Functional Economic Market Area, and the economic and infrastructure needs of the sub-region, and resulting additional demand for housing this is likely to create. Clowes Developments consider that increasing the contribution towards unmet need in the GBBCHMA will remedy this, so that South Staffordshire is contributing a substantial, albeit appropriate, quantum of housing in line with the duty to cooperate, grounded in evidence, in sustainable locations adjacent to the conurbation where this need exists. This is discussed in greater detail in response to question 5 below, but, in short, the quantum proposed in the 2022 Publication Plan is



considered to be more appropriate and justified (4,000 units), which would result in a minimum housing requirement in Policy DS4 of **8,086 dwellings** over the plan period.

4. The housing requirement figure includes an approximate 10% additional number of homes to ensure plan flexibility. Is this figure justified?

10% is down from 13% in the 2022 Publication Plan and given the significant reduction in the number of homes in the housing requirement, it is affirmed that the buffer should have remained the same or even increased further. This is because, with a reduced supply, there will be a proportionately greater impact if sites do not come forward. It is considered that such a low buffer is unjustified, unless and until SSDC significantly increase the housing requirement closer to the 2022 figure, for the reasons argued in response to question 3 above, which would result in a need for comparatively less flexibility, in which case 10% may be an appropriate and justified figure.

5. The housing requirement includes an additional 640 dwellings to contribute towards the unmet needs of the Greater Birmingham and Black Country Housing Market Area. Is this justified? If not, what should the figure be and why?

No. As noted in response to question 3, a contribution of 640 dwellings towards the unmet need in the GBBCHMA is insufficient and is not grounded in evidence, meaning that this figure is unjustified, and would result in a policy that is unsound when considered against the latest evidence. It is imperative for South Staffordshire to make a substantial, but appropriate, contribution in line with the duty to cooperate, and having regard to its location adjacent to the conurbation, cross-boundary flows, and economic and infrastructure investment which will increase demand for housing in the GBBHMA.

South Staffordshire's 4,000-dwelling contribution towards addressing unmet needs within the GBBCHMA was derived from the *Greater Birmingham HMA Strategic Growth Study* (2018), and an updated study is yet to be produced. But the November 2024 Position Statement (Doc Ref SST/ED11) identifies that a significant shortfall remains across the GBBCHMA area, and that is set to worsen with regard to the withdrawal of Plans from examination and the introduction of the new standard method, again as set out above.

On this basis, and with regard to the latest agreed position statement that continues to identify a significant shortfall, a 4000-dwelling contribution can be justified, and thus Clowes affirm that this quantum of development is required to ensure a sound policy and plan.

Issue 2: Whether the identified employment development need and requirement set out in the Plan is justified, effective and consistent with national policy.

Q1. In terms of overall employment development need and requirement:

a. How has the overall level of need from within the district and the unmet needs beyond been calculated?

The employment figure set out in Policy DS4 is not sound and the amount of land which needs to be found for development needs to be increased significantly.

The policy should be amended by removal of references to contributions from WMI (which would otherwise be regarded as windfalls if they do not meet the requirements for local businesses) as they will meet needs arising 'in the wider market area' as set out on page 6 of Doc SST/ED12); this would mean that the amount of land to be developed to meet local needs should be increased by 18.8 hectares, the figure of 1.2 hectares to be discounted from surplus office floorspace should be removed from the figures and the contribution which will meet the Black Country overspill should be reduced to 16.6 hectares in terms of the surplus element in the South Staffordshire supply.

b. Does the Plan clearly set out a requirement for the internally derived need and does this seek to make provision to fully address that requirement?

c. How has the proposed contribution to address unmet employment needs beyond the district been identified?

Given the strong economic connections between South Staffordshire and the Black Country area, it is submitted that a further 84.6 hectares of land should be allocated under Policy DS4 on top of the 107.45 hectares identified and with an appropriate amendment made to the proposals map. This gives a total of 192.05 ha to be allocated (making up the figures lost from the West Midlands Interchange (WMI) and also for a contribution to the Black Country for employment).

The EDNA update 2024 (Doc EB44) provides an updated position on the earlier EDNA prepared by DLP Planning to identify future employment needs across the South Staffordshire for the period through to 2041. The updated Growth Forecast within the EDNA shows a growth of 54,326 net additional jobs in South Staffordshire over the period 2020–2041, this takes into account a further increase in employment of +387 jobs versus the EDNA 2022 (EB45), mainly concentrated in the Transport and Storage, Wholesale and Retail and Professional Services sectors.

In addition, Doc SST/ED12, an Officer agreed Statement of Common Ground from January 2025 on the 'Black Country Functional Economic Market Area (FEMA) and locations with an economic relationship with the Black Country FEMA' identifies that within the Black Country Functional Economic Market Area (FEMA) the 'Black Country Authorities' (Dudley, Sandwell, Walsall and Wolverhampton) will have an employment land shortfall of 280.45ha to 2042. Birmingham have identified a shortfall to 2042 of 30.5ha.

South Staffordshire's 2024 EDNA (Doc EB44) confirms the Authority has a surplus of 27.6ha of employment land, which could increase to 45.2 ha if the proposed allocation at Junction 13 of the M6 is realised. The Agreed Jan 2025 SoCG (Doc SST/ED12) notes that this surplus land is available to meet needs arising in the Black Country.

That still leaves at least a 250ha shortfall of employment land across the FEMA. Land to the north of Wall Heath, being promoted by Clowes could assist in delivering these jobs, in a location adjacent to the Black

Country conurbation and in the south of the South Staffs area, immediately adjacent to Dudley MBC. Policy DS4 with regards to employment provision should align with NPPF para 86d which makes it clear that policies should be flexible to accommodate needs not anticipated in the plan, allow for new and flexible working practices, and to enable a rapid response to changes in economic circumstances. The currently proposed approach is too restrictive and will put the district at a disadvantage in attracting good quality employment land provision.

e. Are the overall employment development needs and requirements clearly set out in the Plan and are they justified?

As set out above, there are opportunities to deliver more employment land to meet the shortfall in the wider FEMA and South Staffordshire should allocate more land to address this.

Clowes' land interests extend to 71.2 hectares and the indicative masterplan at Appendix 2 demonstrates how a range of, B2 and B8 could be delivered on the site with a combined floor area of 84,844 square metres.

The Site is deliverable, on a principal commuting route on the edge of a conurbation and it could help deliver improvements to the A449/B4176 road junction. It has the potential to deliver a meaningful contribution to new employment provision within South Staffordshire and assist in contributing to the unmet employment needs of neighbouring authorities.

The site is located on the boundary of South Staffordshire District With Dudley Metropolitan Borough Council (MBC). Land to the south of the site is within Dudley MBC's area. The Site abuts the northern edge of the settlement of Wall Heath (Dudley MBC) with the southern edge of the village of Himley (SSDC) to the north. The site is very well related to the Black Country and is capable of being served by public transport, a point accepted by the Council. Clowes also have land interests to the east of the A449 as identified in Appendix 1 which provides the potential opportunity for further employment development within Dudley MBC that would locationally relate well to the adjacent land parcels at Wall Heath.

The site is well defined by existing, physical boundaries meaning that, in Green Belt terms, its release from the Green Belt (see Matter 6 Statements) can be done so with identifiable boundaries containing the site. The site is also very well defined by its existing boundaries. A former railway line, now well wooded, provides an identifiable landscape feature and has been used to help contain the developed area which is shown on the Masterplan at Appendix 2, the settlement of Wall Heath to the south provides a physical southern boundary and the A449 trunk road provides an eastern boundary.

We note that the Council's assessment of the site has not identified any overriding terms why the site should not be developed in technical or environmental reasons. Although some minor work will be needed to the wooded area along the former railway line to accommodate access, this would have limited impact and would be fully mitigated with replacement planting. Indeed, as is shown on the illustrative Masterplan ample land is retained for biodiversity net gain purposes and, overall there will be an increase in tree planting across the site and is a key pedestrian link.

Clowes consider this Site would provide an ideal location to assist with meeting the needs of South Staffordshire and its neighbouring authorities in assisting in the delivery of employment development within the plan period. Clowes would welcome the opportunity to work with the Council to assist in

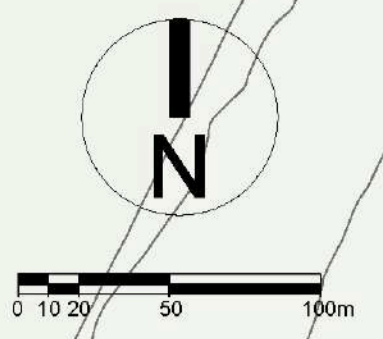


delivering much needed jobs for local people as well as potential improvements to the road network in the immediate area.



Appendix 1

Site Masterplan



bhb
architects

3533 - Wall Heath, Staffordshire
Drawing SK04
Indicative Site Plan
Scale 1:2500 @ A1
13 / 12 / 2022

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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