# Black Country Functional Economic Market Area (FEMA) and locations with an economic relationship with the Black Country FEMA

**Statement of Common Ground** 

**Position at January 2025** 

#### 1. Purpose and list of Parties involved in this Statement of Common Ground

- 1.1 This Statement of Common Ground (SoCG) facilitates and records cross-boundary engagement to address the unmet employment land needs arising within the Black Country Functional Economic Market Area (FEMA).
- 1.2 This SoCG is agreed between local authorities within the FEMA, local authorities which have a strong or moderate economic transaction with the Black Country, and other local authorities where evidence shows there is a functional economic relationship with the Black Country. This SoCG records their co-operation and progress towards addressing the strategic matter of the unmet employment land needs arising in the FEMA.
- 1.3 This SoCG demonstrates how the participating local authorities have engaged constructively, actively and on an ongoing basis to comply with their Duty to Cooperate.
- 1.4 The parties to this SoCG comprise of the local authorities identified below.

#### Local planning authorities within the Black Country FEMA

- Dudley Metropolitan Borough Council
- Sandwell Metropolitan Borough Council
- Walsall Metropolitan Borough Council
- City of Wolverhampton Council

#### <u>Local Planning Authorities with strong or moderate economic transactions with the Black</u> <u>Country FEMA</u>

- South Staffordshire District Council
- Birmingham City Council
- Cannock Chase District Council
- Lichfield District Council
- Tamworth Borough Council
- Solihull Metropolitan Borough Council
- Bromsgrove District Council
- Wyre Forest District Council

## Other Local Planning Authorities with evidence of functional relationship with the Black Country FEMA

- Shropshire Council
- Stafford Borough Council

#### 2. Strategic Geography

- 2.1 The Black Country FEMA was originally established in the Black Country Economic Development Needs Assessment (EDNA) 2017. The extent of the FEMA in 2017 was subsequently reviewed and confirmed in the EDNA update 2022<sup>1</sup>. This work shows the Black Country FEMA primarily comprised the four Black Country Local Authorities (BCLAs), based on the established socio-economic, market and administrative relationships between these four local authorities. These close relationships also include Birmingham and South Staffordshire which have strong economic interactions with the four authorities within the Black Country. The EDNA 2017 also recognised other economic interactions with additional local authorities located around the Black Country including Wyre Forest, Bromsgrove, Solihull, Tamworth, Lichfield, and Cannock Chase.
- 2.2 The geography of these relationships is shown on the map below.

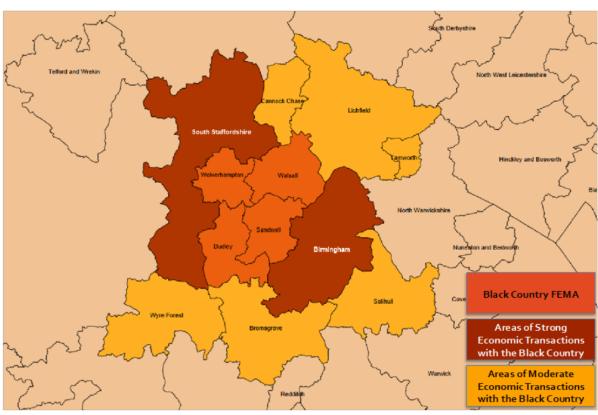


Figure 1: Black Country FEMA authorities

2.3 In addition to these local authorities, work undertaken as part of the Shropshire Draft (Submission) Local Plan identified the economic relationship between Shropshire and the Black Country. This is confirmed in the Shropshire Economic Development Needs Assessment (2021) and justified in the Shropshire Employment Strategy Topic Paper (GC4n)(2022).

<sup>&</sup>lt;sup>1</sup> It should be noted at the date of this SoCG the evidence which establishes the Black Country FEMA and those areas with strong or moderate economic transactions has not been tested through examination.

2.4 . The Stafford Borough Economic and Housing Development Needs Assessment (EHDNA) 2020 identifies the overlap with the Wolverhampton Travel to Work Area. This is recognised in joint responses by the BCLAs to the emerging Stafford Borough Local Plan Issues and Options in 2020, and further identified by the individual BCLA councils in 2022 at the Preferred Options stage.

#### 3. Strategic Matter - Meeting Employment Needs

3.1 All adopted or emerging development plans for local authorities involved in this SoCG are identified below, showing whether there are any shortfalls in any of these areas.

**Table 1: Authorities Local Plan progress** 

Local authority	Plan status	Most recent published evidence on surplus/shortfall
Dudley MBC	Dudley Local Plan Regulation 19 (October 2024)	The 2024 Black Country Economic  Development Needs Assessment (tables 12 and 13) identifies a total level of demand of
Sandwell MBC	Sandwell Local Plan Regulation 22 (December 2024)	634.7ha to 2041 and 661.9ha to 2042 for the four Local Plan areas including replacement of employment land 'lost' to non-employment
Walsall MBC	The Walsall Borough Local Plan is intended to be submitted under	uses Supply is identified as 377.35ha to 2041 and 381.45ha to 2042.
	the existing legislation by December 2026, with a Regulation 18 plan published in Autumn 2025	The forecast employment land shortfall is 257.35ha to 2041 and 280.45ha to 2042.
City of Wolverhampton Council	Wolverhampton Local Plan Regulation 19 (November 2024)	
South Staffordshire District Council	South Staffordshire Local Plan Regulation 22 (December 2024)	The South Staffordshire EDNA update (2024) indicates that South Staffordshire can meet its own labour demand derived needs, whilst providing a surplus of 45.2ha to the unmet needs of other local authorities. The EDNA also recommends that 18.8ha of the consented West Midlands Interchange (WMI) is required to meet needs arising in South Staffordshire and that the balance of 174.2ha at WMI is available to meet needs arising in the wider market area. The Stantec Report 2021 on the apportionment of the consented land at WMI recommends that 67ha could be allocated to meet needs arising in the Black Country. The total quantum of land identified in the Regulation 22 Plan and consented at WMI that is available to meet Black Country FEMA needs is therefore 112.2ha.

Local authority	Plan status	Most recent published evidence on surplus/shortfall
Birmingham City Council	Birmingham Local Plan Regulation 18 (Issues and Options November 2022, Preferred options) July 2024.	The Regulation 18 Report identifies an employment land need of 295.6ha to 2042 and a shortfall of 83.5ha. The Preferred Options Document shows that there is sufficient industrial development land in the city to meet the identified needs up to 2042, but that further work is required to engage with landowners to ensure the deliverability of all of this land. It is therefore not appropriate at this stage to say that the shortfall will need to be exported to neighbouring areas The Council recognise the apportionment of 53ha of land at WMI towards needs arising in Birmingham as recommended in the 2021 Stantec Report. This would reduce the shortfall to 30.5ha.
Cannock Chase District Council	Cannock Chase Local Plan Regulation 22 (December 2024)	The Regulation 22 Plan proposes an employment land requirement of 74ha. The Plan provides for 64ha within the District and it has been agreed with South Staffordshire Council through a Statement of Common Ground that 10ha of CCDC employment land supply from the West Midland Strategic Rail Freight Interchange located in South Staffordshire District is attributable to CCDC. This approach ensures that the employment land needs of Cannock Chase District are met in full.
Wyre Forest	Wyre Forest Local Plan (adopted April 2022)	The Local Plan provides for 29ha of employment land to be brought forward over the Plan period. This is sufficient to meet local needs only.
Bromsgrove	Bromsgrove Local Plan (adopted January 2017)	The Local Plan establishes an employment land need of 28ha to 2030 to meet local needs only. This is met in full.
Solihull	Solihull Local Plan (adopted 2013)	The Local Plan includes allocations for employment land of 41.5ha which is sufficient to meet local needs only.
Tamworth	Tamworth Borough Council Local Plan 2006-2031 (adopted February 2016)	The Local Plan sets an employment land need of 32ha of employment land to 2031, of which 18ha will be delivered within the Borough and 14ha delivered outside in neighbouring areas. This is secured through a Memorandum of Understanding and Statement of Common

Local authority	Plan status	Most recent published evidence on surplus/shortfall
		Ground between Lichfield, North
		Warwickshire and Tamworth Councils.
Lichfield	Lichfield Local Plan Strategy (adopted 2015) and Local Plan allocations document (adopted July 2019).	The adopted Local Plan meets local employment land needs of 79.1 ha including an allowance of 10ha.  Lichfield District Council could require the 8ha share of West Midlands Interchange attributed to the borough through the 2021
	Local Plan 2043 Issues and Options (October 2024)	Stantec Report to assist in meeting future needs.
Shropshire	Shropshire Local Plan Regulation 22 (September 2021)	The Local Plan provides for high growth above the meeting of local employment land needs for 250ha with and an additional contribution of the delivery of 30ha towards unmet employment land of land to meet needs arising in the Black Country. This is confirmed in a Statement of Common Ground between Shropshire Council and the BCLAs.
Stafford Borough Council	Regulation 18 Preferred Options consultation (October to December 2022)	The preferred options consultation sought views on the development strategy, draft policies and proposed sites, including at least 80 hectares of new employment land and two new proposed allocations north of Stafford and at Ladfordfields. Recognised Industrial Estate. No surplus or shortfall to be exported through the Duty to Co-operate is identified by this consultation.  Stafford Borough Council does not require the 8ha share of West Midlands Interchange
		attributed to the Borough through the 2021 Stantec Report <sup>2</sup>

#### Work to date on the Black Country FEMA employment land shortfall

3.2 The Black Country Plan began its preparation process in summer 2017, with the publication of an Issues and Options consultation to commence the review of the Plan. This initial document, based upon the Black Country EDNA 2017, identified a gap between employment land needs and supply of up to 300ha across the Black Country. Since then the

<sup>&</sup>lt;sup>2</sup> West Midlands Strategic Rail Freight Interchange: Employment Issues Response Paper – Whose need will the SRFI serve? (Stantec, Feb 2021)

employment land shortfall identified by the Black Country authorities has altered in its exact amount, but remains significant at around 280ha to 2042 in 2024.

- 3.3 The Association of Black Country Authorities sent further correspondence in August 2020 (Appendix 1) to neighbouring local authorities and those within the GBBC housing market area, outlining a shortfall of employment land from the Black Country.
- 3.4 The evidence which informed the Draft Black Country Plan consultation in 2021 indicated that the employment land shortfall had fallen since 2017 but remained significant at around 210ha of land to be exported through the Duty to Cooperate process. The Draft Plan suggested this should be informed through an update to the Black Country EDNA and distributed to authorities with a strong existing or potential functional economic relationship with the Black Country, for example in terms of migration patterns, commuting links and / or connectivity through physical infrastructure such as rail and motorway links.
- 3.5 In April 2022 the Association of Black Country Authorities wrote to neighbouring local authorities and those within the GBBC housing market area (Appendix 2). This letter requested clarification that all opportunities to accommodate unmet employment land needs had been explored through the preparation of their local plans. The letter also asked these local authorities to participate in an update to the West Midlands Strategic Employment Sites Study 2021. This letter also indicated that the Black Country employment land shortfall had fallen to around 108ha, through the contributions to the BCLAs from the West Midlands Interchange and the proposed contribution from Shropshire Regulation 19 Local Plan. This letter asked the local planning authorities to enter into a Statement of Common Ground with the BCLAs to regularise their positions on their agreement to contribute towards unmet employment needs arising in the Black Country.
- 3.6 In October 2022, the Black Country Councils confirmed that work on the Black Country Plan had ceased, and that the four Council's would be preparing individual Local Plans. Evidence to support these individual Local Plans has been updated through the Black Country EDNA 2022, the Employment Land Need Assessment 2020-2041 (October 2023) and the Black Country Economic Development Needs Assessment Update (November 2024). This most recent update confirms an employment land shortfall of 257.35ha to 2041 and 280.45ha to 2042 (not taking into account contributions from neighbouring areas). For employment land, due to the strong economic relationships evidenced through the studies outlined above, the BCLAs will continue to work together so that any surpluses of land against locally generated need within one BCLA will contribute towards meeting needs across the FEMA as a whole, and contributions from local authorities outside the FEMA similarly apportioned to meeting FEMA wide needs and not 'allocated' to the individual BCLAs.

<u>Contributions to date to the Black Country authorities shortfall from areas with strong or</u> moderate economic transactions with the Black Country

3.7 The Black Country EDNA 2017 and 2021 concluded that the four Black Country local authorities comprise a separate and self-contained FEMA. It also identifies eight local authority areas outside of the Black Country's FEMA with strong or moderate functional

economic links with the Black Country. And these are listed in paragraph 1.2. As noted in paragraph 2.1 this evidence has yet to be tested at examination.

- 3.8 Through the preparation of the Black Country Plan, and the individual Local Plan preparation undertaken by each of the Council's, the BCLAs have engaged with those eight local authorities to secure contributions towards the Black Country employment land shortfall, where possible.
- 3.9 In the case of South Staffordshire, the district has historically had an oversupply of employment land which has contributed towards the unmet needs of the wider region. This has been reflected in historic local plans, such as the district's Site Allocations Document 2018, which allocated modest extensions to the district's strategic employment sites to address regional unmet needs from beyond the district. South Staffordshire's emerging Local Plan Review also identified a surplus employment land supply against South Staffordshire's own needs, as set out in the South Staffordshire Regulation 19 Publication Plan consultation in 2022. South Staffordshire formally indicated to the Black Country through their Duty to Co-operate correspondence that their 36.6ha oversupply could contribute to the unmet employment land needs arising within the Black Country FEMA. This position was subsequently set out in the Statement of Common Ground (SoCG) in November 2022 which was signed by Cannock, Dudley, South Staffordshire and Wolverhampton. The August 2024 SoCG covering the South Staffordshire FEMA superseded this previous November 2022 SoCG.
- 3.10 Since South Staffordshire Council consulted on its Publication Plan 2022, the Council paused its plan preparation to await clarity on proposed changes to national planning policy. This pause meant that it was no longer possible to submit the 2022 plan for examination given elements of it were no longer supported by up to date evidence and the plan's end date (2039) would be inconsistent with national policy requiring Local Plans to cover 15 years post adoption. Given this, in September 2023 South Staffordshire Council published an updated Local Development Scheme setting out its intention to undertake a further Regulation 19 consultation in Spring 2024, which facilitated a need to update a number of evidence-based documents, including an update to the South Staffordshire EDNA which means that the supply/demand balance for employment land in the district was revisited. This updated evidence confirms that South Staffordshire has a surplus of 27.6ha which increases to 45.2ha of employment land when incorporating a new proposed allocation at Junction 13 of M6. This surplus land is available to meet needs arising in the Black Country, and was reflected in Policy DS4 of South Staffordshire Council's April 2024 Regulation 19 Local Plan. This plan was subsequently submitted for examination on 12th December 2024...
- 3.11 In addition, the submitted Regulation 22 Plan allocates the consented land at the West Midlands Strategic rail freight Interchange. Though situated in South Staffordshire, WMI serves a wider market area including the Black Country. The South Staffordshire EDNA recommends that 18.8ha of WMI is required to meet needs arising in South Staffordshire and that the balance of 174.2ha is available to meet needs arising in the wider market area. The Stantec Report 2021 on the apportionment of the consented land at WMI recommends that a minimum of 67ha should be allocated to meet needs arising in the Black Country.

- 3.12 This 67ha figure could increase if other local authorities within the WMI travel to work area do not require their 'share' of the site's considerable land supply. The Black Country Council's are working with other local authorities within the WMI travel to work area to understand whether more land from WMI might contribute towards Black Country FEMA shortfalls. Hence this 67ha is considered to be the minimum contribution at this stage.
- 3.13 The total quantum of land identified in the South Staffordshire Regulation 22 Plan and consented at WMI that is an 'oversupply' against local needs and available to meet Black Country FEMA needs is therefore a minimum of 112.2ha. This is confirmed in the August 2024 Statement of Common Ground between the South Staffordshire Functional Economic Area authorities (South Staffordshire, Stafford, Cannock Chase, Wolverhampton, Walsall and Dudley) and Sandwell Council which is the only local authority in the Black Country FEMA located outside the South Staffordshire FEMA.
- 3.14 To date none of the other seven local authority areas with which the Black Country has strong or moderate economic transactions have proposed surplus employment land contributions towards the Black Country's employment land shortfalls. The reasoning and context for these positions is set out in Section 4 below.

<u>Contributions to date from areas outside of the Black Country FEMA and areas of strong /</u> moderate economic transactions

- 3.15 The Black Country EDNA 2021 also identifies Shropshire Council as having strong labour market linkages with the Black Country. Shropshire Council has proposed a contribution of 30ha to the Black Country's employment land shortfall in their emerging Local Plan. This is identified in the SoCG 2021 with the BCLAs
- 3.16 The emerging Stafford Borough Local Plan does not identify any surplus of employment land to be exported through the Duty to Co-operate.
- 3.17 Currently there are no other contributions proposed from other local authorities related to the Black Country, although this is a matter of ongoing Duty to Co-operate discussions between the Black Country authorities and those areas.

#### 4. Current position of signatory authorities on the Black Country FEMA shortfall

4.1 The purpose of this section is to set out the position of individual local authorities as to how they intend to address the emerging shortfalls within the Black Country FEMA and areas which have an evidenced functional economic relationship with the Black Country through their local plan reviews, including the work undertaken by each local authority to date. The wording provided for each authority represents the views of the authority concerned.

South Staffordshire District Council's position

- 4.2 South Staffordshire has been clear in Duty to Co-operate correspondence since 2018 that it will contribute surplus employment supply above its own needs to reduce the unmet needs of the Black Country authorities.
- 4.3 Given the context outlined in paras 3.8-3.11, South Staffordshire Council considers that there is a minimum of 112.2ha of surplus employment land within South Staffordshire which could contribute to addressing the Black Country's employment land shortfall. As set out in previous Duty to Co-operate correspondence the District Council does not consider there is further suitable employment land to reduce this shortfall further within its administrative area, which reflects the findings of the Employment Site Assessment Topic Paper 2024.
- 4.4 South Staffordshire now expects that the Black Country authorities, either collectively or individually, must continue to approach the other seven local authority areas identified as having strong or moderate economic links with the Black Country in the Black Country EDNAs 2017 and 2021. It must do this to identify how these authorities can now increase their land supply contribution to address the Black Country's employment land shortfall.
- 4.5 South Staffordshire Council is one of the partner authorities for the West Midlands Strategic Employment Sites Study 2024. Given the stage of plan making when this study was finalised, the Council will consider the reports findings and respond to them through future local plan reviews.

#### Cannock Chase District Council's position

- 4.6 Throughout the development of the emerging Cannock Chase Local Plan, it was communicated through Duty to Cooperate discussions that it was uncertain whether the employment needs of the District could be met within the Districts boundary. CCDC explored whether other authorities could address the shortfall in employment land need. Working with South Staffordshire District Council, it was determined that 10ha of the West Midlands Strategic Rail Freight Interchange Site could be apportioned to the employment land supply for Cannock Chase. No additional capacity from other local authority areas was identified.
- 4.7 The 2024 update to the Employment Development Needs Assessment informed the final target of 74ha employment land need in the Local Plan covering the period to 2040. In order to meet the employment need of the District in full; two strategic employment sites have been proposed for release from the Green Belt in the Reg. 19 Local Plan. There is no surplus capacity to accommodate unmet need for the Black Country through the emerging plan, which was submitted for examination in November 2024.

#### Stafford Borough Council's position

4.8 Stafford Borough Council's latest Regulation 18 Preferred Option consultation 2022 sets out the Borough's current position on employment land provision. This indicates there is no surplus in employment land provision to be exported through the Duty to Cooperate to the Black Country. Stafford Borough Council does not require the 8ha share of the West

Midlands Interchange attributed to the borough in the work to apportion land from that site<sup>3</sup>.

#### Birmingham City Council's position

- 4.9 The Birmingham Local Plan Preferred Options Report identifies a shortfall of land to meet identified employment land needs. It is possible that the City will be able to meet its needs in full and it is unlikely that the City Council will be able to make a meaningful contribution to the unmet employment land need in the Black Country FEMA area.
- 4.10 Birmingham will continue to work with the Black Country Authorities, as well as other authorities which make up the relevant FEMA, to identify and implement an approach to tackle how such shortfalls are to be accommodated. The Council will continue to promote and encourage further work to provide a strategic approach to the supply and delivery of employment land. This may require and include further studies across the wider West Midlands.

#### Wyre Forest District Council's position

4.11 Wyre Forest District Council are unable to confirm at this stage whether the new Local Plan will be able to contribute towards wider unmet needs. The Council will actively seek to accommodate unmet needs from the Black Country FEMA through the preparation of the Local Plan.

#### Tamworth Borough Council's position

4.12 Tamworth Borough Council is unable to meet its own employment land need and is unable to confirm at this stage whether the new local plan will be able to do so. The Council will continue to engage with the other authorities party to this agreement as the new plan progresses.

#### Lichfield District Council's position

4.13 Lichfield District Council are unable to confirm at this stage whether the new Local Plan will be able to contribute towards wider unmet needs. Indeed, emerging evidence indicates that the district is likely to be in a position where its potential supply of employment land is limited and may not be sufficient to meet either its own needs or wider needs. In August 2024 Lichfield District Council confirmed in a response to the Black Country authorities that the proportion of the WMI which the 2021 West Midlands SRFI Employment Issues Response Paper suggested could be apportioned to Lichfield may be required towards Lichfield's own needs.

#### Bromsgrove Council's position

4.14 Bromsgrove District Council are unable to confirm at this stage whether the new Local Plan will be able to contribute towards wider unmet needs. The Council will actively

<sup>&</sup>lt;sup>3</sup> West Midlands Strategic Rail Freight Interchange: Employment Issues Response Paper – Whose need will the SRFI serve? (Stantec, Feb 2021)

investigate its ability or otherwise to accommodate unmet needs from the Black Country FEMA through the preparation of the Local Plan.

#### **Shropshire Council's position**

4.15 On the adoption of the Shropshire Submission (Regulation 19) Local Plan, Shropshire Council proposes to contribute 1,500 dwellings and 30 hectares of employment land in Shropshire towards unmet development needs in the Black Country. Shropshire Council remains committed to the delivery of these proposed contributions which are identified in the Statement of Common Ground with the Black Country Authorities. Shropshire Council wish to confirm that their proposed contributions of 1,500dws (as distributed in the GBBCHMA SoCG section 5) and their 30ha employment land provision are dependent on the adoption of the Shropshire Submission (Regulation 19) Local Plan, otherwise these contributions towards unmet needs in the Black Country will not be provided. Shropshire Council recognise that the remaining unmet development needs in the four Black Country Authorities should primarily be addressed within the GBBCHMA and the BCSSFEMA to meet these development needs within or close to the principal housing and employment market areas. Any consideration of further contributions from Shropshire as part of future Local Plan Reviews will need to reflect updates to Shropshire's own employment land and housing needs and its ability to accommodate these needs within its administrative boundary

#### Summary of key issues relating to the Black Country FEMA

- There remains a shortfall of around 257.3ha of employment land to 2041 and 280.45ha of employment land to 2042 arising cumulatively from the Black Country FEMA (Wolverhampton, Walsall, Dudley and Sandwell).
- South Staffordshire, Lichfield, Tamworth, Cannock Chase, Birmingham, Solihull, Bromsgrove and Wyre Forest are identified in the 2017 and 2022 update of the Black Country EDNA as areas outside of the Black Country FEMA which nonetheless have strong or moderate economic links with this geography.
- Work undertaken as part of the Shropshire Local Plan has identified an economic relationship between Shropshire and the Black Country, confirmed in the Shropshire Economic Development Needs Assessment (2021).
- The Stafford Borough Local Plan Economic and Housing Development Needs
   Assessment (EHDNA) 2020 identifies some overlap with the Wolverhampton Travel
   to Work Area, recognised in representations submitted by the BCLAs to the
   emerging Stafford Borough New Local Plan Issues and Options in 2020, and by the
   individual Council's in 2022 through the preferred options stage.

#### Summary of key areas of agreement

- The Black Country FEMA's shortfall is significant and requires cross-boundary working with local authorities within and outside of the Black Country FEMA in order to be addressed.
- Duty to Co-operate discussions with all local authorities identified as having a strong
  or moderate economic relationship with the Black Country FEMA and other areas
  with which there is an evidenced functional relationship should continue to be
  progressed to identify further options to address the area's shortfall.
- The 2024 update to the West Midlands Strategic Employment Sites Study will inform future Duty to Co-operate discussions over the need for, scale of, location and phasing of additional strategic employment sites to meet the needs identified. The SESS examines the need for large sites (around 25ha and above) that can meet both local and wider needs. Given the stage of plan making that a number of authorities subject to this Statement are at, it is considered appropriate that those authorities at (or more advanced than) Regulation 19 stage, consider the studies findings through future Local Plan Reviews.
- The BCLAs consider South Staffordshire District Council's proposed contribution to unmet employment land needs (112.2ha minimum) to be proportionate.
- The BCLAs consider Shropshire Council's proposed contribution to unmet employment land needs (30ha) to be proportionate.
- The contributions from South Staffordshire and Shropshire reduce the Black Country employment land shortfall to 115.1ha of employment land to 2041 and 138.2ha of employment land to 2042.

6. Future work streams to address key issues and areas where an agreement is still being sought

6.1 There is considerable variety in the progress and status of local plans across the Black Country FEMA, those areas with strong or moderate economic transaction with the Black Country and other areas with a functional economic relationship with the Black Country. The position on the unmet employment land needs of the Black Country is likely to change over time as plan-making within that area progresses. Notwithstanding this complexity, the signatories to this statement will seek to engage proactively and positively on employment land shortfalls, seeking to maximise agreement on the approach to distributing any shortfalls and using shared evidence bases wherever possible.

6.2 It is anticipated that the following key steps will be required to address the outstanding issues identified in this section:

- The Black Country authorities will continue to approach authorities where contributions have not been secured to request evidence of ability to assist with unmet employment needs.
- For those areas where contributions have not been secured, and where these local plans have not yet been submitted for Examination, the respective local authorities will consider whether opportunities for contributions should be tested, having regard to up to date evidence, and subject to the requirements of the Development Plan system and Government guidance in place at that time.
- For those areas where contributions have been secured, or where Local Plans have not made a contribution but are subject to Examination following their submission, the respective local authorities will consider through future Local Plan reviews whether opportunities for further contributions should be tested, having regard to up to date evidence, and subject to the requirements of the Development Plan system and Government guidance in place at that time..
- The findings and recommendations of the West Midlands Strategic Employment Sites Study 2024 will be fully considered by all local authorities within the study area identified in that work.<sup>4</sup>
- The Black Country authorities will continue to understand the extent to which the consented land at West Midlands Interchange is required to meet needs arising across the market area and whether any surplus exists that could be redistributed to meet needs arising in areas with an evidenced shortfall of employment land.

<sup>&</sup>lt;sup>4</sup> For those authorities at an advanced stage of plan making (i.e Regulation 19 stage or more advanced) it is considered appropriate that that the findings and recommendations of the study are considered through a review of their current emerging Local Plan.

Signatories
Dudley Metropolitan Borough Council
Name:
Position:
Date:
Sandwell Metropolitan Borough Council
Name:
Position:
Date:
Walsall Metropolitan Borough Council
Name:
Position:
Date:
City of Wolverhampton Council
Name:
Position:
Date:
South Staffordshire District Council
Name:

Position:
Date:
Stafford Borough Council
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Cannock Chase District Council
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Lichfield District Council
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Tamworth Borough Council
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Birmingham City Council
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Solihull Borough Council
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Date:
Bromsgrove District Council
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Wyre Forest District Council
Name:
Position:
Date:
Shropshire Council
Name:
Position:

Date:

Appendix 1 – August 2020 Duty to Cooperate correspondence from the Black Country



Our Ref: HP/CW
Date: 4 August 2020
Please ask for: Christine Williams
Direct Line: 01922 652089

Dear Colleagues

## Black Country Plan Review Duty to Co-operate: Strategic Housing and Employment land Issues

As you will be aware, the Black Country Authorities are currently in the process of reviewing the Black Country Core Strategy, which is now called the Black Country Plan. As a key part of this review we completed our Issues and Options consultation in September 2017, which included a call for sites. In light of the impacts of Covid-19 we have now published a revised timetable for the Black Country Plan review (https://blackcountryplan.dudley.gov.uk/t2/p1/).

In line with the new timetable, we are now finalising evidence and preparing a Draft Plan for consultation in summer 2021. We aim to produce a Publication Plan in summer 2022 and adopt the Plan in early 2024. In order to ensure the adopted Plan covers a period of at least 15 years we will be extending the Plan period to 2039.

We are keen to continue to work with neighbouring authorities, including yours, on strategic matters. You may recall that we contacted you in July 2018 asking your authority to consider whether it would be able and willing to accommodate any identified housing or employment land needs arising from the Black Country. We were pleased to receive a number of positive responses to this request and note that a number of authorities have since progressed their Local Plan reviews in a consistently positive manner. We also held a Duty to Co-operate meeting in January 2020 when we took the opportunity to update neighbouring authorities on key strategic planning matters.

The purpose of this letter is to provide a further update on the strategic issues of housing and employment land needs arising in the Black Country over our Plan period, and how these can be met, and to ask your authority to respond to specific questions on these issues. These are the most pressing strategic issues which we need to address to enable us to fully develop our Draft Plan, in line with the new timetable.

#### Strategic Housing Issues

Our most recent housing evidence, summarised in the Black Country Urban Capacity Review (UCR) 2019 (https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4c/), sets out our estimated housing need up to 2038. Whilst we acknowledge that this figure may change following the anticipated Government review of the Standard Methodology and will need to be extended by a year to cover the new Plan period, we are certain that we will not be able to accommodate all of our identified housing needs within the urban area of the Black Country.

This view is supported by our urban housing supply estimates, which are detailed in the 2019 UCR. The UCR continues to focus on a brownfield first approach, building on the success of the current strategy, and making every endeavour to accommodate as much of our development needs as possible in our urban areas before considering other locations in the Black Country or beyond. However, even by increasing densities and looking to other sources of urban land supply, it is clear that we cannot accommodate all our housing needs within the urban area. Current estimates are that we have a shortfall in the region of 27,000 homes up to 2038. We are in the process of updating the UCR to reflect the most up-to-date information and hope to publish this update by the end of the year. However, it is very unlikely that this update will result in a significant increase in urban housing supply over the Plan period.

#### Strategic Employment Land Issues

Turning to employment land, the Black Country economy has been performing well and is considered strong. Our future employment land requirement ranges between 592 ha (baseline growth) and 870 ha (aspirational growth based on West Midlands Combined Authority SEP). Our existing urban employment land supply (including recent completions) provides approximately 300 ha of land, leaving a shortfall of between 292 ha and 570 ha, depending on the growth scenarios applied. As is the case with our approach to housing land, we are considering all opportunities to bring forward additional employment land within the urban area including a review of opportunities within our existing employment areas through the Black Country Employment Area Review (BEAR). While this work will yield some additional capacity, it will not make a significant impact upon addressing our unmet need.

#### Potential contributions from Non-Green Belt Areas

The Black Country clearly has development needs which cannot be met within the non-green belt areas of the Black Country. In this event, national policy (reference NPPF para 137) requires that, if there are non-green belt areas in neighbouring authorities which can be brought forward to meet Black Country development needs, these should be clearly identified first, before considering release of land from the green belt. To date, no existing adopted Local Plans are making such a contribution.

Therefore, we would request that your authority confirms if your existing or emerging Local Plan is seeking to deliver levels of housing and / or employment land in excess of local needs on non-green belt land and, if so, whether any particular sites are being promoted that, due to their location and accessibility, could reasonably be attributed to meeting part of the housing or employment land needs of the Black Country up to 2039.

#### **Green Belt Areas**

The Black Country authorities have undertaken a Green Belt and Landscape Sensitivity Assessment, which has shown that the Black Country Green Belt makes a principal contribution towards Green Belt purposes and its capacity to undertake large-scale development is limited.

Whilst we have still to finalise our site assessment, viability and delivery work, we envisage that market deliverability will limit the capacity of the Black Country Green Belt up to 2039. This assumption is based on the case of the Birmingham Plan, where the Peter Brett Associates (PBA) Delivery Study¹ concluded that market deliverability placed significant constraints on the amount of housing which could be delivered in the Birmingham Green Belt up to 2031. These constraints reduced the actual capacity of the urban extension identified in the Plan consultation from 10,000 to 5,000 homes, over the 15 year period of the Plan². This assumption was based on a strong housing market recovery scenario in one of the strongest housing markets areas in the West Midlands.

As the majority of the Black Country Green Belt is located primarily in Walsall and, to a lesser extent, in Dudley, these are the two main housing market areas for potential delivery of housing in the Green Belt, with only small amounts of housing potential in Wolverhampton and Sandwell. Therefore, based on a scenario that there was sufficient unconstrained capacity identified in the Black Country Green Belt, a Delivery Study based on similar principles to that completed for Birmingham, may reasonably conclude that the housing market areas in Dudley and Walsall could only be expected to deliver up to a maximum of 5,000 homes in each of the two boroughs (providing a maximum total of 10,000 homes) over the 15-year Plan period. We hope to publish further delivery evidence to refine this figure by the end of the year. On the basis of this approach, the Black Country is facing a 'gap' of some 17,000 homes that cannot be accommodated within the Black Country.

Turning to employment, the call for sites stage identified few additional sites for consideration on land within the Black Country Green Belt. We are considering

 $https://www.birmingham.gov.uk/downloads/file/1211/strategic\_housing\_market\_assessment\_2013\_housing\_targets\_2011\_to\_2031\_technical\_paper$ 

https://www.birmingham.gov.uk/downloads/file/1750/pg3\_housing\_delivery\_on\_green\_belt\_options\_2013pdf

these proposals but it is not anticipated that this will provide significant additional capacity.

Taking into account the likely housing and employment land capacity of the Black Country Green Belt, even if the maximum contributions from neighbouring authorities set out in the Duty to Cooperate table above are brought forward, there remains a significant level of unmet need in the order of at least 4,500 - 6,500 homes and up to 292 ha-570ha of employment land.

Therefore, we would request that your authority confirms if your existing or emerging Local Plan is seeking to deliver levels of housing or employment land in excess of local development needs on land currently designated as green belt and, if so, whether any particular sites are being promoted that, due to their location and accessibility, could reasonably be attributed to meeting part of the housing or employment land needs of the Black Country up to 2039.

#### **Duty to Cooperate progress**

As set out above, we were pleased to receive a number of positive responses to our Duty to Cooperate letter of July 2018 and a number of authorities have since progressed their Local Plan reviews in a consistently positive manner. Potential contributions to housing and employment land from neighbouring authorities indicated through our engagement under the Duty to Cooperate to date are summarised in the table below:

Local Plan and timescale	Plan stage	Potential housing contribution	Potential employment land contribution (ha)
South Staffordshire	Issues and Options (November 2018) & Spatial Housing Strategy and Infrastructure Delivery consultation (October 2019)	Up to 4,000* (majority Green Belt release)	Contributions to be sought from District's employment land surplus, including West Midlands Interchange (majority Green Belt release)**
Lichfield	Preferred Options (November 2019)	Up to 4,500* (part may be outside the Green Belt)	0
Cannock	Issues and Options (May 2019)	Up to 500-2,500* (all Green Belt release)	0
Shropshire	Publication (Summer 2020)	1,500 (may be outside the Green Belt)	0
Total		Up to 10,500- 12,500	TBD**

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\* - potential contribution to needs arising across the Birmingham and Black Country Housing Market Area and not at this stage wholly apportioned to the Black Country.
\*\* dependent on the outcome of ongoing work to determine the extent of surplus South Staffordshire Green Belt employment land release that can reasonably be attributed to the Black Country's employment land needs

This suggests that the combined housing and employment land capacity of nongreen belt areas and green belt in neighbouring authorities is unlikely to be sufficient to address Black Country housing and employment land shortfalls up to 2039.

#### Statement of Common Ground

Looking ahead to the Duty to Cooperate work needed to support the emerging Black Country Plan, we would like to invite your authority to take part in developing a single Statement of Common Ground (SoCG) covering strategic issues for the Black Country Plan up to 2039, with the initial focus on housing and employment land issues.

We are keen to involve as many relevant authorities as possible in developing the strategic housing and employment land related parts of the SoCG, including Greater Birmingham and Black Country Housing Market Area authorities and other neighbouring authorities with an existing or potential housing market or functional economic relationship to the Black Country. The SoCG will evolve as the BCP review progresses, and it is intended to agree and publish an up-to-date SoCG for each key stage of the review process.

We hope that the SoCG will ultimately be supported by a separate agreement on strategic housing issues between relevant authorities, setting out how and where the combined Black Country and Birmingham housing shortfalls will be met over the Black Country Plan and Birmingham Plan review periods, which can be relied upon at our Examinations in Public and form the basis for partnership working in the years following the adoption of our Plans.

#### Timetable for Responses

We ask that you consider the requests set out in this letter and respond in writing to: <a href="mailto:blackcountryplan@dudley.gov.uk">blackcountryplan@dudley.gov.uk</a> within two months of the date of this letter. If you wish to discuss the contents of this letter before responding, by phone or at a meeting, please get in touch. We appreciate that this letter may raise difficult issues that need thorough consideration from both officers and Councillors. However, given the time that has already passed since the Black Country initially identified a significant housing shortfall in 2018 and the wider work already undertaken across the Greater Birmingham Housing Market Area, we would be grateful if you could adhere to these timescales. If you anticipate a delay in being able to provide a response, it would be helpful if you could let us know as soon as possible.

We will be inviting your authority to attend a meeting in October 2020 to discuss the responses we have received to this letter and to agree a way forward, with the view to developing a Statement of Common Ground to accompany the Draft Black Country Plan by spring 2021.

Given the need to adhere to the current Black Country Plan timetable, if we do not receive a response from your authority on these issues by September 2020 we will assume that your authority is not considering making a contribution towards Black Country housing or employment land needs and does not wish to take part in developing our Statement of Common Ground, and this will be noted in our Duty to Cooperate records.

We look forward to working with you on strategic matters during the course of our review work.

Yours sincerely

Councillor Patrick Harley Leader

4 Apl

Dudley Metropolitan Borough Council

Councillor Mike Bird

Leader

Walsall Metropolitan Borough Council

Councillor Maria Crompton Deputy Leader Sandwell Metropolitan Borough Council Councillor Ian Brookfield Leader City of Wolverhampton Council

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Appendix 2 – April 2022 Duty to Co-operate correspondence from Black Country	



Our Ref: HP/CW Date: 26 April 2022

Dear Colleagues,

### Black Country Plan Review Duty to Cooperate: Strategic Housing and Employment land issues

The Black Country Authorities (BCAs) are progressing the Black Country Plan (BCP) which will replace the Black Country Core Strategy as the overarching strategic planning and regeneration strategy for the area.

You may recall that we contacted neighbouring authorities including yours, in July 2018 and again in August 2020, to request assistance in accommodating identified housing and / or employment land needs arising from the Black Country. We received a number of positive responses to this request and note that a number of authorities have since progressed their Local Plan reviews in a consistently positive manner. We have also held Duty to Cooperate meetings in January 2020, June 2021 and August 2021 – the latter alongside the commencement of the BCP Regulation 18 consultation.

We were also fully supportive of South Staffordshire Council's convening of a meeting of all local authorities in the Greater Birmingham, Solihull and Black Country Housing Market Area (the HMA) and other neighbouring authorities with a functional relationship with the HMA in December 2021. The BCA suggested a series of actions in advance of that meeting, building on our Duty to Cooperate engagement to date, and which are directly relevant to our strategy of working with you to ensure that the Black Country evidenced growth needs can be met in full.

The purpose of this letter is to update you on progress with the BCP and to outline next steps. We also set out our strategy for ongoing engagement through the Duty to Cooperate with a focus on strategic housing and employment land issues. This includes a set of proposals which we are seeking your response to by way of a series of specific requests.

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#### Recent progress

- The Regulation 18 BCP consultation took place between August and October 2021. We received around 20,800 responses and all of the representations can be viewed online via the link - <a href="https://blackcountryplan.dudley.gov.uk/bcp/">https://blackcountryplan.dudley.gov.uk/bcp/</a>. The bulk of feedback centred around the potential use of green belt land for development and we are currently reviewing all of the responses to inform the preparation of the Regulation 19 BCP programmed for consultation in the Autumn of this year.
- We received responses from a number of neighbouring authorities Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull, South Staffordshire, Stafford, Staffordshire and Worcestershire. These representations raised a variety of issues at a strategic level, recognising the broad scale of the shortfall and the need for ongoing and better aligned engagement going forward, in order to ensure a consistent and fair approach be taken to address longer term needs once the final shortfalls are confirmed.
- The next sections of this letter summarise the current scale of the housing and employment land shortfalls and how we intend to address them.

#### Strategic Housing Issues

- 4. The Regulation 18 BCP identifies a housing shortfall of 28,234 homes over the period 2020-39 (16,346 by 2031 and 11,888 2031-39). This shortfall is based on the most up to date local housing need (including the 35% uplift for Wolverhampton), the most recent housing monitoring information and land supply on sites allocated in the draft BCP including land currently designated as green belt. The Regulation 18 BCP proposes that this shortfall is addressed via the Duty to Cooperate through 'exporting' to sustainable locations in neighbouring areas.
- 5. As part of the preparation of the Regulation 19 BCP, we are undertaking further evidence gathering in relation to urban land supply. This will involve an update of the existing Urban Capacity Study including a detailed assessment of the implications of the ongoing restructuring of some retail and commercial sectors which may 'free up' space in town and city centres. However, the scale of any additional capacity is likely to be limited and is not anticipated to make significant headway into the shortfall outlined above.
- As set out above, through the Duty to Cooperate, we are pleased that some Local Plans have responded positively to our request initially raised in 2018 for assistance in addressing our future growth needs. Potential contributions through our Duty to Cooperate engagement to date are outlined in the table below.

Table 1 - Duty to Cooperate contributions (in order of Local Plan progress)

Local Plan	Status	Potential contribution to meeting Black Country housing needs	Comments
Solihull	Submission (May 2021) Examination underway	2,000 (minority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country, 2,000 HMA contribution noted by Local Plan Inspector February 2022. However, Solihull has a stronger functional relationship with Birmingham than with the Black Country.
Shropshire	Submission (September 2021) Examination underway	1,500 (all)	Contribution towards the Black Country only, confirmed in Statement of Common Ground (August 2021)
Lichfield	Publication (July 2021) Submission due April 2022	2,000 (all)	Contribution forms majority of 2,665 contribution to meet the needs of the HMA as a whole.
Cannock Chase	Preferred Options (March 2021)	Up to 500 (majority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country. However, Cannock Chase has a stronger functional relationship with the Black Country than with Birmingham.
South Staffordshire	Preferred Options (November 2021)	Up to 4,000 (majority)	Contribution is to meet needs arising across the whole of the HMA and not limited to the Black Country. However, South Staffordshire has a stronger functional relationship with the Black Country than with Birmingham.
Total		3,500-10,000	

- These Plans are providing for a minimum of 3,500 homes to specifically meet Black Country needs and up to some 10,000 homes to meet the needs of the HMA as a whole, a proportion of which will be available to the Black Country.
- 8. Of these HMA contributions, given the physical proximity and functional relationship between the Black Country and South Staffordshire, it is anticipated that the majority of the 4,000 contribution being tested through the South Staffordshire Local Plan could be available to meet Black Country needs. Conversely, given its relationship to Birmingham, we anticipate that the majority of the 2,000 home contribution from Solihull is unlikely to be available to meet needs arising in the Black Country. Under these scenarios, the contributions from the authorities listed in Table 1 could realistically provide up to some 8,000 homes towards meeting needs arising in the Black Country.
- 9. In addition, the highest growth scenarios set out in the earlier iterations of the Lichfield and Cannock Local Plans could also provide some 5,550 homes in excess of local needs (in comparison with the 3,165 currently offered). This additional capacity (3,000 homes in total over and above current contributions to the Black Country) has been highlighted by the BCAs and will be tested through the forthcoming Local Plan examinations.
- 10. Further contributions are being sought from Stafford (of up to 2,000 homes) and as yet undetermined contributions from Bromsgrove and Telford & Wrekin, both at the early stages of their Local Plan reviews. In the case of Telford and Wrekin, the higher growth option set out in the Issues and Options Report could provide some 3,700 homes over and above local needs, and the Black Country is well placed to provide a source of 'need' for this housing. The BCAs see this as being a minimum level of contribution given the historic role of Telford as a New Town to help address issues of overcrowding and living conditions in the West Midlands conurbation, and very high rates of housing completions over and above local needs in recent years. In total, this additional capacity from Stafford and Telford & Wrekin could provide some 5,700 homes towards meeting needs arising in the Black Country.
- Taking into account this potential extra capacity of up to some 8,700 homes from Stafford, Telford & Wrekin, Lichfield and Cannock, added to current potential contributions (around 8,000 homes), could provide up to some 16,700 homes to meet needs arising in the Black Country.

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12. Going forward, it is critical that those contributions currently expressed as meeting needs arising across the HMA as a whole are apportioned to individual Local Plans areas through Statements of Common Ground to provide the BCAs with certainty over the scale of contributions that is available to meet our shortfall. However, even in the event of a contribution being secured at the higher end of the range of scenarios outlined above, a significant 'gap' of some 11,500 homes would remain for the Black Country up to 2039 (with a proportion of this gap arising before 2031). It is therefore critical that additional sources of land must be identified through the Duty to Cooperate if the Black Country is able to show how its identified growth needs can be accommodated.

Request 1 - We request that any contributions that your authority is making to meet the needs of the HMA as a whole includes an apportionment to solely address needs arising in the Black Country.

Request 2 – We request that you provide confirmation that you have either explored all opportunities to accommodate unmet housing needs arising in the Black Country within your Local Plan work, or that you will actively test opportunities going forward.

#### Strategic Employment Land Issues

- 13. As is the case with housing needs, the Black Country is unable to meet its identified employment land requirements in full. The Black Country Plan employment land shortfall to 2039 is 210ha as set out in the Regulation 18 Black Country Plan this figure the difference between the need of 565ha and an anticipated supply of 355ha. This is consistent with the employment land requirement set out in Policy EMP1 of the draft Black Country Plan and section 4 of the 2021 Black Country EDNA. Para 2.22 of the 2021 EDNA recommends that the split of employment land provided for by the Plan comprise around 30% of B8 activity and 70% for E(g)(ii)(iii)/B2 use class. This means that the total B8 requirement is 170-176ha and for E(g)(ii)(iii)/B2 a requirement of 396-410ha. We are reviewing these requirements in the light of updated economic projections which include a more up to date understanding of the CV-19 recession recovery trajectory. This work may result in a refinement of the requirements but it is highly likely that our shortfall will remain.
- 14. In accommodating this shortfall, in the first instance we will look to those authorities within the areas of strong economic transactions with the Black Country (South Staffordshire and Birmingham) and areas of moderate economic transactions with the Black Country as identified in the 2017 EDNA (Cannock Chase, Lichfield, Tamworth, Solihull, Bromsgrove and Wyre Forest). In addition, the Shropshire Economic Development Needs Assessment (December 2020) highlights strong labour market linkages between Shropshire and the Black Country.

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- 14. In accommodating this shortfall, in the first instance we will look to those authorities within the areas of strong economic transactions with the Black Country (South Staffordshire and Birmingham) and areas of moderate economic transactions with the Black Country as identified in the 2017 EDNA (Cannock Chase, Lichfield, Tamworth, Solihull, Bromsgrove and Wyre Forest). In addition, the Shropshire Economic Development Needs Assessment (December 2020) highlights strong labour market linkages between Shropshire and the Black Country.

- 15. At this stage, we would not identify a specific functional geography for addressing the E(g)(ii)(iii)/B2 shortfall as distinct from the B8 element of the shortfall, but recognise the consented West Midlands Interchange site is reserved exclusively for B8 activity. With this in mind, we refer you to the West Midlands Interchange Apportionment Study produced by Stantec to support the Black Country Plan and published earlier this year (<a href="https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/">https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/</a>). This suggests that a minimum of some 67ha of land at West Midlands Interchange could be apportioned to meet needs arising in the Black Country, with the potential for a larger contribution if other areas within the market area are able to meet their B8 needs in full. This would suggest that the quantitative B8 shortfall could be largely satisfied by this site should the programmed South Staffordshire EDNA update confirm a surplus of employment land against local needs. This could reduce the Black Country employment land shortfall to 138ha. Any additional surplus of employment land arising from the South Staffordshire EDNA update would reduce the shortfall further.
- 16. In terms of other potential contributions, the Shropshire Regulation 19 Local Plan is making a contribution of 30ha of employment land towards needs arising in the Black Country, reducing the shortfall to some 108ha. We are engaging with other emerging Local Plans through the Duty to Cooperate including Bromsgrove, Lichfield, Cannock, Telford & Wrekin, Solihull and Stafford, but no contributions have been put forward by those authorities and the BCAs will continue to press this matter through Local Plan examinations, particularly those authorities within the areas of strong economic transactions with the Black Country as listed above. We will also be seeking the participation of authorities listed in paragraph 14, and any others able to contribute to BCA employment shortfalls, in a Statement of Common Ground (SoCG) addressing this issue to inform the Black Country's Regulation 19 plan and will use the responses to this letter to inform the draft SoCG. As is the case with housing, additional sources of land supply must be identified if the Black Country is able to meet its growth needs in full.

Request 3 - We request that you provide confirmation that you have either explored all opportunities to accommodate unmet employment land needs arising in the Black Country within your Local Plan work, or that you will actively test opportunities going forward, and that you will be willing to enter into a Statement of Common Ground with the Black Country under the scope set out in paragraph 16 of this letter.

17. We draw your attention to the West Midlands Strategic Employment Sites Study (WMSESS) (<a href="https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/">https://blackcountryplan.dudley.gov.uk/t2/p4/t2p4b/</a>) published in 2021. The Report was produced by Avison Young and Arcadis consultants and commissioned by three of the West Midlands Local Enterprise Partnerships (the Black Country, Greater Birmingham and Solihull and Coventry Warwickshire) and Staffordshire County Council. The Study updates the 2015 West Midlands Strategic Employment Sites Study which identified a demand for strategic employment sites in the West Midlands, but a lack of suitable sites.

- 18. The Study advises that based on evidence of past trends in relation to take-up, and assuming that no additional strategic employment sites are brought forward to replace those that remain, the supply of allocated and committed employment land would appear to represent a maximum of 7.41 years supply. As it was in 2015, this represents a limited supply of available, allocated and/or committed sites across the Study Area that meet the definition of 'strategic employment sites', and there is an urgent market demand for additional sites to be brought forward to provide a deliverable pipeline, noting the very substantial lead-in times for promoting and bringing forward such sites. The Study identifies five areas where strategic employment sites should be identified and this includes the Black Country and southern Staffordshire.
- 19. The Study makes a number of recommendations for further work. This is because the shortfall in the availability and future supply of strategic employment sites cannot be robustly quantified without an assessment of market dynamics and projected sector growth patterns through an econometric demand forecast, which would add materially to the findings of this Study and would inform the strategy for delivering a sufficient supply of strategic employment land. The Study has already been given weight in the Local Plan process most recently through the examination of the North Warwickshire Local Plan and the resulting Policy LP6 Additional Employment Land.
- 20. There is clearly a potential relationship between the need to address the Black Country employment land shortfall and the need to bring forward additional strategic employment sites as set out in the WMSESS. Through the HMA Group and liaison with those bodies who were party to the 2021 Study, a draft brief has been prepared to address the recommendations for the 2021 Study and strongly recommend that this work is progressed in partnership with the local planning authorities across the 2021 Study geography, and other areas which share a functional relationship with the Black Country, for example Shropshire.

Request 4 - We request that you indicate whether your authority is willing to participate in the further work to address the recommendations of the WMSESS.

#### Next steps

21. As set out above, there is a significant level of unmet need for housing and employment land to address evidenced Black Country growth requirements which cannot be met within the Black Country administrative area. There are three elements to our strategy to address the shortfall through the Duty to Cooperate and these are summarised below.

- 22. In the short term we will be continuing to engage with individual Local Plans to ensure 2018 Growth Study recommendations are maximised and to confirm current contributions to help address the Black Country shortfall, particularly in relation to those housing contributions which have been expressed at HMA level and not yet distinguishing a specific Black Country apportionment. For those Local Plans which are less progressed, we will engage in a positive and robust manner to ensure that the unmet needs of the Black Country are fully recognised and all opportunities to assist in meeting our needs are comprehensively explored. This will include opportunities identified in the 2018 Growth Study.
- 23. But these current workstreams may not address our needs in full, and we strongly recommend to you that there is a compelling need to address this matter in a comprehensive and inclusive manner across a wide but functional geography. We are also mindful of the forthcoming Birmingham Local Plan review and the potential for this to further increase the shortfall arising from the West Midlands conurbation. We outlined our suggestions on a potential programme of work as part of the 15<sup>th</sup> December South Staffordshire Duty to Cooperate meeting. This was shared with you in advance and we attach it to this letter. The key elements of this work programme are:
  - To review the extent of the HMA in order to understand if this is the most appropriate geography by which housing needs and mechanisms to accommodate any shortfalls can be considered;
  - To confirm the scale of the housing shortfall across the whole of the HMA over a period of at least 15 years to inform the approach taken by current and emerging Local Plan reviews.
  - A review of whether the growth locations identified in the 2018 Growth Study
    work remain appropriate and whether new growth areas should be identified
    for testing through Local Plan preparation. This work may well result in the
    need for a new Growth Study but we would not want to pre-judge the work
    before confirming that is the case.
- 24. This work programme is currently subject to ongoing discussions largely through the HMA officer group, and we recognise that the existing governance arrangements are in need of review to ensure that we have in place mechanisms to manage and oversee the implementation of this work. The nature of these governance arrangements and the parties involved should be informed by the evidence but at this stage, a Statement of Common Ground across the HMA geography and including other authorities which have a functional relationship with it which sets out the nature of how we work together going forward is essential. We strongly encourage your authority to fully engage in this work.

Request 5 - We request that you indicate whether your authority is willing to participate in the further work outlined in the bullet points above, and that your authority would be willing to confirm this commitment through a Statement of Common Ground and review of governance arrangements to deliver these actions.

- 25. Turning to employment land, as with housing we will pursue a Statement of Common Ground with functionally related authorities to both secure current contributions and engage with less progressed Local Plans through the Duty to Cooperate to establish potential for further contributions. We have set out the compelling need for a follow-up study to address the recommendations of the 2021 West Midlands Strategic Employment Sites Study and have asked if your authority would be willing to participate in this work and assist with its resourcing.
- 26. Common to both the housing and employment land shortfalls is the final element of our strategy for Local Plans to include an early review mechanism. This is important given the potential for there could continue to be a shortfall following the current round of Local Plan preparation. This shortfall should trigger the detailed evaluation of opportunities identified from the recommendations of the proposed work outlined above in relation to both housing and employment land through updated Local Plans. This approach has been used in a number of West Midlands Local Plans most recently Wyre Forest, Stratford on Avon and North Warwickshire. We consider that a failure to include an early review mechanism is a serious omission and must be addressed in order for the Plan to be sound.

Request 6 - We request that you indicate whether your authority is willing to consider the inclusion of a commitment to an early review mechanism in your emerging Local Plan to enable the consideration of additional growth opportunities outlined in the work listed above in a timely manner should this be necessary.

#### Timetable for responses

27. Moving forward, the BCAs are progressing the preparation of the Regulation 19 Plan having regard to the issues raised in the Regulation 18 consultation responses and evidence currently under preparation. This includes the Transport Study, updated urban capacity study and employment land update. The Transport Study in particular will provide us with a better understanding of the constraints and opportunities associated with the levels of and location of growth set out in the Regulation 18 Plan with potential implications for the development capacity of some sites.

28. To enable us to meet this timetable, and clear understanding of opportunities through the Duty to Cooperate is critical. We therefore ask that you consider the requests set out in this letter and respond in writing to: <a href="mailto:blackcountryplan@dudley.gov.uk">blackcountryplan@dudley.gov.uk</a> within six weeks of the date of this letter. If you wish to discuss the contents of this letter before responding, please get in touch. We appreciate that this letter may raise difficult issues that need thorough consideration from both officers and Councillors. However, given the time that has already passed since the Black Country initially identified a shortfall in 2018 and the wider work already being undertaken across the HMA, we would be grateful if you could adhere to these timescales. If you anticipate a delay is being able to provide a response, it would be helpful if you could let us know as soon as possible.

Yours sincerely

Councillor Patrick Harley

Leader

**Dudley Metropolitan Borough Council** 

Councillor Mike Bird

Leader

Walsall Metropolitan Borough Council

Councillor Kerrie Carmichael

Leader

Sandwell Metropolitan Borough Council

Councillor Ian Brookfield

Leader

City of Wolverhampton Council