

WEST MIDLANDS RSS PHASE TWO REVISION ADDENDUM TO PANEL REPORT

Introduction

A1. Following publication on the Government Office for the West Midlands (GOWM) website of the Panel Report of the Examination in Public, there have been queries raised on the content of the report. These include ones from Barton Willmore Planning Partnership (BWPP) about housing trajectories and overall housing provision, Birmingham City Council (BCC) about indicative targets for affordable housing, West Midlands International Airport (WMIA) about references to Coventry Airport and Advantage West Midlands (AWM) about Employment Land Provision at Worcester. The Planning Inspectorate has agreed with GOWM that these queries merit a response from the Panel, and the Panel's comments are set out in this addendum to their Report.

Panel Report Chapter 4: Indicative Housing Trajectories

A2. BWPP pointed out that the indicative annual housing trajectories for five-year periods in Recommendation **R4.1**, when totalled for the 20 year plan period, show minor discrepancies from the overall housing allocations in Policy CF3 Table 1 from Recommendation **R3.1**. For the County of Worcestershire, for example, the indicative annual rates would give a total of 42,500 dwellings, compared with the Table 1 allocation of 40,500, and BWPP asked which should be taken as the "headline" housing figure for the County. The Panel's response is that in all cases the Policy CF3/ Table 1 allocation is the headline figure, and the trajectories are as stated merely indicative, to be taken into account when formulating local delivery trajectories.

A3. For the avoidance of doubt, the Panel have reworked the indicative annual rates on a similar basis to those in Recommendation **R4.1**, but controlled to correspond exactly with the total allocations recommended at **R3.1**, and so remove any discrepancies. The Table below is submitted as a replacement for the Table in Recommendation **R4.1**.

Revised Table for recommendation **R4.1**

R4.1	Regional Housing Trajectory Indicative Average Annual Rates for 5 Year Periods (cross-boundary provision treated as in table 1 to Policy CF3). Not including 2,000 additional homes for returning military households, to be accommodated in Staffordshire and Shropshire at the appropriate time.
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Figures are rounded.

	2006-11	2011-16	2016-21	2021-26	2006-26
Birmingham + Solihull	1,995	2,995	4,100	4,510	3,400
Coventry	985	1,475	2,020	2,220	1,675
Black Country	1,850	2,775	3,800	4,175	3,150
Herefordshire	530	795	1,085	1,190	900
Shropshire	810	1,210	1,655	1,825	1,375
Telford & Wrekin	775	1,170	1,600	1,755	1,325
Staffordshire non MUA	1,560	2,345	3,210	3,525	2,660
N Staffordshire MUA	650	980	1,335	1,475	1,110
Warwickshire	1,275	1,915	2,625	2,885	2,175
Worcestershire	1,185	1,785	2,445	2,685	2,025
West Midlands	11,615	17,445	23,875	26,245	19,795

Panel Report Chapter 4: Indicative Affordable Housing Targets

A4. BCC pointed out that the indicative annual affordable housing targets for Housing Market Areas (HMAs) recommended in **R4.4**, in some cases go outside the range of 25% to 40% of total housing provision, which is also included in the recommendation. Thus the indicative target for Central 1 HMA is equivalent to 52.5% of total provision. The other cases, which are less marked, are the South HMA (40.68%) and Central 2 HMA (23.93%).

A5. The Panel's comment is that the targets recommended at **R4.4** are indicative only and that the recommendation also makes clear that actual targets should be set having regard to up to date

local assessments. The high level indicated for the C1 HMA may be defended as reflecting the very high degree of housing need in the central conurbation of the West Midlands. The reason why it represents such a high percentage of total provision results from the basis on which the Panel have distributed their proposed regional affordable housing target of 7,000 units per annum, as explained in the Panel Report, paragraphs 4.45 to 4.46. The geographical distribution reflects the SHMA and CCHPR assessments which do not take account of the regional total housing provision, either in the submitted Preferred Option or as recommended by the Panel. That provision reflects the constraints of capacity and deliverability. For Birmingham, for example, it is considerably below the projections based requirement which has fed into the CCHPR assessment of affordable housing needs.

A6. It is possible that in certain locations, and for limited periods, affordable housing could amount to as much as 50% or even more of the total housing delivery. However, it is highly questionable whether such a high rate could be maintained as a target for a whole HMA over the 20 year RSS period. As noted in paragraph 4.39 of the Panel Report, setting affordable housing targets too high could have an adverse effect on delivery overall. One way of addressing this issue in the RSS would be to “cap” the indicative target for any HMA to 40% of total provision. In the case of the C1 HMA this would reduce the indicative target to 1,600 affordable dwellings annually, leaving 500 to be accommodated elsewhere in order to achieve the 7,000 regional target. Reducing the South HMA target to 40% would add a further 20 dwellings to this.

A7. A logical solution would be to redistribute the 520 to the other two Central HMAs, as their housing provision, which in some authorities is above purely demographic requirements, is intended to address the housing needs of the central part of the region as a whole. It can also be argued that some share should also go to the North HMA, as the Growth Points there are in part meeting regional as well as local needs. The same would not apply to the West HMA as it is more remote from the central core of the region and its housing allocations are not related to needs arising from the Major Urban Areas. If the “excess” 520 were redistributed to C2 and C3 in proportion to their total housing allocations, and similarly to North HMA but with a weighting of 0.5 to reflect the lesser role of this HMA in meeting the needs of the central core, this would mean apportioning it, in round terms, as follows: 32% or 165 to C2, 54% or 280 to C3 and 14% or 75 to the North HMA. This would alter the indicative affordable housing targets for all HMAs to give annual rates as in the table below. The equivalent percentage of total housing provision is also shown.

South HMA	1180	Equivalent to 40% of total provision
North HMA	775	Equivalent to 29% of total provision
West HMA	760	Equivalent to 33.4% of total provision
Central HMA		
C1	1600	Equivalent to 40% of total provision
C2	865	Equivalent to 29.5% of total provision
C3	1820	Equivalent to 36.5% of total provision
WM Region	7000	Equivalent to 35.4% of total provision*

* Assuming total provision of 395,900, excluding 2,000 for military households.

A8. It should be noted that “redistributing” part of the 7,000 annual target as above would not in any real sense be a transfer of affordable housing requirements from one area to another. The targets for all HMAs would still be below what has been assessed as being required in total (see Panel Report paragraph 4.32). What the above distribution is saying is that, taking account of each HMA’s level of overall housing provision, a realistic target for C1 may be somewhat lower, and for C2, C3 and North slightly higher than targets based solely on proportions of the regional total of assessed need.

A9. The Panel are not making a formal change to Recommendation **R4.4**. However, the above variant is offered as an alternative to the table of indicative targets in the recommendation, which the Secretary of State may wish to consider adopting if he takes the view that indicative affordable housing targets for the HMAs should in no case exceed 40% of total housing provision. Finally the Panel would re-emphasise the point made in the report, and reflected in the recommended policy at **R4.4**, that the RSS should not determine affordable housing targets for individual authorities, which should be based on the most up to date local and sub-regional assessments of need, and of viability.

Panel Report Chapter 7: Coventry Airport

A10. WMIA drew attention to what they say are inaccuracies in paragraph 7.17 of the Panel Report regarding the status of the company and ownership of the airport. These matters, which stem from the information that was available to the Panel at the time, do not have any effect on the conclusions and recommendations in Chapter 7 regarding Coventry Airport. However, in order to avoid inaccuracies, the Panel submits the revised version of paragraph

7.17 below, which should be read in place of the paragraph in the Report as submitted:

"7.17 It was accepted by WMRA and Coventry City Council that the position at Coventry Airport requires updating in the light of the Secretary of State's decision after two Public Inquiries into passenger terminals. Although scheduled passenger services had been suspended, Coventry City Council confirmed that the airport remained in operation. Some such as CPRE sought to suggest that the Secretary of State's decisions imposed a ceiling on the passenger throughput of the airport which ought to be embodied in policy. This appears to misconstrue the development management process as decisions can only be made on proposals put before a LPA or the Secretary of State. The decision (442/15) to reject the 2m ppa terminal proposal was taken on balance weighing a number of environmental and accessibility factors against the economic and other potential benefits, as was the earlier decision to approve the approximately 1m ppa terminal. This does not mean that an express limitation has been imposed at this lower level. We consider that there is a need to relegate Policy T11 (A) to supporting text as an updated paragraph describing the current position and role of Coventry Airport which could then form the background for a slightly amended version of the current Policy T11 (D). We recommend accordingly in R7.6."

Panel Report Chapter 5 and Chapter 8 : Employment Land at Worcester and Wychavon

A.11 AWM pointed out that paragraph 8.105 of the Panel Report accepts the need for a footnote to the RSS Employment Land Provision Table 4 to recognise that the 5-year reservoir figure for Worcester and Wychavon does not take account of the proposed relocation and expansion of Worcester Bosch. However, this reference is not included in Panel recommendation **R5.7**. To remedy this the Panel propose that footnote (h) to Table 4, as included in Panel recommendation **R5.7** should be amended by adding a sentence as follows:

" The 5 year reservoir figure for Worcester and Wychavon does not include provision for the relocation and expansion of Worcester Bosch referred to in Policy SS10."