

Solihull Metropolitan Borough Council



Solihull Strategic Housing and Employment Land Availability Assessment 2016

Volume A: Main Report

Peter Brett Associates

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EXECUTIVE SUMMARY

Peter Brett Associates LLP was commissioned in April 2016 by Solihull Metropolitan Borough Council to undertake a Strategic Housing and Employment Land Availability Assessment ('SHELAA'). The Council is currently preparing a Review of the Local Plan and requires a SHELAA to ensure that there is sufficient land for housing and economic development in the Borough to cover the plan period 2014 to 2033.

The SHELAA covers the entire area within the administrative boundary of Solihull Metropolitan Borough Council, and has been undertaken in full compliance with the National Planning Policy Framework of March 2012 and the Planning Practice Guidance of March 2014.

Approach

The SHELAA initially considered 247 sites identified by the Council and suggested as part of a 'call for sites' exercise in Winter 2015. Some 12 sites were subsequently removed from the study for a variety of reasons. Of the remaining 235 sites assessed:

- 206 sites were considered most appropriate for housing development; and
- 29 sites were considered most appropriate for employment use.

Of the 235 assessed sites, 54 sites either overlapped with each other or were duplicate submissions. To prevent any risk of double counting, these 54 sites have been amalgamated to form 17 'amalgamated sites'; of which 15 sites have been assessed for housing development and two sites have been considered for employment uses.

Taking account of 'amalgamated sites', 27 sites were assessed for employment uses and 171 sites were assessed for housing. Of the 171 assessed housing sites, four sites have already been allocated for housing development within the Solihull Local Plan. Whilst we have re-assessed these allocated sites, to avoid double counting, we have excluded the theoretical yield from our dwelling supply assessment, leaving 167 housing sites within our study.

In accordance with the guidance, we have assessed whether each identified site is 'deliverable' (i.e. available now, suitable and achievable), 'developable', or 'not currently developable' for housing or economic development over the plan period.

Summary of Findings

Housing

The 167 sites that were assessed for housing could potentially yield around 31,085 dwellings. Of this theoretical dwelling yield:

- 7,205 dwellings could be expected to come forward for development in years 1-5, of which 7,071 dwellings (98.1 per cent) are from sites which are wholly or predominantly¹ contained within the currently designated Green Belt.
- 9,262 dwellings could be expected to come forward for development in years 6-10, of which 8,660 dwellings (93.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 7,878 dwellings could be expected to come forward for development in years 11-17, of which 7,524 dwellings (95.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 6,740 dwellings could be expected to come forward for development beyond the plan period, of which all dwellings are from sites which are wholly or predominantly contained within the currently designated Green Belt.

We then assessed the adequacy of this theoretical capacity against the identified 5, 10 and 17-year dwelling requirements for the Borough (using a 20 per cent 'buffer'). In undertaking this exercise we also made an allowance for windfall sites and non-implementation of outstanding commitments/allocations.

The study has found that outstanding planning commitments in the Borough and windfall sites alone are unable to meet the dwelling target for the first five-year period (with a 20 per cent 'buffer'). To fully meet the five-year target, it will be necessary for a number of the Category 1 sites (including sites within the Green Belt) to be brought forward. Similarly, to fully meet the Borough's 10-year target (with a 20 per cent 'buffer') and the residual 17-year dwelling requirement, it would be necessary for Category 1 sites within the Green Belt to be brought forward, in addition to planning commitments and windfall sites.

It is important to emphasise that 150 of the 167 sites assessed in the SHELAA for housing are either wholly or predominantly contained within the currently designated Green Belt. If theoretical supply from units within the Green Belt is removed from the assessment, only 1,090 units could be delivered from land which is currently not within the Green Belt.

On the basis of our assessment, it will therefore be necessary to release some Green Belt land to meet the Borough's housing requirements. The release of Green Belt land is beyond the scope of a SHELAA however and will need to be considered through the plan preparation process.

Employment

The 27 potential employment sites contain approximately 430 ha of land, all of these sites were put forward for development in the call for sites, some for just one or more potential employment uses, others for a mix of employment and other uses such as retail, leisure, waste management and residential. In most cases it is unclear from the call for sites submission whether the non-employment uses are proposed alongside employment uses, or whether they are potential alternatives to employment

¹ By 'predominantly', we mean more than 50 per cent.

use. Where it is clear that a mix of employment and non-employment uses are intended we subtract the site area for these other non-employment uses from the analysis, but where the intention for the non-employment uses is unclear we have considered the whole site area for employment uses.

Just over half of the 430 ha was assessed for industrial activity (for a mix of B1b, B1c, B2 uses), and the bulk of the remaining land was assessed for strategic distribution park use (B8 use, totalling 178 ha). Only 9.5 ha of land across four sites was assessed for office use.

After deductions for site constraints the area available reduces by one third, down to 283 ha with the largest reduction for industrial estates, where the potential area halves from 242 ha to 116 ha. Land potentially available for office use remains unchanged at 9.5 ha.

After discounting land that for various reasons such as being heavily constrained and discounting land that is not attractive to potential future occupiers, – the available land totals approximately 263 ha, as set out in the table below.

Potential Land Availability for Employment Uses

	Available Immediately		Available later in the plan period		TOTAL
	Sites	Ha	Sites	Ha	Ha
Strategic distribution park	4	107.4	2	49.8	157.2
Industrial estate	6	27.9	6	74.0	101.9
Office park			1	2.3	2.3
Local office	1	1.4			1.4
TOTAL	11	136.7	9	126.0	262.7

Source: PBA

The vast majority, 157 ha, is available within the plan period to meet demand for strategic distribution parks. Of this, 107 ha is available immediately and in locations that are highly attractive to potential occupiers.

Of the 102 ha suitable for industrial use, only approximately one quarter (28 ha) is available to come forward immediately. A further 74 ha is suitable for industrial use, but largely due to being located within the HS2 safeguarded zone, is not available until later in the plan period.

There is very little potential land available for office park development, just one 2.3 ha site. Should there be insufficient existing supply within existing designated and allocated sites to meet identified need it will be necessary to revisit some of the sites identified for strategic distribution to explore if these would be suitable for office park use.

Just 7.2 ha of land was assessed for local office development, and of this only 1.4 ha is attractive to occupiers.

The process described above is a 'policy off' assessment albeit the assessment does identify the planning policy constraints that affect individual sites. Some of the constraints such as nature and heritage designations serve to reduce the developable area, but Green Belt designation is an absolute constraint to development. Only one of the 27 sites, Bacons End (a small site within the urban area that could contribute 0.5 ha of industrial land) is currently not located in the Green Belt. Therefore, under current planning policy constraints, with the exception of just 0.5 ha of land, none of the 263 ha of land assessed and identified as available and suitable in this study can come forward without amendment to the boundaries of the Green Belt.

1 INTRODUCTION

Purpose of the Study

- 1.1 In April 2016, Peter Brett Associates LLP ('PBA') was commissioned by Solihull Metropolitan Borough Council ('SMBC') to undertake a Strategic Housing and Employment Land Availability Assessment ('SHELAA') on behalf of the Council.
- 1.2 The Solihull Local Plan was adopted on December 2013, setting the strategic policy framework for the borough over the plan period 2011-2028. Following a High Court challenge and Court of Appeal Judgment, a section of the Local Plan relating to the housing requirement has been deleted and it therefore no longer forms part of the adopted development plan for Solihull. In light of the legal status of the current plan, the Council has commenced a Review of the Solihull Local Plan.
- 1.3 As part of the Review of the Local Plan, the Council is updating its evidence base. This SHELAA, alongside the updated Strategic Housing Market Assessment ('SHMA'), which has also been undertaken by PBA, forms a key part of the evidence base to inform the reviewed development plan, which will need to ensure that sufficient housing and employment is set aside to meet the Borough's identified needs.
- 1.4 The SHELAA, which covers the entire area within the administrative boundary of Solihull², has been undertaken in full compliance with the National Planning Policy Framework ('NPPF') of March 2012 and the Planning Practice Guidance ('PPG') of March 2014, in particular the section on the assessment of land availability.
- 1.5 In accordance with the guidance, we have assessed whether each identified site is 'deliverable' (i.e. available now, suitable and achievable), 'developable', or 'not currently developable' for housing or economic development over the plan period. The NPPF recommends carrying out land assessments for housing and economic development as part of the same exercise, in order that sites may be allocated for the most appropriate use.
- 1.6 At the outset it is important to emphasise that the SHELAA is a technical study which forms part of the development plan evidence base. The SHELAA therefore does not represent a statement of Council policy and it does not have any bearing on the determination of planning applications. It should also be emphasised that the purpose of the SHELAA is not to allocate sites, which will be considered through the Local Plan process.

² Any references in this report to 'Solihull' refer to the Borough of Solihull rather than the town of the same name, unless otherwise specified.

Structure of Our Report

- 1.7 The remainder of this SHELAA report is structured as follows:
- Section 2 contains a review of the national and local planning policy contexts;
 - Section 3 describes the methodology that we employed for the study;
 - Section 4 provides the findings from the study and assesses whether the dwelling targets for Solihull can be achieved;
 - Section 5 assesses whether the employment floorspace requirements can be achieved; and
 - Section 6 provides our summary and conclusions.
- 1.8 The SHELAA report is accompanied by a number of appendices that are contained in the separately bound Volume B. The appendices comprise a list of all sites that have been assessed in the SHELAA, a copy of the site assessment criteria note, housing and employment site assessment summary reports which detail our overall deliverability assessment, and plans showing the location of each site.

2 NATIONAL AND LOCAL PLANNING POLICY

National Planning Policy and Guidance

Requirement to Undertake a SHELAA

- 2.1 Paragraph 159 of the NPPF sets the requirement for local planning authorities ('LPAs') to have a clear understanding of housing needs in their area. In order to achieve this, the NPPF advises that LPAs should prepare a Strategic Housing Land Availability Assessment to *'establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period'*.
- 2.2 Paragraph 161 of the NPPF requires LPAs to assess: 'the existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs. Reviews of land available for economic development should be undertaken at the same time as, or combined with, Strategic Housing Land Availability Assessments.'
- 2.3 The Council has followed the advice provided by paragraph 161 of the NPPF and has decided to undertake a joint housing and employment land availability assessment. There are clear synergies between housing delivery and economic growth, and undertaking a simultaneous assessment of housing and employment land provides the Council with a more holistic evidence base and enables a balanced view of housing and employment land supply in the local authority area.

Achieving Sustainable Development

- 2.4 The very first sentence of the NPPF, in the Ministerial Foreword, makes clear that the purpose of planning is to help achieve sustainable development. The Ministerial Foreword then states that *'sustainable development is about positive growth'* and that the planning system is about making this happen.
- 2.5 Paragraph 7 of the NPPF states that there are three dimensions to sustainable development: economic, social and environmental. We do not consider it worthwhile repeating in full what the NPPF says in relation to each 'dimension', but we note that under the economic dimension, the NPPF states that in order to build a strong, responsive and competitive economy, it is important to ensure that *'sufficient land of the right type is available in the right places and at the right time to support growth and innovation'*.
- 2.6 Paragraph 17 of the NPPF sets out 12 core planning principles. Again, we do not repeat those principles here but we note the third principle, which implores the planning system to *'proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs'*. The NPPF then goes on to emphasise the Government's commitment to securing economic growth.

Building a Strong, Competitive Economy

- 2.7 The Government's core planning principles, as set out in the NPPF, include the aim that planning should:
- '...proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs.'*
- 2.8 The NPPF goes on to state that a strong, responsive and competitive economy should be achieved by ensuring that sufficient land of the right type is available in the right places and at the right time to support business growth and innovation.
- 2.9 The NPPF advises LPAs to plan positively to meet the development needs of their area. Plans should encourage, and not act as an impediment to sustainable growth. Paragraph 21 identifies how LPAs should plan for a strong competitive economy, and this includes identifying strategic sites to meet anticipated needs over the plan period, and specifically to promote and expand clusters or networks of knowledge driven, creative or high technology industries.
- 2.10 The NPPF makes it clear at paragraph 22 that when allocating sites for employment use local planning authorities must consider deliverability:
- 'Planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose.'*

Delivering a Wide Choice of High Quality Homes

- 2.11 Paragraph 47 of the NPPF advises that, in order to significantly boost the supply of housing, LPAs should ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing. The same paragraph requires councils to identify a supply of specific deliverable sites sufficient to provide five years' worth of housing, but it goes further than the precursor PPS3 which it replaced, stating that LPAs should provide sufficient land for an additional 5 per cent 'buffer', or a 20 per cent buffer where there has been a persistent record of under-delivery.
- 2.12 Paragraph 48 of the NPPF permits the use of a windfall allowance in the five-year supply, if there is 'compelling evidence' that such sites have made a consistent contribution to the supply and where there is confidence that such sites will continue to provide a reliable source of supply.
- 2.13 Paragraph 49 of the NPPF states that 'Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites'. Paragraph 14 of the NPPF advises that, where the development plan is absent, silent or relevant policies are out-of-date, planning permission should be granted for development proposals unless 'any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed in this Framework taken as a whole' or where specified policies in the NPPF indicate that development should be restricted.

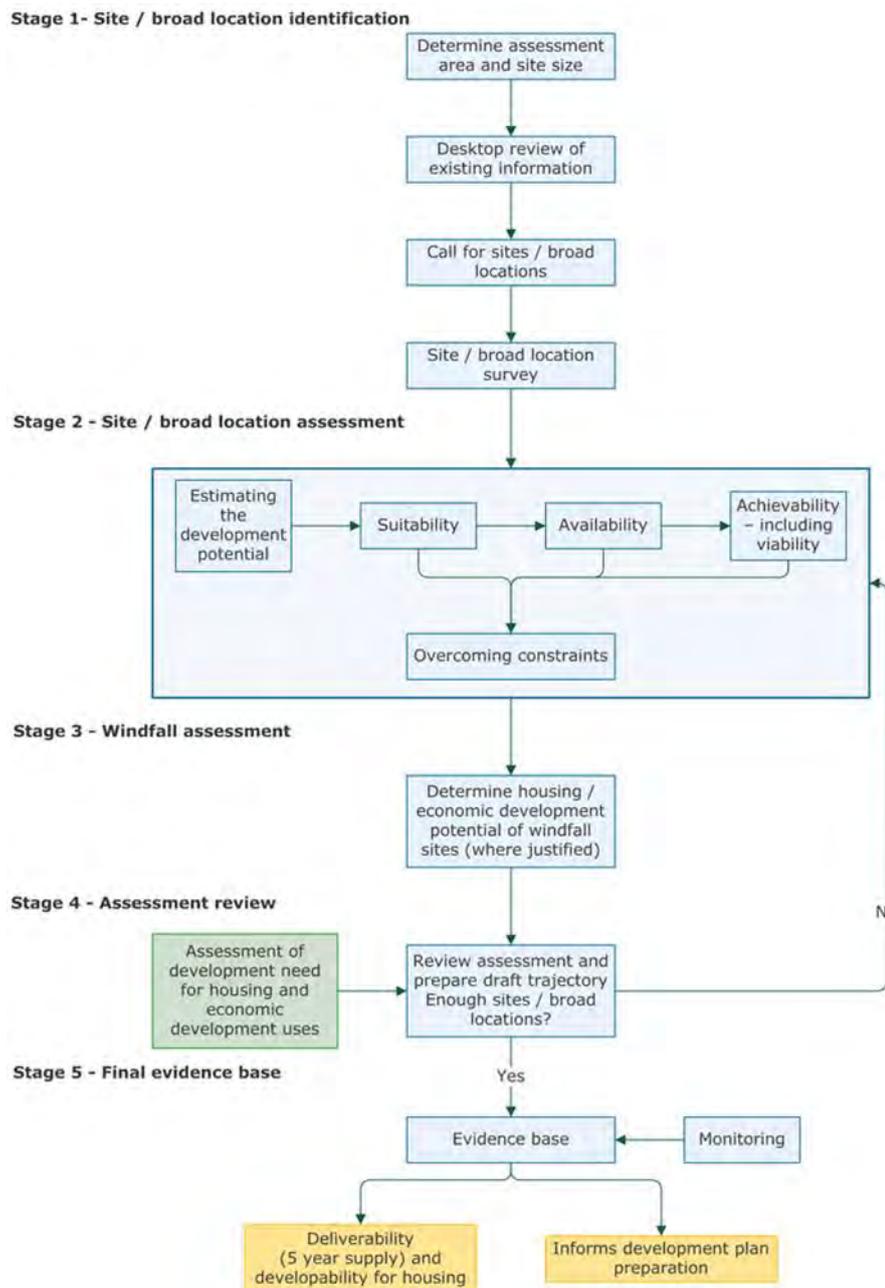
- 2.14 It is therefore imperative that any sites which are included in a council's five-year land supply are genuinely deliverable. Failure to do so could result in a council facing pressure to release sites in an unplanned fashion.
- 2.15 We also wish to highlight paragraph 50 of the NPPF, which advocates a mix of high-quality housing that is capable of meeting the needs of different groups in the community. The same paragraph also advises LPAs to ensure an adequate supply of housing in terms of size, type, tenure and range.

Planning Practice Guidance

- 2.16 On 6 March 2014, the CLG launched the online Planning Practice Guidance ('PPG') to provide additional guidance on a range of topics, including land availability assessments. The PPG advises that the assessment of land availability identifies a future supply of land which is suitable, available and achievable for housing and economic development uses over the plan period.
- 2.17 The PPG identifies that an assessment of land availability is an important step in the preparation of Local Plans and reiterates that the NPPF identifies the advantages of carrying out land assessments for housing and economic development as part of the same exercise. The PPG states that the assessment should:
- identify sites and broad locations with potential for development;
 - assess their development potential; and
 - assess their suitability for development and the likelihood of development coming forward (the availability and achievability).
- 2.18 The PPG is clear in advising that the SHELAA is an important evidence source to inform plan making, but does not in itself determine whether a site should be allocated for development. The role of the SHELAA is to provide information on the range of sites which are available to meet needs, but it is for the development plan preparation process to determine which of those sites are the most suitable to meet those needs.
- 2.19 The PPG sets out a five stage flow chart describing a methodology as to how a SHELAA should be undertaken at 'Paragraph: 006 Reference ID: 3-006-20140306' (reproduced below as Figure 2.1).
- 2.20 Stage 1 identifies that the area selected for the assessment should be the housing market area and the functional economic market area. The PPG states that this can be the local planning authority area. The assessment is required to assess a range of different site sizes from small-scale sites to opportunities for large-scale developments such as village and town extensions and new settlements where appropriate. The assessment should consider as many sites and broad locations as possible above a size threshold that the PPG suggests should be sites capable of delivering five or more dwellings or economic development on sites of 0.25ha (or 500m² of floor space) and above, and at this stage should not be constrained by the need for development. The output of this stage is an initial assessment of whether sites are suitable for development.

- 2.21 The PPG identifies the assessment of achievability as being whether there is a reasonable prospect of the site coming forward – the site’s economic viability. The PPG does not refer to the critical nature of the assessment of achievability to some types of development such as employment uses. Different types of employment use have very different locational requirements, and there are huge sensitivities to employment site achievability, or as we refer to it, the attractiveness of the site to occupiers.
- 2.22 Stage 2 involves an estimation of the development potential of each identified site, which should be guided by the existing or emerging plan policy including locally determined policies on density. The assessment should assess the suitability, availability and achievability of sites, and consider whether sites are deliverable within the plan period.
- 2.23 Stage 3 states that a windfall allowance may be justified in determining housing potential (it does not apply to employment uses) if a local planning authority has compelling evidence as set out in paragraph 48 of the NPPF. LPAs have the ability to identify broad locations in years 6-15, which could include a windfall allowance based on a geographical area.
- 2.24 Stage 4 requires that once sites and broad locations have been assessed, the development potential of all sites should be collated to produce an indicative trajectory, which should set out how much housing and economic development can be provided, and at what point in the future. An overall risk assessment should be made as to whether sites will come forward as anticipated. The trajectory may be an iterative process requiring recalibration of the assumptions in the assessment.
- 2.25 Stage 5 involves the collation of the final evidence base, which includes an assessment of each site or broad location, in terms of its suitability for development, availability and achievability including whether the site/broad location is viable, in order to determine whether a site is realistically expected to be developed and when. Assessing the suitability, availability and achievability will provide the information as to whether a site can be considered deliverable, developable or not currently developable for housing and employment uses.

Figure 2.1 PPG Assessment Methodology Flow Chart



Source: Planning Practice Guidance

Local Policy Context

Solihull Local Plan (December 2013)

- 2.26 The Solihull Local Plan was adopted in December 2013. The Local Plan outlines challenges facing Solihull and how they will be addressed, the vision for the future of Solihull, the strategy for achieving the vision, and policies and proposals to enable the Borough to grow and develop.
- 2.27 Following a High Court challenge and Court of Appeal Judgment, certain housing elements of the Local Plan (Policy P5 which sets out the housing requirement; its

justification as well as the housing trajectory and five-year housing land requirement) are no longer treated as adopted. Whilst the housing requirement has been deleted, most of the Local Plan remains unaffected and remains the adopted development plan for the Borough.

- 2.28 The Local Plan identifies 12 key challenges facing the Borough together with objectives for how each challenge can be addressed. Challenges which are relevant to this SHELAA include:
- Challenge A – Reducing Inequalities in the Borough
 - Challenge B – Addressing Affordable Housing Needs Across the Borough
 - Challenge C – Sustaining the Attractiveness of the Borough for People who Live, Work and Invest in Solihull
 - Challenge D – Securing Sustainable Economic Growth
 - Challenge E – Protecting Key Gaps Between Urban Areas and Settlements
 - Challenge G – An Imbalance in the Housing Offer Across the Borough and a Shortage of Gypsy and Traveller Sites
- 2.29 The Local Plan also includes a Spatial Strategy for Solihull, which seeks to address the key challenges facing the Borough by contributing *‘to the growth agenda through a place making approach aimed at enhancing Solihull as a place where people aspire to live, learn, work and play, whilst recognising and protecting character and local distinctiveness’*.
- 2.30 In accordance with the Government’s growth agenda, the Spatial Strategy places an emphasis on economic growth which reflects the local needs and priorities for Solihull, including new homes to meet needs, more jobs, extra investment and a better local environment. Key elements of the Spatial Strategy include:
- Realising the potential of the M42 Economic Gateway for job and wealth creation, by facilitating the plans and aspirations of the Borough’s key economic assets, whilst addressing any infrastructure or environmental concerns;
 - Prioritising employment and housing opportunities in or near to the North Solihull Regeneration Area, facilitating accessibility to the Airport, NEC and Birmingham Business Park from North Solihull, enabling the expansion of businesses and new start-ups, and providing a more balanced mix of housing to meet growth aspirations and the Borough’s local needs;
 - Ensuring that development meets economic needs and protects and enhances environmental character and quality, recognising the key economic and social benefits that the environment provides and its important role in contributing to health, well-being and quality of life in the Borough;
 - Focusing on housing needs in addressing the Government’s ambition for increased house building, by maximising the opportunities for affordable and supported and specialist housing, recognising the role of housing and construction in economic growth, and meeting the identified needs for Gypsy and Traveller accommodation in the Borough;

- Focusing employment and housing growth in accessible locations and corridors, taking account of needs and opportunities, including the potential to reuse or recycle land allocated for alternative uses; and
- Protecting the Green Belt, whilst making provision for the Borough's local needs, regeneration and growth.

Sustainable Economic Growth

- 2.31 The sustainable growth strategy for Solihull recognises the significant potential for growth based on the M42 Economic Gateway that includes the key economic assets: Birmingham Airport, the National Exhibition Centre, Jaguar Land Rover and Birmingham and Blythe Valley Business Parks. The future expansion of HS2 will add to the impressive transport infrastructure. The Plan acknowledges that much of the Gateway area is located within the Green Belt, which provides an attractive rural setting.
- 2.32 The sustainable growth strategy is also based on meeting the regeneration needs of North Solihull by enabling jobs growth within and close to the Regeneration Area – including encouraging SMEs in the local centres to help address economic, social and environmental inequalities in the Borough.
- 2.33 Policy P1 identifies that the above mentioned economic assets are the principal opportunities for future job growth in the Borough, and the Local Plan therefore supports:
- the provision of a broad range of developments and diversification of facilities to enhance visitor offer within the NEC;
 - the proposal for a runway extension and a broad range of ancillary and complementary facilities at the Airport;
 - the expansion of the Birmingham Business Park on to a 9 ha site to the south-west;
 - the diversification of uses at the Blythe Valley Business Park to include residential, in order to improve the attractiveness of the park; and
 - the development of Jaguar Land Rover within its defined boundary. The reasonable expansion of the site into the Green Belt will be given positive consideration where economic need can be demonstrated and appropriate mitigation can be secured.
- 2.34 In line with the Government's town centres first approach, Policy P2 explains that the Borough's town centres will be the focus for commercial development, including office and other activity such as retail. The Plan states that up to 35,000 sq.m of new office floorspace can be provided in Solihull town centre over the Plan period, and it identifies three key sites as being capable of accommodating office floorspace. In Shirley the former Powergen site is identified for a mix of uses including office, while offices will be encouraged in Chelmsley Wood, but no sites are identified. The Plan has a general presumption against office development outside town centres unless it is specifically promoted by particular policies or proposals.

- 2.35 Policy P3 identifies a number of strategic sites that are allocated for the continuing supply of employment land to provide a broad range of employment opportunities. Policy P3 also reinforces the preference to direct office activity into the town centres. In total the six strategic sites contain 41.5 ha of developable land, with the TRW site accounting for almost half of this. All of the sites, except for the 9 ha extension to the Birmingham Business Park, are located within existing employment areas. The policy also states that non-allocated employment sites will also be protected for employment use (Classes B1, B2, B8 and, where appropriate, waste management), and it provides a set of criteria against which to assess proposals for non-employment uses. The retention of, and the provision of new space for SMEs across the Borough is supported.
- 2.36 The supporting text to Policy P3 encourages the recycling of land and buildings within other existing employment areas within the Borough to provide modern employment space. The text also refers to the potential supply the 33 ha of undeveloped land within Birmingham and Blythe Valley Business Parks (these are not included within the list of six strategic sites referred to in Policy P3), and the substantial amount of vacant premises that existed in 2010.

Providing Homes for All

- 2.37 The housing growth proposed within the Local Plan is founded on the Borough's needs, including the regeneration of North Solihull, the shortage of affordable housing, as well as the Borough's household projections and the capacity of various parts of the Borough to accommodate development.
- 2.38 The Local Plan identifies that the Borough's population is projected to increase by around 20,000 between 2011 and 2028 and therefore more housing is needed.
- 2.39 The Council aims to ensure that everyone has the opportunity of access to a decent and safe home within a quality living environment, by ensuring that at least a five-year supply of housing land is available for development and prioritising locations for development that will 'best contribute to building sustainable, linked, mixed use and balanced communities'.
- 2.40 Policy P5, which has now been partially withdrawn, identified a requirement of 11,000 net additional homes over the period 2006 to 2028, equating to 500 dwellings per annum ('dpa'). The target of 500 dpa was based on revisions to the revoked West Midlands Regional Spatial Strategy dating from 2009, which the aforementioned Court of Appeal Judgment held did not constitute a full objectively assessed needs ('OAN') as required by the NPPF.

Greater Birmingham and Solihull LEP Strategic Housing Needs Study

- 2.41 A Strategic Housing Needs Study ('SHNS') has been undertaken by PBA on behalf of the Greater Birmingham and Solihull Local Enterprise Partnership ('GBSLEP') and the Black Country Local Authorities. The SHNS is not a full SHMA and it does not establish OANs for each constituent authority. It does however provide a consistent

HMA-wide demographic starting point for Solihull (and other HMA authorities) to establish its OAN through the 2016 SHMA.

- 2.42 The SHNS confirms that Solihull forms part of the Greater Birmingham HMA. Stage 3 of the SHNS (published August 2015) sets out an HMA-wide deficit of approximately 37,600 dwellings over the plan period, with the vast majority of this deficit arising from Birmingham City. However, as shown below, Solihull also has a supply deficit of 2,654 dwellings over the study period 2011-2031³.

Figure 2.2 Housing Need Across the Greater Birmingham HMA

Net new dwellings p.a.	Projected need (ONS / PBA 2012)	Supply	Surplus (deficit)	Surplus (deficit)
Birmingham	4,450	2,529	-1,921	-38,424
Bromsgrove	297	245	-52	-1,047
Cannock Chase	299	210	-89	-1,785
Lichfield	334	459	124	2,489
Redditch	179	314	134	2,685
Solihull	608	475	-133	-2,654
Tamworth	210	235	24	488
North Warwickshire	157	203	46	911
Stratford on Avon	443	540	97	1,932
Birmingham sub-market	6,979	5,209	-1,770	-35,405
Dudley	634	821	186	3,725
Sandwell	1,298	1,041	-257	-5,148
Walsall	721	548	-173	-3,457
Wolverhampton	514	683	169	3,374
South Staffs	208	175	-33	-661
Black County sub-market	3,375	3,267	-108	-2,167
Total HMA	10,355	8,476	-1,879	-37,572

Source: SHNS Stage 3 Report

Emerging Solihull Strategic Housing Market Assessment (2016)

- 2.43 The emerging Solihull SHMA has been undertaken by PBA in the context of the SHNS. The SHMA aims to provide an objective assessment of housing need for Solihull, in order to inform the dwelling target in the forthcoming Review of the Local Plan.
- 2.44 Taking account of all of the factors considered, the emerging SHMA identifies a housing requirement equivalent to 751 dpa. In addition to the SHMA requirement, officers have advised us to include an additional net requirement to account for a shortfall of HMA dwellings to be accommodated in Solihull. We have agreed with

³ Note: all numbers set out in Figure 2.2 are expressed on a per annum basis, with the exception of the green shaded column which relates to the 20-year period (2011-31).

officers that, in advance of the specific dwelling target having been formally agreed, for the purposes of the SHELAA we will use the figure of 14,905 dwellings for Solihull Borough over the period 2014 to 2033 (equivalent to 784 dpa).

Other Local Market Evidence

2.45 As part of this study, we spoke to a number of local property market agents and a representative from Solihull Council's Strategic Land and Property division in order to obtain an informed understanding of the local housing and employment market across the Borough. The discussions were very informative and observations of greatest relevance to the SHELAA are highlighted below:

- Solihull as a Borough has major regional assets such as the NEC, Birmingham Airport and Birmingham Business Park, which are considered to help attract investment to the area, perhaps more so than in other areas of the West Midlands.
- Key areas of growth within the Borough are considered to be UK Central, Blythe Valley Park and Solihull Town Centre. There is also growth potential resulting from regeneration initiatives within Chelmsley Wood.
- There is a large disparity between sites to the north or south of the A45 in terms of their desirability and value. Settlements in the north of the Borough (i.e. Chelmsley Wood, Kingshurst and Smithswood) are more deprived and less desirable than settlements in the south (i.e. Solihull, Shirley, Knowle and Dorridge), where there is expected to be a high level of interest when sites are brought to the market. It should be emphasised, however, that whilst Chelmsley Wood is considered to be a less desirable part of the Borough, developers are continuing to undertake regeneration work here.
- On the whole, Solihull is a strong market area and there is significant interest from national housebuilders and speculative developers. The Borough contains a significant proportion of land designated as Green Belt and so development potential is considered to be restricted by policy. There are possibilities to exploit sites around nodal motorway junctions however the development of such land would require the release of some Green Belt land.
- Fewer middle market sites are being developed/ delivered as national housebuilders favour 100+ unit sites. Whilst larger sites are being delivered, it is considered that there is a need for smaller schemes to ensure variety and diversity within the market.
- Jaguar Land Rover ('JLR') is a key employer within the Borough and it generates demand from businesses allied to the motor industry. There is also associated demand for new housing, particularly in the southern part of the Borough.
- A recent regional study has confirmed that there is a substantial demand for large industrial and distribution units across the West Midlands region with its epicentre in Solihull/M42⁴. The market research for this SHELAA study has focused on local needs, and identified a significant need for smaller industrial units in the

⁴ Spatial Plan for Recovery and Growth Employment Additional Land Requirement, ARUP, April 2016 Draft

range up to circa 140 sq.m. Indeed, there is such a pronounced shortage that units could be let just about anywhere in the Borough. The demand is generated from small distribution operations undertaking activities such as goods delivery, car parts suppliers and food preparation services. Rents at £75/sq.m are sufficient to make speculative industrial development viable. The areas of greatest interest for industrial shed development are the A45 close to JLR and the Airport, and in the established industrial area off Highlands Road, Shirley. The key attraction of these areas is proximity to market/supply-chain/links, excellence of road communications and access to work force.

- Evidence (lettings at Blythe Valley and Fore) suggests there is little demand in Solihull for large corporate office space. Big corporates tend to seek office space in Birmingham City Centre which is able to support a much wider range of facilities and amenities for office workers in a highly accessible and attractive environment.
- There is limited demand in Solihull for smaller office space of approximately 180 sq.m at rents at around £130 sq.m. Occupiers do not favour serviced offices because these tend to command higher, less affordable rents. Existing supply is currently sufficient to satisfy demand, and speculative development would be very marginal at current rents.

2.46 PBA is grateful to the various representatives from John Shepherd and Solihull Council for their invaluable input. A Viability Study is currently being undertaken by the Council which will provide a further market overview.

3 STUDY METHODOLOGY

- 3.1 As we explained in Section 2, the PPG provides details on the methodology for undertaking a SHELAA, which has five main stages.
- 3.2 At the outset we wish to emphasise that we have undertaken numerous land availability assessment studies across the country and so we are extremely familiar with the requirements of the PPG. We have brought this experience to bear in the Solihull study, which is therefore compliant with the PPG as well as the requirements of the NPPF.

Stage 1 – Site Identification

Study Area

- 3.3 The study area comprises the whole of the administrative area of Solihull. The NPPF and the PPG set a clear expectation that the supply of land for housing and economic development should be based upon specific sites and, where necessary, broad locations. Paragraph: 012 Reference ID: 3-012-20140306 of the PPG provides a list of possible sources for identifying potential housing and employment sites.
- 3.4 The Council drew upon the sources identified in the PPG, and undertook a ‘call for sites’ exercise during the winter of 2015 to identify a list of 247 sites that would form part of the SHELAA study.
- 3.5 The PPG is clear that the SHELAA should identify as many sites as possible and that sites should not be excluded from the assessment simply because of current policy designations. However, a number of designations are of national importance and represent a significant constraint to development. Accordingly, we identified a number of ‘absolute constraints’ in the Site Assessment Criteria Note (contained at Appendix 1), namely where the site:
- contains a Scheduled or Nationally Important Monument, or is a Registered Park or Garden (Local Plan Policy P16); and/or
 - forms part of an Ancient Woodland, Local Nature Reserve or Site of Special Scientific Interest (Local Plan Policy P10); and/or
 - contains an Overhead Line Buffer (Local Plan Policy P14).
- 3.6 In addition, sites which were considered by the surveyor to be highly unlikely to be suitable, available and/or achievable during the overall study period, were excluded from the study. To be ruled out on this basis, serious issues affecting the site must have been identified, such as the site being in active existing residential or employment use. If such issues/constraints were considered capable of being addressed/overcome, then they were not treated as ‘absolute constraints’.
- 3.7 Any sites put forward for assessment from the Call for Sites which were wholly or mostly affected by any of the above criteria were excluded from the assessment. Where only part of the site falls within one or more of these designations, only the

part of the site outside of the designation was considered in the SHELAA (subject to the inclusion of an appropriate buffer where appropriate).

- 3.8 A total of 12 sites have been excluded from the study for a variety of reasons and a number of sites that are partially impacted by absolute constraints have been redrawn. Details of sites affected by absolute constraints are included within the Site Overview Mastersheet at Appendix 2.
- 3.9 We recorded site characteristics and various other information for each of the remaining 235 sites through a combination of desk-based research and site visits in order to determine whether the site was more suited to housing or employment development.
- 3.10 Of the 235 sites assessed:
- 206 sites were considered most appropriate for housing development; and
 - 29 sites were considered most appropriate for employment use.
- 3.11 Of the 235 assessed sites, 54 sites either overlapped with each other or were duplicate submissions. To prevent any risk of double counting, these 54 sites have been amalgamated to form 17 'amalgamated sites'; 15 of which have been assessed for housing development and two which have been considered for employment uses.
- 3.12 Taking account of 'amalgamated sites', 27 sites were assessed for employment uses and 171 sites were assessed for housing. Of the 171 assessed housing sites, four sites have already been allocated for housing development within the Solihull Local Plan. Whilst we have re-assessed these allocated sites, to avoid double counting, we have excluded the theoretical yield from our dwelling supply assessment, leaving 167 housing sites within our study.
- 3.13 A list of all sites and commentary as to whether they have been assessed for housing or employment or excluded from the study is provided in the Site Overview Mastersheet at Appendix 2. Appendix 10 contains a series of plans which show the location and boundary of each assessment site.

Survey of Identified Sites

- 3.14 We recorded site characteristics and various other information for each of the 235 assessed SHELAA sites through a combination of desk-based research and site visits. In summary, the information collected included:
- site size in hectares and basic identifier information such as site name/address, and sources/references;
 - current land uses both at the site and in the surrounding area;
 - the surveyor's assessment of what proportion of the site is available for development, taking account of any on-site permanent features;
 - details of any obvious physical constraints in relation to site access, drainage, ground conditions, and so on;
 - bad neighbour uses, and the surveyor's assessment of the severity of the constraint;

- details of anything that might affect availability or achievability; and
 - the surveyor's initial assessment of the site's suitability for development.
- 3.15 At the outset it is important to note that our site categorisation does not take account of all the policy considerations that are relevant in selecting sites for allocation, which are likely to include the broad sustainability of the total development pattern, Green Belt, impact on biodiversity and landscape, and strategic transport and other infrastructure capacity issues. Thus, we have not undertaken any analysis to consider whether the theoretical supply from sites assessed within the SHLAA is in the right place to meet strategic policy objectives.
- 3.16 It is important to emphasise that in a strategic study such as this, it is not possible to assess physical constraints, availability and deliverability/viability in particular detail. In assessing sites, we have therefore necessarily focused on obvious constraints, taking account of the information we collected during our site visits.
- 3.17 Whilst it is important to note that Green Belt is a nationally important policy designation, and that its boundaries should only be amended in 'exceptional circumstances'. The Council also recognises that as part of the SHLAA process, there may be a need to look at greenbelt sites to meet the housing requirement over the plan period. The SHLAA is a high level document, and further analysis is required of the Green Belt sites to judge their suitability in relation to suitability and sustainability objectives.
- 3.18 As noted above, 17 'amalgamated sites' were formed from 54 overlapping and duplicate sites. The suitability, availability and achievability of the individual site components have been assessed against the Site Assessment Criteria, but such sites have not been included within the housing sites database to avoid double counting. The plans and individual site assessments of component 'amalgamated sites' are included at Appendix 3.
- 3.19 A total of 27 employment sites have been assessed, comprising the assessments of the two amalgamated employment sites, in addition to other individually assessed employment sites. The individual assessment records of these employment sites is included at Appendix 4.
- 3.20 A total of 167 housing sites have been included within the housing sites database. This comprises the assessments of the 15 amalgamated housing sites, in addition to other individually assessed housing sites. The individual assessment records of these housing sites are included at Appendix 5. For completeness, the individual assessment records of the four re-assessed allocated housing sites are included at Appendix 6.

Stage 2A – Site and Broad Location Assessment: Housing

Assessing Suitability, Availability and Achievability

- 3.21 We subjected all of the housing sites to a comprehensive assessment against various 'suitability', 'availability' and 'achievability' criteria, as detailed in the Site Assessment

Criteria at Appendix 1. The assessment criteria are closely related to the criteria referred to in the PPG. Our assessments thus provide a good indication of each site's performance against a broad number of important measures.

- 3.22 Where constraints were identified that impact on the suitability, availability and achievability of sites, our assessment considered what action would be needed to overcome the constraints, along with when and how this could be undertaken and the likelihood of sites locations being delivered.

Suitability

- 3.23 As we explain more fully in Appendix 1, we took account of planning considerations relating to:
- Suitability of location (i.e. whether the site is within or adjacent to the boundary of a defined settlement);
 - access;
 - ground conditions;
 - bad neighbours;
 - contaminated land;
 - flood risk;
 - high pressure gas pipeline buffer;
 - hazardous installations;
 - biodiversity;
 - heritage; and
 - best and most versatile agricultural and.
- 3.24 If a site is affected by a constraint(s), it does not necessarily follow that the constraint could not be overcome, albeit certain core constraints are likely to delay the site coming forward until such time as it is possible, or worthwhile, to overcome the constraint.

Availability

- 3.25 In assessing the availability of sites, we also took account of anything that might affect availability, using known information. Sites held by a developer/willing owner/public sector – for instance, call for sites submissions, and sites being actively marketed – and sites where it is known that pre-application discussions are underway scored well within the assessment.

Achievability

- 3.26 The PPG advises that 'achievability' is essentially a judgment about the economic viability of a site. For a strategic study such as this it is not necessary to undertake a detailed viability appraisal for each site. Instead our approach involves consideration of housing market issues at both the macro and micro levels, and other factors which are likely to influence/affect achievability, including known information relating to land

values, geo-environmental factors, physical constraints, and so on. Our approach took into account:

- Market factors – such as the likely effect of adjacent uses, the attractiveness of the locality, and the likely level of potential market demand;
- Cost factors – including potential site preparation costs relating to physical constraints, any exceptional works likely to be necessary, and
- Delivery factors – including the developer’s own phasing, the realistic build-out rates on larger sites (including likely earliest and latest start and completion dates), whether there is a single developer or several developers offering different housing products, and the size and capacity of the developer.

3.27 Our assessment of achievability was informed by our discussions with locally active property market agents and a representative from Solihull Council’s Strategic Land and Property division, as described in Section 2.

Estimating the Housing Potential of Each Site

3.28 In order to assess the number of dwellings that could theoretically be provided at each site, we applied a discount to the gross site area to take account of any permanent features. We then applied the gross to net ratios identified in Table 2.1 in order to determine a realistic calculation of the yield that could potentially be achieved at each site⁵:

Table 2.1 Gross-to-Net Ratios

Site Area	Gross-to-Net Ratio
< 0.5ha	100%
0.5 – 0.9ha	90%
1.0 – 1.4ha	80%
1.5 – 2.0ha	70%
>2.0ha	65%

3.29 As a matter of course in SHELAA studies we also reduce the gross area of any sites that are partially covered by nationally important nature conservation designations, although in this case we have screened out these sites. This approach provides a

⁵ The gross to net ratios are derived from ‘Tapping the Potential’ (DETR 2000), adapted by PBA to reflect our more recent experience around the country, and the particular characteristics of Solihull. Whilst the Table 2.1 provides an indicative estimation of the appropriate gross-to-net ratio, we acknowledge that site specific factors could result in a different ratio being more appropriate.

much more robust and realistic picture of potential housing delivery than simply applying a density to the gross site area.

- 3.30 Having identified the net developable area of each site, we then applied a density of 36 dwellings per hectare to all housing sites. The theoretical dwelling capacity of the study sites was therefore calculated on the following basis:

Gross site area x permanent features factor x gross to net factor x density

- 3.31 We have applied a density of 36 dwellings per hectare based upon industry averages and our discussions with housebuilders around the country. Where we have additional information (for example, through the 'call for sites' submissions) to justify an alternative density or dwelling yield then we have applied this manually.
- 3.32 Appendix 9 contains a schedule of the assessed housing sites which summarises the overall site category rating for each site, together with the theoretical dwelling yield and phasing trajectory.
- 3.33 We would strongly urge the Council to regularly monitor market conditions, which will provide an updated view of the housebuilding industry and potential changes in densities.

Stage 2B – Site and Broad Location Assessment: Employment

Overview

- 3.34 The purpose of the assessment is to help determine if the Local Plan should identify a proposed development site for an employment use, such as offices or industry. Some sites have been proposed through the call for sites for a range of possible alternative uses such as retail or housing. Unless it is clear that a mix of uses is intended, this study considers them solely for employment use. To this end the assessment should answer two questions:
- i How would development for an employment use align with current policy?
 - ii What are the prospects that the site will be taken up (i.e. developed and occupied) for employment use?
- 3.35 In relation to the first question, we must bear in mind that policy is not immutable. The new plan might consider changing current policy, for example by reviewing policy designations. The reason for asking the question is not to eliminate certain sites from consideration, it is to inform the decision-maker about the impact on land supply of current policy and potential changes – such as reviewing Green Belt boundaries.
- 3.36 The second question reflects national planning policy, which at paragraph 22 of the NPPF advises that '*planning should avoid long-term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose*'. To answer the question, we need to consider both the supply and demand sides of the land market.

- 3.37 On the supply side, there are two kinds of constraints which may prevent a site from coming forward. Constraints resulting from planning policy as discussed above are assessed separately, because it is a purpose of the assessment to show the impact of possible changes in policy. Other constraints, not related to planning policy, are identified under three headings: physical, infrastructure and ownership.
- 3.38 On the demand side of the land market, a site will be taken up for its planned use if it meets two conditions:
- The site should be attractive to potential business occupiers – which depends on features such as location, topography and environment (different types of occupier have different requirements).
 - The site should also be attractive to the providers of business property, who are developers, landowners and investors. This means that there should be enough occupier demand for new business space, at prices or rents that provide a viable return to the providers.
- 3.39 There are places where this viable demand for new space does not exist, for example because the existing floorspace stock already provides enough (or more than enough) space to meet demand, and/or rents/property values are too low to provide a sufficient return. Where that is the case, even sites that are highly attractive to occupiers, with all the right characteristics, are unlikely to be taken up.
- 3.40 The logic set out above, which is illustrated in Figure 3.1 below, is the basis of our site assessment method. The method aims to put into practice the advice of the PPG on housing and economic land availability assessments, and in particular paragraphs 018-022. These paragraphs identify the criteria that the assessments should use under three headings: ‘suitability’, ‘availability’ and ‘achievability’. Our assessment uses the same criteria, but because the PPG headings cover a number of what we consider to be diverse criteria, we separate the criteria out a little more using different headings. For example, in the PPG ‘suitability’ covers both attractiveness to occupiers and compliance with current policy; in our assessment we address these two headings separately, for the reasons explained earlier.

Figure 3.1 Site Assessment Method

Supply

Planning policy

Extent of policy-related constraints that may stop the site coming forward

- Policy constraints
- Designations
- Bad neighbour
- Other

- Summary
- 3 No constraints
 - 2 Minor constraints
 - 1 Major constraints

Other constraints

Extent of other supply constraints that may stop the site coming forward

- Constraints
- Physical
- Infrastructure
- Ownership

- Site available
- 3 Immediately
 - 2 Later in the plan period
 - 1 Not in the plan period

Demand

Assuming supply constraints are resolved, prospects that the site would be developed and occupied



- 3.41 Below, we discuss the detail of Figure 3.1, which links directly with the site assessment records which are contained within Appendix 4. However, first we explain the types of employment use assessed, and how we assigned the particular use to each site. Each site was identified for one of the following four employment land use categories⁶:
- Strategic distribution park
 - General industrial estate
 - Office park
 - Local office
- 3.42 Each of the four employment uses has very different locational requirements, and the review of the attractiveness to occupiers and market balance elements of the site assessment will differ for sites assessed for these different uses.
- 3.43 The key determinant of which land use category to apply for each site was the information provided by site promoters in the call for sites submission. Where promoters were firmly committed to a use, this was used as the basis for the assessment, apart from three cases where it was necessary to revise the potential use. In each case the reasons for the change are explained on the proforma tables. However, most of the submissions identified a range of potential uses, and we have used our judgement as set out below to identify the most appropriate use in each case.
- 3.44 Where sites were promoted for employment or residential use, we have only included them in one use category to avoid double counting on the basis of which use we consider to be best suited to the site.
- 3.45 To be identified for the strategic distribution park category, sites need to be well located for the strategic road network and capable of accommodating large-scale strategic distribution warehousing. Sites in this category could also accommodate other kinds of industrial space.
- 3.46 Sites identified for general industrial estates tend to be less well connected to the strategic road network and smaller scale compared to strategic distribution parks, and are usually located close to other industrial activity. They are capable of accommodating industrial sheds and could also accommodate some local distribution that is housed in smaller warehouses than that found on strategic distribution parks.
- 3.47 Office park locations have similar attributes to the strategic distribution parks, with an emphasis on high accessibility to the strategic road network and large enough to be capable of accommodating large pavilion style office buildings in a landscaped setting. Such locations do not necessarily need to have easy access to local shops, services and other facilities.
- 3.48 Sites identified for local office tend to be located adjacent to other office uses or with easy access to local shops, services and other facilities.

⁶ Not all of the assessed employment sites were put forward for B1, B2 or B8 uses. For instance, some sites were put forward for retail/hotel uses.

Supply

Planning policy constraints

- 3.49 The constraints are grouped into three headings:
- i Designations – the assessment identifies whether Green Belt, any strategic or local nature conservation or strategic or local heritage designations apply, using a ‘yes / no’ scoring. The area of land within the designation is calculated using GIS.
 - ii Bad neighbour impact – considers the potential impact of particular employment uses on neighbouring uses and vice versa. Some employment uses are noisy and/or dirty and would not be suitable next to uses such as residential or office. This impact is assessed as follows:
 - a. no constraint;
 - b. minor constraints – where there is an issue(s), but infrastructure to mitigate is either already committed or will be provided by public intervention or the market; and
 - c. major constraints – where there would be a significant impact but neither resolution nor mitigation is committed, or within public/market control to deliver.
 - iii Other – a ‘catch all’ heading to record and consider the impact of any other potential planning policy constraint not already covered. An example being the presence of Tree Preservation Orders. The assessment applies the none/minor/major categorisation.
- 3.50 The summary conclusion for the planning policy constraints considers the question – *is the site subject to policy constraints?* The answer synthesises the findings for the above mentioned headings and again uses the none/minor/major scoring format. In arriving at an overall planning policy impact, judgement is applied to weigh up the relative impact of the different factors. In principle, national designations are afforded more weight than local designation.

Other constraints

- 3.51 The second set of criteria included in the assessment cover physical, infrastructure and ownership constraints:
- i The assessment considers all readily identifiable physical constraints. The proforma specifically identifies ground conditions, contaminated land/historic landfill site, overhead line buffer, high-pressure gas pipelines, flood risk and hazardous installations. Any other constraints identified are also recorded in the ‘other’ category, such as close proximity to the airport runway that could have noise and safeguarding issues. These potential constraints are assessed using the ‘none/ minor/ major’ scoring format.
 - ii Infrastructure constraints are recorded, with the provision of suitable road access to the strategic road network and utilities being specifically identified on the proforma, albeit in the case of the latter there was insufficient information to establish if any sites were so constrained. We also considered other possible infrastructure constraints, but again in this case none were identified. The review focused on

assessing potential road access constraints. The 'none/minor/major' scoring format was again used.

- iii The ownership constraint covers the owner's broad commitment to the delivery of the site, and also addresses the issue of potential HS2 route safeguarding. Where owners were party to the call for sites submission this is taken to indicate a willingness to pursue the site's (re)development for a specified use, and 'no' was recorded against this factor. The HS2 'safeguarded' zone has been assessed as a 120m line either side of the track centre line⁷, assessed using GIS. The assessment again records 'yes' or 'no' against whether or not the site is within the safeguarded zone. Again using GIS, the assessment calculates the area within the zone for sites directly impacted by HS2.
- 3.52 The overall impact of all the 'other' constraints is an assessment of when a site would be available. Where a site is considered unconstrained it may be immediately available, where there are known constraints, but overall these are minor the site is available later in the plan period, and where constraints are major the site will not be available in the plan period. The assessment uses information currently available, and has not for example involved traffic modelling to assess whether there is capacity on the strategic road network to absorb new development.
- 3.53 The information relating to the physical constraints is used to make deductions in order to identify the potential developable area.
- 3.54 Thus, the conclusion of the supply assessment identifies the site availability and part of the suitability review; half of the PPG's suitability, availability and achievability headings. The other side of the assessment is a review of demand, with the two criteria headings being the attractiveness to occupiers and market balance, and completing the assessment of suitability (from occupier perspective) and achievability (from a developer perspective).

Demand

Attractiveness to occupiers

- 3.55 The assessment addresses the external environment, the internal environment, the proximity to the strategic road network, local access by road and public transport access.
- 3.56 The assessment scoring range for the first four criteria is – good – reasonable – poor. Relative to each criterion a site that is judged to be very attractive is identified as good, sites of moderate attractiveness are classed as reasonable, and sites we consider to be unattractive to occupiers are rated poor. The assessment of access to public transport is different and the assessment is 'yes' or 'no' relative to the criteria.

⁷ The 120m buffer was chosen as it generally falls within the 'Voluntary Purchase Zone' for homeowners. The location of safeguarded sites for HS2 was updated on 18 August 2016 and the latest maps can be found at: <https://www.gov.uk/government/collections/hs2-safeguarding>

3.57 The criteria are assessed as follows:

- i The external environment, which considers issues such as the visual prominence of the site from the surrounding area, compatibility of the surroundings and access to amenities from the occupier's perspective. If for example the site was being promoted for office use but the surroundings were a quarry or unattractive industrial units, all other things considered it would be assessed as 'poor' for this criterion.
Office and distribution occupiers prefer sites with visual prominence to advertise their presence and their businesses. This is less important for other activities such as heavier industrial processes.
- ii The internal environment criterion considers the shape, gradient and boundary of the site in respect of suitability for employment use. A site of regular shape, flat and bordered by roads will be assessed as 'good,' compared to a site of irregular shape, steep incline and bordered by a river that will score 'poor.'
- iii Proximity to the strategic road network is measured by distance to a motorway or principal road junction. Where for example a site has direct access onto the A45 or M42 it is rated good, where access is within approximately 3km and there are no other access impediments. Beyond this distance sites score 'poor.'
- iv Local access by road considers the quality of the local road network and the areas through which the roads pass. If access requires vehicles to pass through a village or along a narrow lane it will be assessed as 'poor.' On the other hand, a site with access directly from a dual carriageway will attract a 'good' rating. Achieving a good assessment for this criterion is more important for industrial uses because in general terms their business is more dependent on road transport compared to other uses such as office where workers are more reliant on the quality of the public transport rather than access to the road network.
- v Public transport access is measured by two criteria proximity to a railway station and a qualitative assessment of the rail service and other public transport. Sites within 400m of a rail station (a five-minute walking distance) have an attractiveness advantage. As referred to above this criterion is scored 'yes' or 'no'. The second criterion adds qualitative consideration, of issues such as whether the station serves main line or cross country routes, and how well the site is served by bus services.

3.58 The overall assessment considers the question: How attractive will the site be to occupiers of the completed development?

Market balance

- 3.59 The market balance assessment considers the attractiveness of the site from the perspective of prospective developers, landowners and investors. It provides an assessment of the prospects for the site coming forward for (re)development based on the outputs from the Employment Land Review (ELR). The ELR considers market attractiveness from both the occupier and developer perspectives, and involves a market appraisal that identifies what types, form and locations are viable for employment uses.

- 3.60 In this case the ELR work is yet to be completed, and whilst discussions were conducted with a local agent, this work was by no means as comprehensive as that which will be reported in the ELR, in advance of the completion of that work it is not possible to address market balance issues in this report.
- 3.61 The market balance criteria are assessed using the good – reasonable – poor scoring where a good assessment means that there is viable demand for development, reasonable means there is likely to be some interest, and poor means development is not viable.

Summary

- 3.62 The assessment of the two demand factors (attractiveness to occupiers and market balance) are used to answer this question – *Assuming constraints are resolved, what are the prospects of the site being developed and occupied?*
- 3.63 In this case the assessment is currently made on the basis of the first of the demand factors, but can be reassessed at a later date once the market appraisal work for the ELR has been completed.
- 3.64 The assessment of the supply and demand factors is brought together to assess the potential future supply pipeline in the assessment tables later in this report.

Stage 3 – Windfall Assessment

- 3.65 Windfall sites are those unidentified housing sites which have not been specifically identified in the SHELAA due to the local authority not being aware of them until a planning application is submitted. All sites assessed as part of the SHELAA process are considered to be identified sites and so they are not windfall sites.
- 3.66 Paragraph 48 of the NPPF explains that windfall sites may be justified by the local authority as part of the housing land supply if *‘they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.’*
- 3.67 Paragraph 47 of the NPPF also states that the housing supply for the first five years should be based on *‘specific deliverable sites’*.
- 3.68 Taking account of the advice in the NPPF, we have applied a windfall allowance of 150 dwelling per annum (‘dpa’) as part of our assessment to whether the identified dwelling targets can be achieved. Evidence to support this level of windfall allowance is contained within the Council’s Housing Background Paper, which was prepared in 2013 to support the examination of the Solihull Local Plan. More recently in March 2016, a Section 78 Appeal Decision – which was upheld by the Secretary of State – has supported the provision of a 150 dpa windfall allowance⁸.

⁸ PINS Appeal Reference: APP/Q4625/13/2192128

- 3.69 The windfall allowance of 150 dpa has been applied from year 3 of the study onwards in order to avoid double-counting with the contribution from sites with extant planning permission and also to take into account lead in times for actual delivery at any new windfall sites that come forward in the first few years (i.e. discharge of conditions, completion of legal agreements, site set up and so on). The approach of including a windfall allowance from year 3 of the study onwards is therefore robust and conservative.
- 3.70 Accordingly, we consider the following windfall allowances to be appropriate:
- 2016-21: allowance of 450 dwellings (i.e. 3 x 150).
 - 2016-26: allowance of 1,200 dwellings (i.e. 8 x 150).
 - 2016-33: allowance of 2,250 dwellings (i.e. 15 x 150).
- 3.71 The contribution from windfalls should be carefully monitored over time. The Council may wish to consider updating the windfall allowance when updating the SHELAA, if there is evidence to justify an alternative rate at that point in time.

Stage 4 – Assessment Review

Time Horizon and Study Base Date

- 3.72 The PPG states that once the sites and broad locations have been assessed, the development potential of all sites can be collated to produce an indicative trajectory, which sets out how much housing and employment land can be provided and when it might come forward. The PPG requires an overall risk assessment to be made as to whether sites will come forward as anticipated.
- 3.73 Paragraph 47 of the NPPF requires LPAs to identify a supply of ‘deliverable’ housing sites for the first five years and a further supply of ‘developable’ sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15. Each housing site was therefore assigned an expected timescale for delivery: 1-5 years, 6-10 years or 11-17 years (the final assessment period covers seven years rather than five because the overall study period 2016-2033 covers 17 years). These timescales depend on the information known about each site in relation to its suitability and availability for housing at the time of the assessment.
- 3.74 The PPG does not require the supply of employment land to be considered over five-year time tranches as it does with housing. The requirement is to identify sufficient sites to meet demand over the whole Local Plan period.
- 3.75 For the housing sites we consider that 1 April 2016 represents an appropriate study base date, as this will ensure that the evidence presented on past completions and outstanding commitments is as up-to-date as possible. Accordingly, we have assessed housing potential for each of the forthcoming periods 2016 to 2021, 2016 to 2026 and 2016 to 2033.
- 3.76 In accordance with the guidance, the SHELAA should be regularly kept up-to-date as part of the Annual Monitoring Report exercise, so as to support the updating of the housing trajectory and the rolling five-year supply of specific deliverable sites.

Stage 5 – Final Evidence Base

Housing Site Categorisation

- 3.77 At this stage of the study we undertake our assessment of each site and/or broad location, looking at their suitability, availability and achievability, to determine whether a site is realistically expected to be developed and when.
- 3.78 Through our assessments of suitability, availability and achievability, each site was placed into one of three ‘Category’ bands⁹, as follows:
- Sites which perform well against the suitability, availability and achievability assessments, and are therefore affected by the fewest constraints, are considered to be ‘deliverable’ and were therefore placed into Category 1. It is important to emphasise that for a site to achieve a Category 1 rating, it would need to be suitable, and available (or capable of being made available) within five years, and achievable.
 - Sites with a limited level of constraints, such that they are likely to be available for delivery after the first five years, were placed into Category 2. These ‘developable’ sites may be suitable for development, depending on their individual circumstances and on specific measures being proposed to overcome their constraints within a 6 to 10-year time horizon.
 - Sites allocated to Category 3 are classified as being ‘not currently developable’ and have more significant constraints. For these sites to be considered appropriate for development it would have to be clearly demonstrated that the significant constraints affecting these sites – which could relate to suitability, availability or achievability factors, or a combination thereof – can be mitigated or overcome to make them deliverable.
- 3.79 The overall categorisation of a site therefore depends on the particular combination of constraints affecting it. The scores achieved by each site in the database under each criterion are used to determine why each site has been assigned to a particular Category band. Thus, it is immediately apparent whether a site is affected by particular constraints and, hence, what sort of intervention will be required in order to make the site deliverable. A summary table containing assessed housing sites and their categorisation scoring is provided at Appendix 9.
- 3.80 Predicting when each site is likely to come forward for development is not an exact science. The placing of a site into one of the three Category bands is therefore intended to give a useful indication of the deliverability and potential timing of a site’s development.
- 3.81 However, the inclusion of a site in a higher Category band should not be taken to represent a recommendation that it should be allocated, as our categorisation process does not take account of all the policy considerations that are relevant in selecting sites for allocation. Equally, it should not be concluded that a site assigned to a lower Category band cannot come forward, or that it cannot be allocated for

⁹ Our definitions match those specified in footnotes 11 and 12 on page 12 of NPPF.

development. Rather, it would need to be demonstrated that the site's constraints could be overcome in order to secure its deliverability.

Employment Site Categorisation

- 3.82 Employment sites are categorised on the basis of the assessment of 'other constraints' (supply) and attractiveness to occupiers (demand) as set out in the table below.
- 3.83 The assessment is undertaken for each of the four employment use types and records the land area and number of sites potentially available. The assessment first records area/sites from a 'policy off' position, ignoring current planning policy constraints, and then considers how much land/sites are available with 'policy on'.

Table 3.2 Matrix of Potential Employment Sites

		Attractiveness to occupiers						TOTAL
		Good		Reasonable		Poor		
		Sites	Ha	Sites	Ha	Sites	Ha	
Site availability	Immediately							
	Later in the plan period							
	Not in the plan period							
	TOTAL							

Source: PBA

- 3.84 As referred to above we are not able at the present time to factor in the market balance part of the demand assessment, as the data are currently being collected as part of the Employment Land Review (ELR) work.

4 HOUSING STUDY FINDINGS

- 4.1 In this section we provide the results from the study and assess whether, and how, the identified dwelling targets can be achieved. In summary, our approach is to:
- identify the 5, 10 and 17-year dwelling targets (the latter period actually being 17 years, rather than 15 for the reasons explained earlier in our report), taking account of any previous under-provision against the identified targets;
 - identify the supply from housing commitments;
 - establish the potential supply from Category 1 ('deliverable'), Category 2 ('developable') and Category 3 ('not currently developable') sites; and
 - assess whether the identified supply from outstanding planning commitments and the housing specific sites that we have assessed in the SHELAA is sufficient to meet the 5, 10 and 17-year dwelling targets.

Dwelling Targets

- 4.2 As we explained in Section 2, following a High Court challenge and Court of Appeal Judgment, parts of Policy P5 of the Solihull Local Plan which sets out the housing requirement for the plan period are no longer treated as adopted.
- 4.3 As discussed in Section 2, we have agreed with officers that, in advance of the specific dwelling target having been formally agreed, for the purposes of the SHELAA we will use the figure of 784 dpa as the dwelling target. The 784 dpa figure is derived from the emerging Solihull SHMA, and the discussions that the Council has had with its HMA neighbours in relation to meeting the identified dwellings shortfall across the wider HMA.
- 4.4 The latest available data from the Council shows that at 31 March 2016, 1,385 net additional dwellings were delivered across the Borough between 2014 and 2016, which leaves a residual requirement of 13,520 dwellings for the remaining 17 years of the plan period (see Table 4.1).
- 4.5 As shown in Table 4.3, the basic five-year requirement for Solihull is 3,920 dwellings (784 x 5). Added to this is the accrued shortfall of 183 dwellings (see Table 4.2). Paragraph 47 of the NPPF requires LPAs to provide an additional 'buffer' of 5 per cent to ensure choice and competition in the market for land, or a 20 per cent 'buffer' where there has been a record of persistent under-delivery. In March 2016, the Inspector who presided over the Lowbrook Farm appeal¹⁰ – which was referred to the Secretary of State – confirmed that it is appropriate to apply a 20 per cent 'buffer'. Whilst PBA has no reason to disagree with the Inspector, the application of the higher 20 per cent 'buffer' is not the Council's confirmed view and is subject to review as circumstances move on. The total five-year requirement including the accrued shortfall and 20 per cent NPPF 'buffer' equates to 4,924 dwellings.

¹⁰ PINS Appeal Reference: APP/Q4625/13/2192128

- 4.6 As shown in Table 4.4, the 10-year target is calculated by adding together the first five-year requirement (4,924 dwellings) and the basic requirement for the second five-year period (3,920 dwellings). Table 4.5 shows that the 17-year target is calculated by adding the accrued shortfall from 2014 to 2016 (183 dwellings) to the basic annual requirement for the 17-year period.
- 4.7 For the avoidance of doubt, the 10-year target includes the 20 per cent NPPF 'buffer' which is already built in to the first 5-year requirement. However, we have not included any 'buffer' in the 17-year target given that the allowance for a buffer in the first five-year and ten-year periods represents dwellings brought forward from later in the plan period rather than being additional. Therefore, including a 'buffer' within the full 17-year target would be double-counting units from the end of the plan period.

Table 4.1 Total Housing Requirement

Total Housing Requirement	
Local Plan Review Housing Target (2014 – 2033)	14,905 dwellings
Net Completions (2014 – 2016)	1,385 dwellings
Residual 17-Year Requirement (2016 – 2033)	13,520 dwellings

Table 4.2 Shortfall in Housing Delivery (2014 to 2016)

Shortfall (2014 - 2016)	
Annualised Local Plan Review Housing Target (14,905 / 19)	784 dwellings
Requirement from 2014 to 2016 (784 x 2)	1,568 dwellings
Net Completions (2014 – 2016)	1,385 dwellings
Shortfall 2014 to 2016 (1,568 minus 1,385)	183 dwellings

Table 4.3 Five-Year Housing Requirement (2016 to 2021) with 20% NPPF 'Buffer'

Five-Year Housing Requirement (2016 - 2021)	
Basic Five-Year Requirement (784 x 5)	3,920 dwellings
<i>Add Shortfall (2014 to 2016)</i>	<i>183 dwellings</i>
<i>Add 20% 'buffer'</i>	<i>821 dwellings</i>
Total Five-Year Requirement including 20% NPPF 'Buffer'	4,924 dwellings

Table 4.4 Ten-Year Housing Requirement (2016 to 2026) with 20% NPPF 'Buffer'

Ten-Year Housing Requirement (2016 - 2026)	
Five-Year Requirement plus shortfall and 20% NPPF 'Buffer'	4,924 dwellings
<i>Add Second Five-Year Requirement</i>	<i>3,920 dwellings</i>
Ten-Year Requirement with 20% NPPF 'Buffer'	8,844 dwellings

Table 4.5 17-Year Housing Requirement (2016 to 2033)

Seventeen-Year Housing Requirement (2016 - 2033)	
Basic 17-Year Requirement (784 x 17)	13,328 dwellings
<i>Add Shortfall (2014 to 2016)</i>	<i>183 dwellings</i>
17-Year Requirement	13,511¹¹ dwellings

Housing Commitments

- 4.8 The latest data provided by the Council indicates that there is a supply of 4,937 dwellings from sites under construction, extant commitments and Local Plan allocations (See Appendices 6 and 7 for a detailed breakdown of such sites)¹².
- 4.9 However, it is reasonable to assume that not all of the commitments will be delivered in their current form and that not all outstanding allocations will come forward. For instance, in some cases the developer may have to amend its intentions in order to make the scheme more viable because of economic circumstances. Similarly, not all outstanding allocations will necessarily deliver the expected quantum of housing, or come forward at all due to a variety of market and cost factors.
- 4.10 Consequently, to ensure a robust approach, we consider that there is a need to make an allowance for 'non-implementation' of a proportion of the outstanding residential planning permissions and allocations. The application of a 10 per cent 'non-implementation' rate was supported by the Inspector who considered the Lowbrook Farm appeal in March 2016. In order to ensure that our assessment is as robust and realistic as possible, we have applied a 10 per cent 'non-implementation' rate to the total dwelling supply from sites with planning permission (not started) and Local Plan allocations.
- 4.11 The application of the non-implementation rate results in a residual supply of 4,523 dwellings. A breakdown of this supply is included at Table 4.6 below.

Table 4.6 Housing Commitments

Housing Commitments (2016 - 2033)	
Sites with Planning Permission (not started)	1,467 dwellings
Local Plan Allocations (not assessed within SHELAA)	2,675 dwellings
<i>Apply 10% 'non-implementation'</i>	<i>- 414 dwellings</i>
Sub-Total	3,728 dwellings
Sites with Planning Permission (started)	795 dwellings
Net Housing Commitments	4,523 dwellings

- 4.12 The Council considers all existing Local Plan allocations to be commitments for the purpose of its housing land supply. However, a number of these allocations have been put forward again for assessment within this study, whereas others have not. Whilst we have assessed four re-submitted allocated sites within our study, to avoid

¹¹ The 17-year dwelling requirement in Table 4.5 differs slightly from the figure in Table 4.1 due to rounding.

¹² The Council's overall housing supply figure also includes 163 units from sites which featured in the 2012 SHLAA. Whilst we have not included the dwelling contribution from such sites as part of this assessment, for completeness, we have included a list of such sites at Appendix 8.

double counting, we have not included the theoretical dwelling contribution from such sites within our theoretical dwelling supply calculation¹³. The Council has provided a housing trajectory for Local Plan allocations, so that the dwelling capacity of such sites is phased over the 5, 10 and 17-year study periods. We have used these phasing details for allocated sites, alongside the contributions from sites with planning permission to derive the total number of commitments for the purpose of calculating adequacy of supply:

- **2016-21: 3,512 dwellings** (i.e. 795 units from sites with planning permission (started) plus 1,467 units from sites with planning permission (not started) and 1,552 units from allocated sites, after 10 per cent for 'non-implementation' to planning permissions (not started) and allocated sites).
- **2016-26: 4,142 dwellings** (i.e. 795 units from sites with planning permission (started) plus 1,467 units from sites with planning permission (not started) and 2,252 units from allocated sites, after 10 per cent for 'non-implementation' to permissions (not started) and allocated sites).
- **2016-33: 4,523 dwellings** (i.e. 795 units from sites with planning permission (started) plus 1,467 units from sites with planning permission (not started) and 2,675 units from allocated sites, after 10 per cent for 'non-implementation' to permissions (not started) and allocated sites).

- 4.13 Future updates of the SHELAA will provide an opportunity to monitor the number of dwellings within outstanding residential commitments/allocations.

Theoretical Dwelling Supply

- 4.14 We have identified the theoretical dwelling supply from the 167 assessed housing sites (excluding re-submitted allocated sites), each of which has been placed into one of the three Category bands:
- Category 1 (deliverable) – site is suitable, available and achievable and faces no constraints which might prevent it from coming forward within the first five-year period;
 - Category 2 (developable) – site faces some constraints of either suitability, availability or achievability and would not be expected to come forward within the first five-year period, but could still be expected to come forward within the second five-year period; and
 - Category 3 (not currently developable) – site faces more significant constraints, and would not be expected to come forward within the first 10-year SHELAA assessment period, although it might be expected to come forward in the third time period.
- 4.15 Table 4.7 below summarises the theoretical dwelling supply from SHELAA housing sites, broken down by Category band:

¹³ The Site Assessment Records for re-submitted allocated sites are presented at Appendix 6.

Table 4.7 Summary of Supply from SHELAA Housing Sites

	Total		Green Belt	
	Dwgs	No of Sites	Dwgs	No of Sites
Category 1 sites	12,642	77	12,508	72
Category 2 sites	14,076	62	13,474	56
Category 3 sites	4,367	28	4,013	22
TOTAL	31,085	167	29,995	150

- 4.16 From the table above, it can be seen that:
- The 167 housing sites could potentially yield around 31,085 dwellings.
 - Of this theoretical capacity, 12,642 units are on sites assessed as being 'deliverable' (i.e. Category 1), with a further 14,076 dwellings on 'developable' sites (Category 2) and 4,367 units on sites which are not currently developable (Category 3) but which could come forward at some point in the future.
 - Of the total theoretical capacity of 31,085 units, the vast majority (29,995 units) are on sites which are greater than 50 per cent or wholly contained within the Green Belt (96.5 per cent of the total housing supply).
- 4.17 Owing to lead-in times and build-out periods, it is important to consider the role of phasing, especially for larger sites. When market delivery factors are taken into consideration, we have assumed that an individual site is unlikely to deliver more than 250 units in any five-year period. For sites which are capable of generating a theoretical dwelling yield of over 250 units, we have taken into consideration the Category band and spread the dwellings into the following time-period bands: 1-5 years, 6-10 years, 11-17 years and 'beyond plan period' dependant on the site Category. Based upon our market knowledge, we have assumed that a maximum of 250 dwellings can be delivered in each of the five-year periods covering years 1 to 5 and years 6 to 10, and that 300 dwellings can be delivered in years 11 to 17 (which covers seven years).
- 4.18 For sites with a theoretical dwelling capacity of over 500 units, we have assumed that there will more than one developer/sales outlet. When taking account of lead-in times, competition and market saturation factors for such larger sites we have assumed that for sites over 500 units, 400 units can be delivered in any five-year period and 500 dwellings can be delivered in the final seven-year period. Table 4.8 below summarises the theoretical dwelling supply from all SHELAA sites, broken down by time horizon and also by Green Belt:

Table 4.8 Summary of Supply of SHELAA Housing Sites by Time-Horizon

	Total Theoretical Dwelling Yield	Green Belt Theoretical Dwelling Yield
Years 1-5	7,205	7,071
Years 6-10	9,262	8,660
Years 11-17	7,878	7,524
SUB-TOTAL (Within Plan Period)	24,345	23,255
<i>Beyond Plan Period</i>	6,740	6,740
TOTAL	31,085	29,995

4.19 From the table above, it can be seen that of the 31,085 total theoretical dwelling yield:

- 7,205 dwellings could be expected to come forward for development in years 1-5, of which 7,071 dwellings (98.1 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 9,262 dwellings could be expected to come forward for development in years 6-10, of which 8,660 dwellings (93.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 7,878 dwellings could be expected to come forward for development in years 11-17, of which 7,524 dwellings (95.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 6,740 dwellings could be expected to come forward for development beyond the plan period, of which all dwellings are from sites which are wholly or predominantly contained within the currently designated Green Belt.

Adequacy of Housing Provision

4.20 In Table 4.9 below we assess whether the Borough-wide dwelling targets can be achieved through a combination of the 167 housing sites together with outstanding planning commitments and windfall sites.

Approach

4.21 The components of potential housing supply, as set out in Table 4.9 below, are referenced as follows:

- PC ('Planning Commitments') = dwellings under construction, with planning permission or outstanding Local Plan allocations (having made an allowance for non-delivery, as described earlier in this section);
- W ('Windfalls') = a windfall allowance of 150 dwellings per annum from year 3 onwards has been applied (as described in Section 3); and
- C1, C2, C3 ('Category' bands 1, 2 and 3) = potential from the 167 housing sites in the SHELAA in the 1-5, 6-10 and 11-17 assessment periods.

- 4.22 There is no definitive ‘answer’ and so, within each period, the theoretical yield from a combination of components is compared with the dwelling target for the period. Where a combination is sufficient to meet the target, the yield is highlighted in green. It is therefore immediately apparent to what extent the potential housing supply for a period is sufficient to meet the target.
- 4.23 Our site categorisation does not take account of all the policy considerations that are relevant in selecting sites for allocation, which are likely to include the broad sustainability of the total development pattern, impact on biodiversity and landscape, and strategic transport and other infrastructure capacity issues. Thus, we have not undertaken any analysis to consider whether the Category 1 supply is in the right place to meet strategic policy objectives. Similarly, we have not considered whether it would be better to remove the obstacles affecting Category 2 sites outside of the Green Belt and bring these sites forward in advance of Category 1 Green Belt sites. These issues are beyond the scope of a SHELAA and will need to be considered through the plan preparation process.

Table 4.9 Adequacy of Cumulative Housing Potential in Solihull, Forthcoming 5, 10 and 17-Year Periods – With 20 per cent NPPF ‘Buffer’

Period	Component	Total Yield	Green Belt Yield ¹⁴
First 5 years	PC	3,512	
	PC + W	3,962	
	PC + W + C1	11,167	11,033
	PC + W + C1 + C2	20,429	19,693
	PC + W + C1 + C2 + C3	28,307	27,217
	Dwelling Requirement		4,924
First 10 years	PC	4,142	
	PC + W	5,342	
	PC + W + C1	12,547	12,413
	PC + W + C1 + C2	21,809	21,073
	PC + W + C1 + C2 + C3	29,687	28,597
	Dwelling Requirement		8,844
First 17 years	PC	4,523	
	PC + W	6,773	
	PC + W + C1	13,978	13,844
	PC + W + C1 + C2	23,240	22,504
	PC + W + C1 + C2 + C3	31,118	30,028
	Dwelling Requirement		13,520

Summary of Findings

- 4.24 Table 4.9 confirms that outstanding planning commitments in the Borough (after a non-implementation rate discussed earlier in this section has been applied) and windfall sites are unable to meet the dwelling target for the first five years of 4,924

¹⁴ For the avoidance of doubt, the planning commitments and windfalls must also be added to the supply from Green Belt sites, and these therefore form part of the figures in this column although they are not necessarily in the Green Belt.

- dwellings (with a 20 per cent 'buffer'). To fully meet the five-year target, it will be necessary for a number of the Category 1 sites (including sites within the Green Belt) to be brought forward.
- 4.25 The 10-year target of 8,844 dwellings (with a 20 per cent 'buffer') can similarly be met from a combination of outstanding planning commitments together with windfall sites and a number of Category 1 sites. Again, to meet the 10-year target, it would be necessary for Category 1 sites within the Green Belt to be brought forward.
- 4.26 Table 4.9 shows that there is sufficient land to meet the Borough's 17-year dwelling target, if Category 1 sites are brought forward, in addition to sites with planning commitments and windfall sites. It is not necessary for Category 2 or 3 sites to be brought forward to meet the Borough's 17-year dwelling target, however sites within the Green Belt would be required to be brought forward for development.
- 4.27 The findings from the process above indicate that current outstanding commitments, permissions, allocations and windfall sites are insufficient to meet the five-year housing requirement. The 167 housing sites which we assessed in the study (including 'amalgamated sites' but excluding existing allocations), when considered together with outstanding planning commitments, are theoretically capable of providing sufficient dwellings to meet the 5, 10 and 17-year requirement.
- 4.28 It is important to emphasise that 150 of the 167 sites assessed in the SHELAA for housing are wholly or predominantly contained within the currently designated Green Belt. The dwelling yield from sites within the Green Belt within the plan period (23,255 units) amounts to 95.5 per cent of the overall theoretical yield within the plan period (24,345 units). If theoretical supply from units within the Green Belt is removed from the assessment, only 1,090 units could be delivered from land which is currently not within the Green Belt. On the basis of our assessment, it will therefore be necessary to release some Green Belt land to meet the Borough's housing requirements.

5 EMPLOYMENT STUDY FINDINGS

- 5.1 The findings from our site assessments are set out below. We establish the planning policy-off position regarding land availability, and so the tables below and the accompanying commentary take no account of planning policy constraints. In the following section we consider the impact of planning policy on land availability.

Site Overview

Table 5.1 Sites Assessed by Employment Use

	Sites	Total Area (Ha)	Total area after deduction for constraints (Ha)
Strategic distribution park	6	177.6	157.2
Industrial estate	17	242.3	116.2
Office Park	1	2.3	2.3
Local office	3	7.2	7.2
TOTAL	27	429.3	282.8

Source: PBA

- 5.2 Half of the total potential employment land was assessed for industrial activity (for a mix of B1b, B1c, B2 uses), and the bulk of the remaining land was assessed for strategic distribution park use (B8). Only 9.5 ha of land across four sites was assessed for office use.
- 5.3 After deductions from the available site area to take account of planning policy (excluding Green Belt) and ‘other’ constraints such as contamination and flood risk the total potential area available for employment use reduces by approximately one third, down to 283 ha. The area potentially available for strategic distribution parks reduces by approximately 20 ha, but the largest reduction relates to the area potentially available for industrial estates, where deductions due to constraints reduce the potential area to 116 ha. Land potentially available for office use also remains unchanged at 9.5 ha.

The Planning Policy ‘Off’ Position

- 5.4 The tables below review the site information separately for each of the four assessed uses. The tables identify land area and number of sites and according to site availability based on the response to the ‘other’ constraints criteria and the attractiveness to occupiers’ criteria.

Strategic distribution parks

- 5.5 The land availability is very positive for strategic distribution parks with 157 ha of land having either a ‘good’ or a ‘reasonable’ level of attractiveness to occupiers available in the Local Plan period. Of this, 107 ha (on four sites) is in the highest category –

good attractiveness and, subject to any possible capacity issues on the strategic road network, immediately available. The four sites are:

- By far the largest is Boxtree site 2, Kineton Lane (site 165), which can contribute 86 ha across three adjacent land parcels.
- Land between Bickenhill Village and the A45 (site 115) which can contribute 16 ha.
- The other two sites are much smaller, but capable of supporting distribution facilities: 2.9 ha at Village Farm, Damson Parkway (site 189) and 2.3 ha at Land at Lady Byron Lane (site 234) adjacent to junction 5 of the M42.

5.6 Of the other sites:

- 33 ha is available at the Boxtree site 1 on Gate Lane (site 164), a site rated good in terms of attractiveness, but with major uncertainty as to how it would access the strategic road network, and is not therefore available immediately, but could come forward later in the Plan period.
- A 16 ha site at Ravenshaw Way (site 97) that again lacks prominence and would need significant upgrade of local access, but is located so as to have very good access to the strategic road network.

Table 5.2 Sites Assessed for Strategic Distribution

Strategic distribution park		Attractiveness to occupiers					
		Good		Reasonable		Poor	
		Sites	Ha	Sites	Ha	Sites	Ha
Site availability	Immediately	4	107.4				107.4
	Later in the plan period	1	33.6	1	16.2		49.8
	Not in the plan period						
	TOTAL	5	141.0	1	16.2		157.2

Source: PBA

5.7 In summary, 157 ha of land is available to meet demand for strategic distribution park activity within the Local Plan period. Of this, 107 ha is available immediately and in locations that are highly attractive to potential occupiers.

Industrial estates

5.8 Of the 116 ha of land assessed for industrial use, 102 ha are deliverable within the Local Plan period.

5.9 Only 5.7 ha of land in two sites has good attractiveness to occupiers and is available immediately for development. These sites are:

- Solihull Moors football club, Damson Way (site 65), a 3.8 ha site which is immediately adjacent to the Lode Lane JLR works.
- Fore Business Park (site 194), which is being promoted for a range of uses including B2 and B8 space, could contribute 1.9 ha for employment uses.

5.10 Four sites totalling 22 ha have reasonable attractiveness for employment use and are immediately available, the largest of which is the 18 ha Boxtree Farm site at Stratford

Road (site 1003). The other sites are Blooms Garden Centre and the two residential buildings Mayfield and Melbourne close to the Airport, but these are very small and contribute only 4 ha.

- 5.11 A further 11 ha of land with good attractiveness to occupiers could come forward later in the Local Plan period on three sites: 7 ha at Arden Brickworks, 3.5 ha at land at Blackfirs Lane (site 77) and 0.5 ha at Bacons End (site 55).
- 5.12 Three sites are rated 'reasonable', and are available later in the Plan period once the HS2 line construction has been completed. The sites are Berkswell Quarry (site 212) which could contribute 24 ha, the area surrounding Berkswell Quarry (site 76) which could contribute 32 ha, and New Mercote (site 92) which lies immediately to the south of Blooms Garden Centre and could contribute 7 ha. Together these three sites could contribute 63 ha.

Table 5.3 Sites Assessed for Industrial Use

Industrial estate		Attractiveness to occupiers						
		Good		Reasonable		Poor		TOTAL
		Sites	Ha	Sites	Ha	Sites	Ha	Ha
Site availability	Immediately	2	5.7	4	22.2	3	3.2	31.1
	Later in the plan period	3	11.0	3	62.9	2	11.1	85.1
	Not in the plan period							
	TOTAL	5	16.7	7	85.1	5	14.3	116.2

Source: PBA

- 5.13 In summary, while 116 ha of land is suitable for industrial use only approximately one quarter (28 ha) has potential to come forward immediately. Some 74 ha is suitable for industrial use, but not available until later in the Plan period of which 70 ha will be potentially developable only after the HS2 line has been completed.

Office parks

- 5.14 Just one site has been assessed for an office park:
- Village Farm, Elmdon (site 95) is a highly attractive site for employment use, and particularly office in a business park environment. However, the site is small at 2.3 ha to provide business park ambience, and may be better suited to a headquarters building. The site is in three ownerships and not all of these were party to the site's inclusion in the call for sites, which is a risk to availability for development, hence we consider that the site is achievable only later in the Local Plan period.

Table 5.4 Sites Assessed for Office Parks

Office park		Attractiveness to occupiers						
		Good		Reasonable		Poor		TOTAL
		Sites	Ha	Sites	Ha	Sites	Ha	Ha
Site availability	Immediately							
	Later in the plan period	1	2.3					2.3
	Not in the plan period							
	TOTAL	1	2.3					2.3

Source: PBA

- 5.15 In summary, there is very little potential land available for office park development, amounting to just one 2.3 ha site. Should there be insufficient existing supply within existing designated and allocated sites to meet identified need it will be necessary to revisit some of the sites identified for strategic distribution to explore if these would be suitable for office park use.

Local office

- 5.16 Just 7.2 ha of land was assessed for local office, and of this only 1.4 ha is attractive to occupiers.
- 5.17 The one site that would be attractive to occupiers is Land to the rear of Fernhill Court (site 112), an existing business facility in converted estate farm buildings. The location's remoteness from the strategic road network and the relative lack of local services and amenities impacts on the level of attractiveness to occupiers.
- 5.18 The two other sites assessed – Home Farm, Berkswell (site 91) and Kidpile Farm, Earlswood (site 70) – are not attractive to occupiers.

Table 5.5 Sites Assessed for Local Office

Local office		Attractiveness to occupiers						
		Good		Reasonable		Poor		TOTAL
		Sites	Ha	Sites	Ha	Sites	Ha	Ha
Site availability	Immediately			1	1.4	1	2.3	3.7
	Later in the plan period					1	3.5	3.5
	Not in the plan period							
	TOTAL			1	1.4	2	5.8	7.2

Source: PBA

The Planning Policy 'On' Position

- 5.19 We now turn to consider the impact on land availability of current planning policy 'on'.
- 5.20 Green Belt is the key planning policy designation in this context, and all but one of the 27 sites, Bacons End (a small site in the urban area that could contribute 0.5 ha of industrial land) are located within the Green Belt.

- 5.21 All of the other sites that have been assessed in this study are located within the Green Belt, and cannot come forward without amendment to the boundaries of the Green Belt.
- 5.22 Green Belt is the major planning policy constraint, but there are others. Some sites are subject to nature conservation designations within the area, one or two have small areas identified as SSSIs and a number have LWSs either within the site boundary or immediately adjacent. However, the impact of these designations is to reduce the developable area rather than being an absolute constraint to development of the whole site.

Conclusions

- 5.23 Our assessment has considered 27 sites which collectively cover 430 ha of land that were promoted for employment use through the call for sites. The type of employment use assessed for each site as part of this study was either the use promoted, or a use considered by us to be more suitable for the site.
- 5.24 Of the 27 sites assessed, all are within the Green Belt except the Bacons End site, which can only provide 0.5 ha of additional industrial land. In order for development to come forward at any of the other 26 sites, there will be a need to amend the Green Belt.
- 5.25 The table below summarises the land that will be attractive to occupiers (land we consider to be either of good or reasonable attractiveness) and available in the Local Plan period.

Table 5.6 Summary – Potential Land Availability for Employment Uses

	Available Immediately		Available later in the plan period		TOTAL
	Sites	Ha	Sites	Ha	Ha
Strategic distribution park	4	107.4	2	49.8	157.2
Industrial estate	6	27.9	6	74.0	101.9
Office park			1	2.3	2.3
Local office	1	1.4			1.4
TOTAL	11	136.7	9	126.0	262.7

Source: PBA

- 5.26 The table highlights the large potential land availability for strategic distribution parks, with 157 ha suitable and potentially available, most of which is available immediately. Just over 100 ha is available for industrial uses spread over 12 different sites, but relatively little is available immediately, and 70 ha is unlikely to come forward until the HS2 line construction completes in 2026. In contrast there is comparatively little land potentially available for office employment.

6 SUMMARY AND CONCLUSIONS

Overview

- 6.1 In April 2016, PBA was commissioned by Solihull Metropolitan Borough Council to undertake a Strategic Housing and Employment Land Availability Assessment on behalf of the Council.
- 6.2 The SHELAA covers the entire area within the Borough boundary, and has been undertaken in full compliance with the NPPF and the PPG, in particular the section on the assessment of land availability. The study base date is 1 April 2016, in line with the latest available housing data from the Council.
- 6.3 The SHELAA focussed on 247 sites identified by the Council and suggested as part of a 'call for sites' exercise in Winter 2015, 12 of which were subsequently removed from the study. Of the 235 sites assessed:
- 206 sites were considered most appropriate for housing development; and
 - 29 sites were considered most appropriate for employment use.
- 6.4 Of the 235 assessed sites, 54 sites either overlapped with each other or were duplicate submissions. To prevent any risk of double counting, these 54 sites have been amalgamated to form 17 'amalgamated sites'; 15 of which have been assessed for housing development and two which have been considered for employment uses.
- 6.5 Taking account of 'amalgamated sites', 27 sites were assessed for employment uses and 171 sites were assessed for housing. Of the 171 assessed housing sites, four sites have already been allocated for housing development within the Solihull Local Plan. Whilst we have re-assessed these allocated sites, to avoid double counting, we have excluded the theoretical yield from our dwelling supply assessment, leaving 167 housing sites within our study.
- 6.6 In accordance with the guidance, we have assessed whether each identified site is 'deliverable' (i.e. available now, suitable and achievable), 'developable', or 'not currently developable' for housing or economic development over the plan period.

Housing Study Findings

- 6.7 The 167 assessed housing sites (comprising individual sites and 'amalgamated sites', but excluding existing allocations) could potentially yield around 31,085 dwellings. Of this theoretical dwelling yield:
- 7,205 dwellings could be expected to come forward for development in years 1-5, of which 7,071 dwellings (98.1 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
 - 9,262 dwellings could be expected to come forward for development in years 6-10, of which 8,660 dwellings (93.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.

- 7,878 dwellings could be expected to come forward for development in years 11-17, of which 7,524 dwellings (95.5 per cent) are from sites which are wholly or predominantly contained within the currently designated Green Belt.
 - 6,740 dwellings could be expected to come forward for development beyond the plan period, of which all dwellings are from sites which are wholly or predominantly contained within the currently designated Green Belt.
- 6.8 The study has found that outstanding planning commitments in the Borough together with windfall sites, are unable to meet the dwelling target for the first five-year period (with a 20 per cent 'buffer'). To fully meet the five-year target, it will be necessary for a number of the Category 1 sites (including sites within the Green Belt) to be brought forward. Similarly, to fully meet the Borough's 10-year target (with a 20 per cent 'buffer') and residual 17-year dwelling requirement, it would be necessary for Category 1 sites within the Green Belt to be brought forward, in addition to planning commitments and windfall sites.
- 6.9 It is important to emphasise that 150 of the 167 sites assessed in the SHELAA for housing are wholly or predominantly contained within the currently designated Green Belt. The dwelling yield from sites within the Green Belt within the plan period (23,255 units) amounts to 95.5 per cent of the overall theoretical yield within the plan period (24,345 units). If theoretical supply from units within the Green Belt is removed from the assessment, only 1,090 units could be delivered from land which is currently not within the Green Belt. On the basis of our assessment, it will therefore be necessary to release some Green Belt land to meet the Borough's housing requirements.
- 6.10 The release of Green Belt land is beyond the scope of a SHELAA and will need to be considered through the plan preparation process.

Employment Study Findings

- 6.11 In accordance with national guidance this study has reviewed sites that could potentially provide land of the right type in the right locations and at the right time to support business growth and innovation.
- 6.12 A total of 27 sites have been assessed for possible employment use. The review takes a 'policy off' stance, identifying planning policy constraints, but not eliminating sites from consideration on account of current policy designations, as these could change. The assessment also considers other constraints grouped into physical, infrastructure and ownership categories. Together these planning policy and other constraints constitute the supply elements of the land market.
- 6.13 On the demand side the assessment considers the attractiveness of the sites to potential business occupiers, and the attractiveness of the sites to the providers of business property the developers, landowners and investors. The assessment of demand factors is used to answer this question *Assuming constraints are resolved, what are the prospects of the site being developed and occupied?*
- 6.14 Each site is assessed for one of four categories of employment land use – strategic distribution park, general industrial estate, office park and local office, each having

very different locational requirements. The key determinant for placing each site into one of the above use categories was the information provided by site promoters in call for sites submissions. The report describes each of the assessment criteria in detail and sets out the rationale for the scoring matrix in each case.

- 6.15 The 27 potential employment sites contain approximately 430 ha of land, over half of which was assessed for industrial activity (for a mix of B1b, B1c, B2 uses), and the bulk of the remaining land was assessed for strategic distribution park use (B8, 178 ha). Only 9.5 ha of land across four sites was assessed for office use.
- 6.16 After deductions for site constraints the area available reduces by one third, down to 283 ha with the largest reduction for industrial estates, where the potential area reduces to 116 ha. Land potentially available for office use remains unchanged at 9.5 ha.
- 6.17 After discounting land that for various reasons – such as being heavily constrained and discounting land that is not attractive to potential future occupiers – the available land totals approximately 263 ha.
- 6.18 The vast majority (157 ha) is available within the Local Plan period to meet demand for strategic distribution parks. Of this, 107 ha is available immediately and in locations that are highly attractive to potential occupiers.
- 6.19 For industrial use, only approximately 28 ha has potential to come forward immediately, while a further 74 ha is potentially available later in the Local Plan period, the vast majority of which is likely to only be developable once the construction of the HS2 line has been completed.
- 6.20 There is very little potential land available for office park development, just one 2.3 ha site. Should there be insufficient existing supply within existing designated and allocated sites to meet identified need it will be necessary to revisit some of the sites identified for strategic distribution to explore if these would be suitable for office park use.
- 6.21 Just 7.2 ha of land has been assessed for local office development, and of this only 1.4 ha is attractive to occupiers.
- 6.22 The above is a ‘policy off’ assessment, although the assessment does identify the planning policy constraints that affect individual sites. Some of the constraints such as nature and heritage designations serve to reduce the developable area, but Green Belt designation is an absolute constraint to development. Only one of the 27 sites, Bacons End (a small site in the urban area that could contribute 0.5 ha of industrial land) is currently not located in the Green Belt. Therefore, under current planning policy constraints, with the exception of just 0.5 ha of land, none of the 263 ha of land assessed in this study and identified as available and suitable for employment uses can come forward without amendment to the boundaries of the Green Belt.