

## **The Black Country Urban Capacity Review Update (May 2021)**

### **Purpose of the Study**

The current Black Country Core Strategy identifies where the majority of the development needs of the area will be accommodated up to 2026 and focuses development into a series of strategic growth corridors and centres. Under the current Core Strategy all development needs can be met within the urban area (that part of the Black Country which does not fall within the Black Country Green Belt) and the majority of development takes place on brownfield (previously developed) land.

A review of the current Core Strategy (now called the Black Country Plan) is now underway and will consider the updated housing and employment needs of the area over a longer period, up to 2039.

The Government has introduced a standard method which must be used to calculate housing need for each local authority. Using this method, the Black Country has a need for 4,004 new homes each year or 76,076 homes in total over the Black Country Plan period 2020-39. This is based on the 2020-30 household projections and the new 2020 affordability ratios which were published by Government in 2021, and also reflects the 35% uplift to the Wolverhampton housing need figure introduced by changes to the standard method made in December 2020.

In terms of planning for land to meet employment needs, the Black Country's Economic Development Needs Assessment (EDNA) (2017) provides an assessment of employment land requirements over the plan period. It identified the need for 557 hectares of employment land. This figure was subsequently recalculated to 870ha for the 'most likely' scenario, and 590ha for the baseline scenario up to the 2038 end date for the Plan. The demand requirement is being updated to support the draft BCP extended Plan period up to 2039, and to have regard to the implications of the CV-19 recession. It will be published as part of the Draft Black Country Plan consultation.

The Urban Capacity Review (UCR) report 2021 sets out the current position, using best available evidence and information, regarding the need for and supply of land for housing and employment in the Black Country authorities over the Plan period.

In terms of housing supply, the UCR takes as its baseline the most recent Strategic Housing Land Availability Assessments (SHLAAs) for the four local authorities, which will be published alongside the UCR. The SHLAAs provide lists of all suitable and developable housing sites in the Black Country as of March 2020. These include sites with planning permission, sites allocated in Local Plans and any other sites which have a reasonable prospect of being delivered within the Plan period. SHLAAs also include a "windfall" allowance, to take account of the many small housing sites which typically come forward in the Black Country each year on new sites.

The UCR reviews current assumptions about the supply of land for housing and employment developments across the Black Country. It takes current available evidence one step further to seek to maximise delivery in the urban area by reviewing previous assumptions – particularly in relation to densities and employment land evidence - with a view to optimising opportunities to identify any further additional potential development

capacity across the urban area. Ultimately it provides ‘potential urban capacity’ figures – to seek to demonstrate how far the development needs of the Black Country up to 2039 can be accommodated within the urban area. The Review identifies the existing urban supply could accommodate 39,257 new homes to the period 2039 and 205 hectares of employment development up to 2039.

The Review has found that the gap between supply and need over the new Black Country Plan period up to 2039 has grown to 36,819 homes, an increase of around 10,000 homes since 2019. Around half of this increase is as a result of a further loss of occupied employment allocations during 2020 in light of new evidence, and the remaining half is as a result of changes to the national housing method, which increased Wolverhampton’s local housing need by 35%.

It is intended to periodically update the UCR in order to keep it up to date and to continue to inform the Plan preparation process. The next update will take place in 2022.

<b>URBAN CAPACITY REVIEW – AT A GLANCE</b>	
<b>WHAT IT DOES √</b>	<b>WHAT IT DOES NOT DO x</b>
Provides the current housing need and employment land need figures for the Black Country	Set out a strategy to meet all of this need within the Black Country
Summarises the total amount of housing which is deliverable in the Black Country urban area by 2039, under currently policy based on current SHLAAs	
Summarises the total amount of employment land which is deliverable in the Black Country urban area by 2039, based on current evidence	
Assesses the potential to increase the amount of housing deliverable in the urban area, through reasonable density increases, where local character allows, and additional capacity in Wolverhampton City Centre, West Bromwich Town Centre and Brierley Hill Town Centre.	Propose a blanket uplift in densities, regardless of local character
Assesses the likely impact of emerging employment land evidence on employment land and housing capacity in the urban area	