

Bromsgrove District Council and Redditch Borough Council

Memorandum of Understanding (MOU)

Duty to Cooperate on housing need, plan making, and the Greater Birmingham and Black Country Housing Market Area

May 2022

1 This MOU confirms the understanding and agreement between Bromsgrove District Council (BDC) and Redditch Borough Council (RBC) (the Councils), with regard to Duty to Cooperate issues on housing need, plan making and the Greater Birmingham and Black Country Housing Market Area .

Local Housing Need and Plan Making

2 In January 2017 both Councils adopted new development plans, following Examination in Public proceedings and receipt of the Planning Inspector’s reports, namely the Bromsgrove District Plan (BDP) and the Borough of Redditch Local Plan No.4 (BORLP4).

3 A significant element of both plans was the provision of housing in Bromsgrove District to meet the needs of Redditch Borough. To enable this to take place both plans had housing needs policies which clarified where the housing developed across both authorities was to be apportioned, (BDP- BDP3 and BORLP4 – Policy 4) and shared policy to allocate two housing sites on the edge of Redditch Borough in Bromsgrove District (BDP - RCBD1 and BORLP4 Appendix 1). These plans were developed as individual plans for each authority, prepared concurrently and where necessary examined in tandem to ensure the shared element was judged to be sound.

4 Both adopted plans now need to be reviewed in accordance with the Government’s requirement for a five year review period and in response to the requirements set out in BDP4.2 of the BDP, which is about to reach the Preferred Option stage. RBC is commencing the review of BORLP4 and will shortly begin the early stages of plan production. In order to inform the direction that both plans should be taking with regard to housing need, both Councils have independently commissioned Housing and Economic Development Needs Assessments (HEDNA’s).

5 The outcomes of both HEDNA’s are recommendations that the Councils adopt the local housing need figure derived from the Government’s standard methodology for housing need.

This translates to the housing needs below for the period 2022 to 2040

		2022 – 2040 (18 years)
Redditch:	Need	165dpa / 2970
	Supply	5211
	Surplus	+2241
Bromsgrove:	Need	383dpa / 6894
	Supply	2511 (approx.)
	Deficit	4383

6 The table above confirms that the housing need for Redditch Borough is somewhat smaller using the standard method approach required by Government when compared to the local housing requirements set out in the adopted BORLP4 (6,400 homes for the period 2011-2030, averaging 337 dwellings per annum). This smaller local housing need for Redditch Borough results in an oversupply of approximately 2241 dwellings, when all the current housing commitments (allocations and sites with planning permission) apportioned to RBC are taken into account. All these figures are subject to change as the standard method calculation is updated each year, and as such this MOU will be amended to reflect the most recent local housing need figures as the local plans progress. Both new local plans being prepared will need to address this issue and respond to the latest local housing need figures in order to be found sound. BDC's early plan making stages considered this issue and specific questions were asked about the implications of potential oversupply in Redditch at the Issues and Options consultation stage¹.

7 The Duty to Cooperate is the mechanism which enabled the Councils to work together to deliver the adopted local plans with a shared cross boundary policy. The requirement to cooperate is still enshrined in the English planning system. The process by which the plans were prepared before ensured that both plans were found sound following the Examination in Public. As part of the plan review process and to help ensure the same outcome, the creation of two individual development plans which, where necessary, have shared policies or shared evidence is deemed to be the pragmatic approach to address the issues highlighted above.

8 Current agreed Duty to Cooperate position between BDC and RBC in relation to housing needs and plan making

It is agreed that:

- A. The Councils continue to prepare plan reviews which, where possible build on the current Local Plans.
- B. The surplus of housing currently allocated for the needs for Redditch Borough (currently approximately 2241 dwellings) is handed back to BDC for BDC to consider in its plan making, and this figure is kept under review based on revisions to the Office for National Statistics (ONS) household projections/ affordability ratio data, urban capacity in Redditch and any updated housing needs evidence.
- C. The individual local plans for each authority will be progressed in tandem by the shared Strategic Planning Team with the aim of both plans being examined concurrently.
- D. Development provided via the adopted policy RCBD1 at Brockhill and Foxlydiate and which does not form part of the surplus identified above will continue to count towards the local housing need for Redditch Borough.
- E. Both local plans retain relevant existing policies and include new policies to ensure the effective delivery of the RCBD1 sites to completion.

9 Duty to Cooperate with the Greater Birmingham and Black Country Housing Market Area (GBBCHMA)

¹ Bromsgrove District Plan Review – Issue and Options Consultation Document. Sept 2018

10 The agreements above show how the Councils will work together to develop new plans for both Bromsgrove District and Redditch Borough. The unmet housing needs of the GBBCHMA have been an issue yet to be fully addressed across the West Midlands for a considerable number of years. A shortfall of housing exists due to the lack of capacity in Birmingham and the Black Country local authority areas. This issue was referenced in both the current BDP and BORLP4. The scale of the housing shortfall is not yet fully understood until Birmingham City Council publishes its suggested housing need figure, although when combined with the identified shortfall across the Black Country local authorities of circa 28,239 dwellings the challenge of meeting these needs in full is likely to be a significant one.

11 It is expected that in due course a formal request will be received by both Councils to accommodate a proportion of the specific housing need shortfall of both Birmingham and the Black Country. The evidence that justified the allocation of the current housing need of Redditch Borough to be met in Bromsgrove District is still thought to be relevant. This found that due to nature of the Borough's tightly drawn boundaries and the lack of capacity to accommodate large strategic housing and employment sites, consequentially any growth needs for RBC are most deliverable in the adjacent districts such as Bromsgrove.

12 This evidence will need to be reviewed as part of the Redditch Plan Review, and should that review conclude that any growth needs for RBC are most deliverable in adjacent districts such as Bromsgrove, then any request for RBC to meet the needs of the GBBCHMA could lead to a further request from RBC to BDC to assist with this. To prevent this happening a coordinated approach to responding to any such requests from the GBBCHMA will help to ensure that the individual plans for both Councils can progress concurrently as outlined above, and a coherent response can be provided to the GBBHMA authorities.

13 Current agreed Duty to Cooperate position between BDC and RBC in relation to the GBBCHMA

It is agreed that:

- F. That the Councils consider issues in relation to the GBBCHMA together and wherever possible, respond jointly to all requests to assist those authorities which have a shortfall in housing supply.