Birmingham Housing and Economic Development Needs Assessment

Final Report – Appendix 1 – HMA and FEMA

Iceni Projects Limited on behalf of
Birmingham City Council

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Iceni Projects
Birmingham: The Colmore Building, 20 Colmore Circus Queensway, Birmingham B4 6AT
London: Da Vinci House, 44 Saffron Hill, London, EC1N 8FH
Edinburgh: 11 Alva Street, Edinburgh, EH2 4PH
Glasgow: 177 West George Street, Glasgow, G2 2LB
Manchester: This is the Space, 68 Quay Street, Manchester, M3 3EJ

t: 020 3640 8508 **| w:** iceniprojects.com | **e:** mail@iceniprojects.com
linkedin: linkedin.com/company/iceni-projects | **twitter**: @iceniprojects

1. HMA AND FEMA

1.1 This appendix of the report considers the functional housing market and economic geographies. It defines the Housing Market Area (HMA) and the Functional Economic Market Area (FEMA).

Guidance on defining HMA and FEMA Geographies

1.2 Paragraph 18 of the Planning Practice Guidance (PPG) relating to Plan Making[1] defines what a Housing Market Area (HMA) is and sets out the approach local authorities should take when defining these.

1.3 A **housing market area** is a "*geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work*." The PPG goes on to add:

> *"These can be broadly defined by analysing:*
> - *The relationship between housing demand and supply across different locations, using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas.*
> - *Migration flow and housing search patterns. This can help identify the extent to which people move house within an area, in particular where a relatively high proportion of short household moves are contained, (due to connections to families, jobs, and schools).*
> - *Contextual data such as travel to work areas, retail and school catchment areas. These can provide information about the areas within which people move without changing other aspects of their lives (e.g. work or service use)."*

1.4 The guidance finally sets out a range of suggested data sources for doing this. These include ONS data on internal migration and travel to work areas and Land Registry Price Paid data.

1.5 This slimmed down guidance notably omits any self-containment threshold for defining HMAs. This is unlike the previous version of the PPG which stated that migration self-containment of "*typically 70 per cent*" excluding long distance moves was an appropriate threshold for identifying functional housing market areas. The scale of a Housing Market Area and the necessary self-containment rate (which influences this) is therefore less definitive, as long as it is identified using the approach in the PPG. However, the Government's previous advice remains of some relevance and the 70% threshold had become accepted industry best practice.

[1] Reference ID: 61-018-20190315

1.6 It is also worth noting that HMA boundaries do not stop and start at administrative boundaries. Despite this, it is often commonplace and sensible for housing market areas to be defined using local authority boundaries. This is because many of the key datasets used in assessing housing need (such as the household projections) are only published at a local authority level. In many areas, a pragmatic response has therefore been to define HMAs at a local authority level.

1.7 These issues were touched upon in the Planning Advisory Services (PAS) Technical Advice Note on Objectively Assessed Housing Need and Housing Targets[2] (July 2015) which concluded that *"it is best if HMAs, as defined for the purpose of needs assessments, do not straddle local authority boundaries. For areas smaller than local authorities data availability is poor and analysis becomes impossibly complex.."* However, the Technical Advice Note notably adds that *"this is not always possible and it may be the case that some [local authority] areas, particularly those covering an expansive area fall into more than one HMA."*

1.8 The PPG also provides guidance on how **Functional Economic Market Areas** (FEMAs) can be defined. It notes that no standard approach is possible as patterns of economic activity vary from place to place. However it does suggest that when defining a FEMA the following are relevant:

- extent of any Local Enterprise Partnership within the area;
- travel to work areas;
- housing market area;
- flow of goods, services and information within the local economy;
- service market for consumers;
- administrative geographies;
- catchment areas of facilities providing cultural and social well-being; and
- transport network.

1.9 As the FEMA also considers the housing market area and travel to work areas there is typically a level of overlap between housing market and economic geographies; and in many cases our experience is that the evidence supports consistent geographies.

Previous Definitions

1.10 The Strategic Housing Needs Study Stage 2 Report, prepared by Peter Brett Associates (PBA) for the Greater Birmingham and Solihull LEP and Black Country local authorities, was published in November 2014.

[2] https://www.local.gov.uk/sites/default/files/documents/objectively-assessed-need-9fb.pdf

1.11 This sought to define the sub-regional housing market area geography. It defined the Greater Birmingham Housing Market Area (HMA) as comprising the Greater Birmingham and Solihull LEP area minus East Staffordshire and Wyre Forest (i.e. **Birmingham, Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull, and Tamworth**), together with the Black Country LEP area (**Dudley, Sandwell, Walsall and Wolverhampton**) and **South Staffordshire**. In addition, it identified that **North Warwickshire and Stratford-upon-Avon** Districts fall within an area of overlap between the Birmingham and Coventry/Warwickshire HMAs.

1.12 West Midlands Functional Economic Market Area Study (2015)[3] examined travel to work areas, migration and industrial specialisation. For each of the three study topics the study examined the relationships and similarity between all of the nineteen authorities and between the seven unitary authorities.

1.13 It identified that the three LEPs had a resident based self-containment rate of between 71% and 77% in combination the rate ranges from 75%-87% whereas combined the self-containment rate if the three LEPs increases to 90%. By comparison the seven West Midlands Unitary Authorities had a self-containment rate of 85%.

1.14 The report also noted large commuting patterns between Birmingham and Solihull in both directions and from Sandwell to Birmingham. All of which have over 25,000 commuting each day.

1.15 In terms of migration the report notes that all of the ten strongest relationships relating to Birmingham are between districts that form part of one of the three LEP areas. It also noted a strong relationship between Coventry and Warwick.

1.16 For the industrial specialisation the analysis showed a greater degree of specialisation in the Coventry and Warwickshire LEP and Black Country LEP areas than in the Greater Birmingham and Solihull LEP area.

1.17 All three LEP areas specialisation is focused on manufacturing, particularly fabricated metal products, machinery and equipment, plastic and rubber products and automotive manufacturing. For Manufacturing the area has 60,000 more people employed in the sector than if the national average were applied.

1.18 Wholesale and the motor trades was also a specialism across the study area and employees 23,000 more people than if the national average were applied. There are also specialisations in Transport

[3] https://democracy.stratford.gov.uk/documents/s34932/WestMidlandsFEMAStudy26June2015.pdf

and Storage in the Coventry and Warwickshire LEP and mining, quarrying and utilities in the Black Country LEP area that are not shared with the other LEPs

1.19 The report did not come to any conclusion as to the extent of the LEP but the self -containment analysis appears to suggest that the three LEP areas would be the appropriate given that it has the highest rates.

1.20 More recent academic analysis undertaken by Professor Anne Green of Birmingham University also examined the Functional Geography of the West Midlands (2020) which fed into the State of the Region Report (2020) published by the West Midlands Combined Authority[4].

1.21 The State of the Region Report set out the West Midlands Economic Geography section which states that “the 3-LEP area represents a coherent functional economic area in its own right, encompassing separable sub-regional functional economic areas”.

1.22 It notes that there are five Travel-To-Work Areas (TTWAs) defined using commuting data from the 2011 Census that broadly map onto the 3-LEP area. It also adds that analyses of commuting flows for the highly qualified reveal two large local labour market areas: one encompassing Birmingham and the Black Country, and one covering Coventry and Warwickshire. Analyses of commuting flows for the lower qualified is more similar to the TTWAs.

1.23 The report also touches upon the impact of Covid-19 noting that some people may now travel further but less frequently whereas other might travel shorter distances but on foot or by bike. On the demand-side the report suggests the true impact of city centre working remains to be seen but in the short term will see more people work at home. Adding that “this in turn has implications for the viability of public transport. The functional economic geography of the West Midlands continues to evolve as the purpose of places change … with important implications for competitiveness, inclusiveness and sustainability.”

Housing Market Area

1.24 The migration and commuting flow data used in the 2014 PBA report was drawn from Annual Population Survey and NHS migration data together with commuting data from the 2011 Census. The latest available Census data is still from 2011 and thus this element has not been reviewed or updated.

[4] https://www.wmca.org.uk/media/4290/state-of-the-region-2020-final-full-report.pdf

1.25 We have sought to update the analysis in relation to house prices and house price change. It is also possible to look at migration trends from more recent ONS data between local authority areas (although this does not include movements within a local authority therefore it is not possible to calculate self-containment rates).

1.26 This additional analysis using the latest data is set out below and is used to test whether the conclusions of the 2014 PBA study on the Housing Market Area continue to hold true.

Migration Flows

1.27 The ONS provides annual data on internal migration flows (both in- and out- migration flows) which is informed by a range of official datasets including NHS GP registrations data (which records when people change their GP). To avoid year on year blips in the data we have taken an average of the last four years.

1.28 We have sought to appraise gross migration flows (the sum of flows in both directions) between areas to understand the relative strength of housing market interactions between different local authorities. We use gross flows to understand the strength of the migration relationship between areas, and then benchmark them against the combined population size of the two local authorities to understand the relative strength of links. This recognises that two larger authorities will have a larger absolute flow than smaller authorities (and Birmingham is one of the largest local authorities in the country)..

1.29 As shown in the table below, the six largest flows cover the four Black Country authorities together with Solihull and Bromsgrove. These authorities (with the exception of Bromsgrove) cover the West Midlands conurbation and are areas previously defined as within the Greater Birmingham and Black Country HMA. The particularly strong links are with Sandwell and Solihull which have links which are around twice as strong as with Walsall and Bromsgrove.

1.30 The analysis of the migration flow data (2017-2020) shows a strong relationship with most of the local authorities previously identified as falling within the Birmingham HMA. There are notable exceptions of Cannock Chase and South Staffordshire which have weaker relationships with Birmingham City. However, in examining South Staffordshire flows more closely its strongest migration links (both in and out) are with Wolverhampton. In the case of Cannock Chase the strongest links are with (both in and out) Lichfield.

TABLE 1.1 TOP MIGRATION FLOWS WITH BIRMINGHAM PER 1,000 POPULATION (ANNUAL AVERAGE 2017-2020)

Birmingham	Gross Migration Per 1,000		In Migration		Out Migration	
1st	Sandwell	6.33	Sandwell	3,808	Sandwell	5,492
2nd	Solihull	6.19	Solihull	3,068	Solihull	5,341
3rd	Walsall	3.50	Walsall	1,800	Walsall	3,192
4th	Bromsgrove	2.36	Coventry	1,233	Bromsgrove	2,066
5th	Dudley	2.12	Dudley	1,129	Dudley	1,974
6th	W'hampton	1.59	W'hampton	1,044	W'hampton	1,183
7th	Coventry	1.53	Leicester	1,024	Lichfield	1,118
8th	Lichfield	1.26	Bromsgrove	863	Coventry	1,090
9th	Leicester	1.22	Nottingham	821	Nottingham	808
10th	Nottingham	1.10	Manchester	645	Leicester	793
11th	North Warks	0.83	Leeds	630	Manchester	741
12th	Manchester	0.82	Sheffield	576	North Warks	695
13th	Redditch	0.76	Scotland*	480	Tamworth	633
14th	Tamworth	0.76	Lichfield	448	Leeds	624
15th	Leeds	0.65	Derby	444	Scotland*	606
16th	Sheffield	0.62	Bristol	432	Redditch	583
17th	Warwick	0.60	Newham	432	Stratford	514
18th	Worcester	0.60	Liverpool	418	Sheffield	504
19th	Derby	0.60	Redbridge	414	Shropshire	493
20th	Stratford	0.58	Cardiff	406	Bristol	493

*Source: Internal migration - Matrices of moves between local authorities year ending June 2017 to June 2020 *data for Scotland and Northern Ireland are aggregated*

1.31 The LEP areas also include Wyre Forest and East Staffordshire which have strong links to Bromsgrove and Lichfield respectively. In both cases there are also higher levels of migration to other parts of the Country specifically in the case of Wyre Forest other parts of Worcestershire and in East Staffordshire case South Derbyshire. The latter reflecting the links between Burton and Swadlincote.

1.32 The gross list also includes a number of other major cities outside of the HMA including, Leicester, Nottingham, Manchester, Sheffield and Leeds. It is these which reflect a movement of students to Universities and/or returning from University.

1.33 If we look at the Wider West Midlands conurbation (Birmingham, Dudley, Sandwell, Solihull, Walsall and Wolverhampton) as a whole we can see the relationship with South Staffordshire and Cannock Chase is greater. We can also see that there is a strong connection with Bromsgrove, Coventry and Lichfield. This also illustrates the close links between Wyre Forest and the West Midlands.

TABLE 1.2 TOP TEN MIGRATION FLOWS WITH WEST MIDLANDS PER 1,000 POPULATION

West Midlands	Gross Migration Per 1,000		In Migration		Out Migration	
1st	South Staffs	1.93	Coventry	2,327	South Staffs	3,324
2nd	Bromsgrove	1.78	South Staffs	1,830	Bromsgrove	3,257
3rd	Coventry	1.48	Leicester	1,602	Lichfield	2,091
4th	Lichfield	1.13	Bromsgrove	1,478	Coventry	2,032
5th	Nottingham	1.05	Nottingham	1,476	Shropshire	1,808
6th	Leicester	1.01	Manchester	1,086	Nottingham	1,557
7th	Shropshire	0.89	Leeds	1,003	Telford and Wrekin	1,409
8th	Telford and Wrekin	0.78	Lichfield	917	Cannock Chase	1,396
9th	Cannock Chase	0.76	Sheffield	907	Wyre Forest	1,365
10th	Wyre Forest	0.75	Ealing	840	Leicester	1,347

Source: Internal migration - Matrices of moves between local authorities year ending June 2017 to June 2020

1.34 We have also looked specifically at the Black Country authorities (Dudley, Sandwell, Walsall and Wolverhampton) as a whole and this reiterates the close relationship between the City and that area. It also demonstrates a close relationship of these authorities with Cannock Chase and South Staffordshire.

TABLE 1.3 TOP TEN MIGRATION FLOWS WITH BLACK COUNTRY PER 1,000 POPULATION

Black Country	Gross Migration Per 1,000		In Migration		Out Migration	
1st	Birmingham	8.37	Birmingham	11,841	Birmingham	7,781
2nd	South Staffs	3.52	South Staffs	1,613	South Staffs	3,010
3rd	Cannock Chase	1.16	Coventry	596	Shropshire	1,246
4th	Shropshire	1.09	Leicester	490	Cannock Chase	1,042
5th	Telford & Wrekin	1.00	Nottingham	471	Telford & Wrekin	965
6th	Lichfield	0.99	Cannock Chase	468	Wyre Forest	885
7th	Wyre Forest	0.99	Shropshire	426	Lichfield	877
8th	Bromsgrove	0.98	Bromsgrove	425	Bromsgrove	851
9th	Coventry	0.75	Lichfield	422	Coventry	596
10th	Nottingham	0.66	Telford & Wrekin	417	Nottingham	552

Source: Internal migration - Matrices of moves between local authorities year ending June 2017 to June 2020

1.35 Finally, we have looked specifically at those areas which were identified as areas of overlap with the Coventry and Warwickshire HMA specifically Stratford-on-Avon and North Warwickshire.

1.36 In the case of Stratford there remains a notable link with the Greater Birmingham HMA specifically Redditch although it has a greater flow with Warwick. In North Warwickshire there remains a clear link with Tamworth and Solihull although the flow with Nuneaton and Bedworth falls between these flows. This data continues to suggest that these areas fall within more than one HMA.

TABLE 1.4 TOP TEN MIGRATION GROSS FLOWS INVOLVING STRATFORD AND NORTH WARWICKSHIRE PER 1,000 POPULATION

	Stratford-on-Avon Gross Migration Per 1,000		North Warwickshire Gross Migration Per 1,000	
1st	Warwick	7.27	Tamworth	6.72
2nd	Redditch	3.20	Nuneaton and Bedworth	5.46
3rd	Wychavon	2.76	Solihull	2.40
4th	Cotswold	2.06	Hinckley and Bosworth	1.59
5th	Solihull	1.98	Lichfield	1.22
6th	Cherwell	1.81	North West Leicestershire	0.95
7th	Rugby	1.33	Coventry	0.92
8th	Bromsgrove	1.07	Birmingham	0.83
9th	Coventry	0.97	South Derbyshire	0.69
10th	Daventry	0.84	Rugby	0.38

Source: Internal migration - Matrices of moves between local authorities year ending June 2017 to June 2020

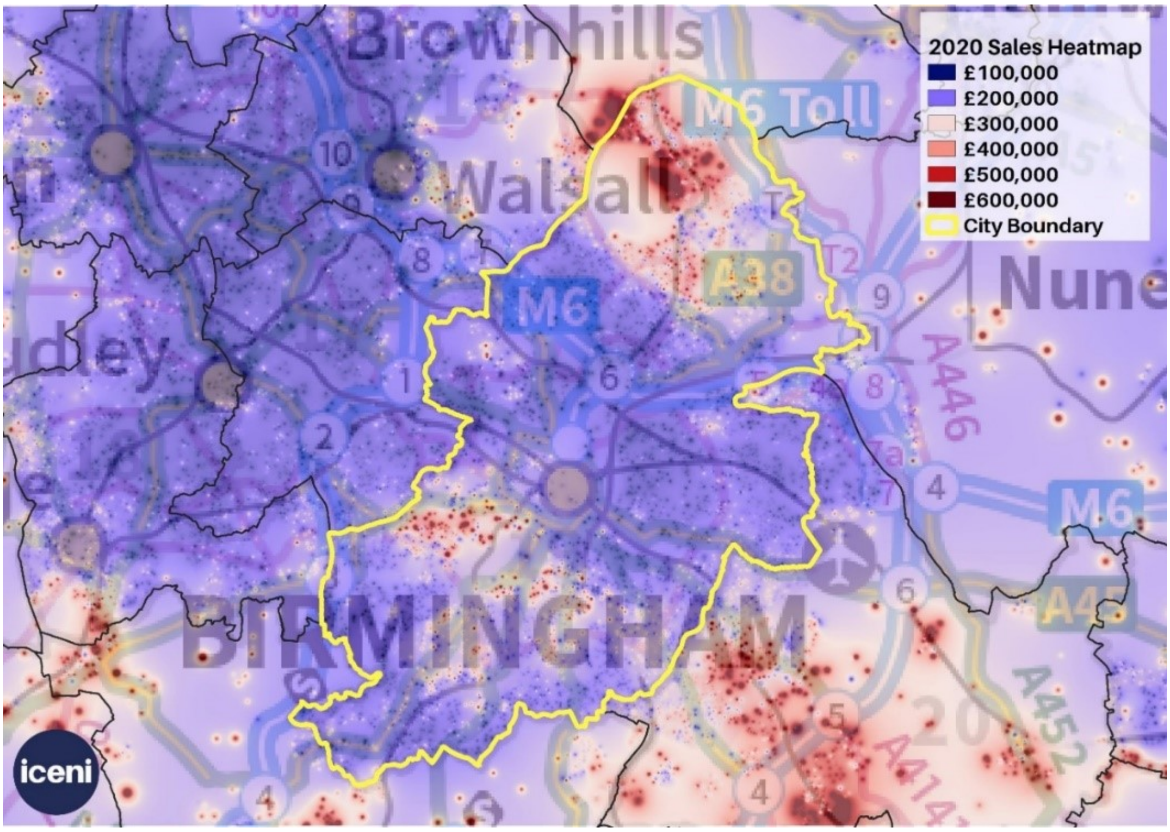
1.37 Overall, this information would suggest that migration patterns have not changed significantly enough since the 2014 PBA Report, therefore suggesting that the extent of the HMA has not changed either.

House Prices and House Price Change

1.38 The PPG indicates that when identifying HMAs the "*relationship between housing demand and supply across different locations, using house prices and rates of change in house prices"* should be considered. It goes on to say that *"this should identify areas which have clearly different price levels compared to surrounding areas*."

1.39 The map below examines the cost of housing in Birmingham and the immediately surrounding areas and clearly demonstrates an urban/ suburban divide within the City which also reflects the size and type of homes being sold – with typically a higher proportion of sales of smaller properties in the more urbanised areas.

TABLE 1.5 HOUSE PRICES - HEATMAP (2020)



Source: HM Land Registry, 2021

1.40 The data clearly shows higher house prices in Sutton Coldfield and Harborne in the City akin to those/ in parts of Solihull and to a lesser extent Bromsgrove. It is also clear that even the lower value areas in Birmingham are achieving prices which are slightly higher than the majority of the Black Country.

1.41 Looking beyond the City Boundary we can see the areas to the South of the City in Bromsgrove, Solihull, Warwick, Wyre Forest and Stratford-on-Avon have significantly higher house prices than equivalent areas to the north such as Cannock Chase and South Staffordshire although Lichfield has relatively high house prices.

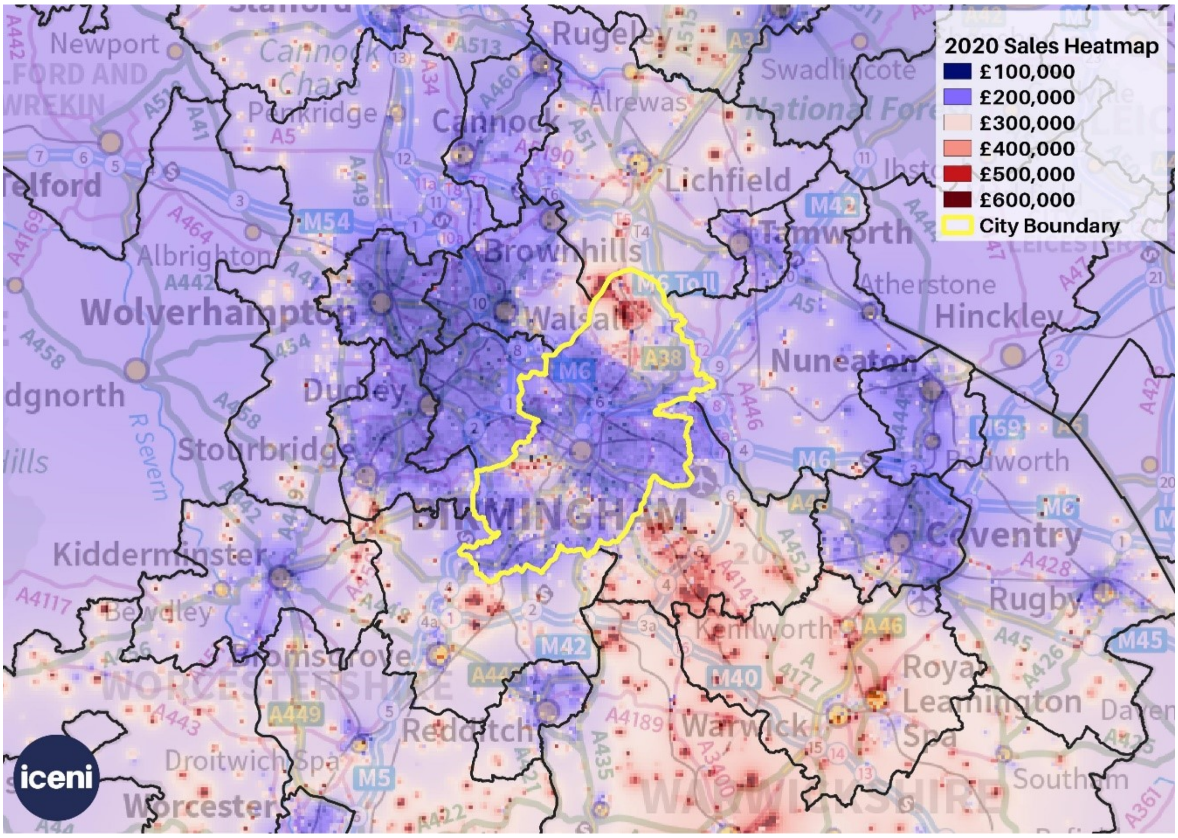
1.42 We also note that areas to the east such as Nuneaton and Bedworth, Coventry and North Warwickshire have lower prices. These areas were within the West Midlands Coalfield.

1.43 This potentially demonstrates the difference between the Black Country local market and the Coventry and Warwickshire local market and the rest of the West Midlands particularly those areas to the south of Birmingham.

1.44 The difference in price is unlikely to reflect solely a different mix of housing and is more likely to show the function of each area with Solihull and Bromsgrove acting as more affluent commuter belt to Birmingham City Centre.

1.45 Although within the Birmingham Council area the same can also be said of Sutton Coldfield. The area of higher values house prices also runs north from Sutton Coldfield through Lichfield into East Staffordshire.

TABLE 1.6 HOUSE PRICES - HEATMAP (2020)



Source: HM Land Registry, 2021

1.46 The table below analyses house prices by type (to account for the difference in sales profile) by local authority. House prices in Birmingham are similar, sitting in a band between the regional and national average for most house types. However, there is a premium for detached homes but as these are less common than in the wider West Midlands the overall median price for the City is lower than the regional and national figure.

TABLE 1.7 MEDIAN HOUSE PRICES BY TYPE, YEAR TO SEPT 2020

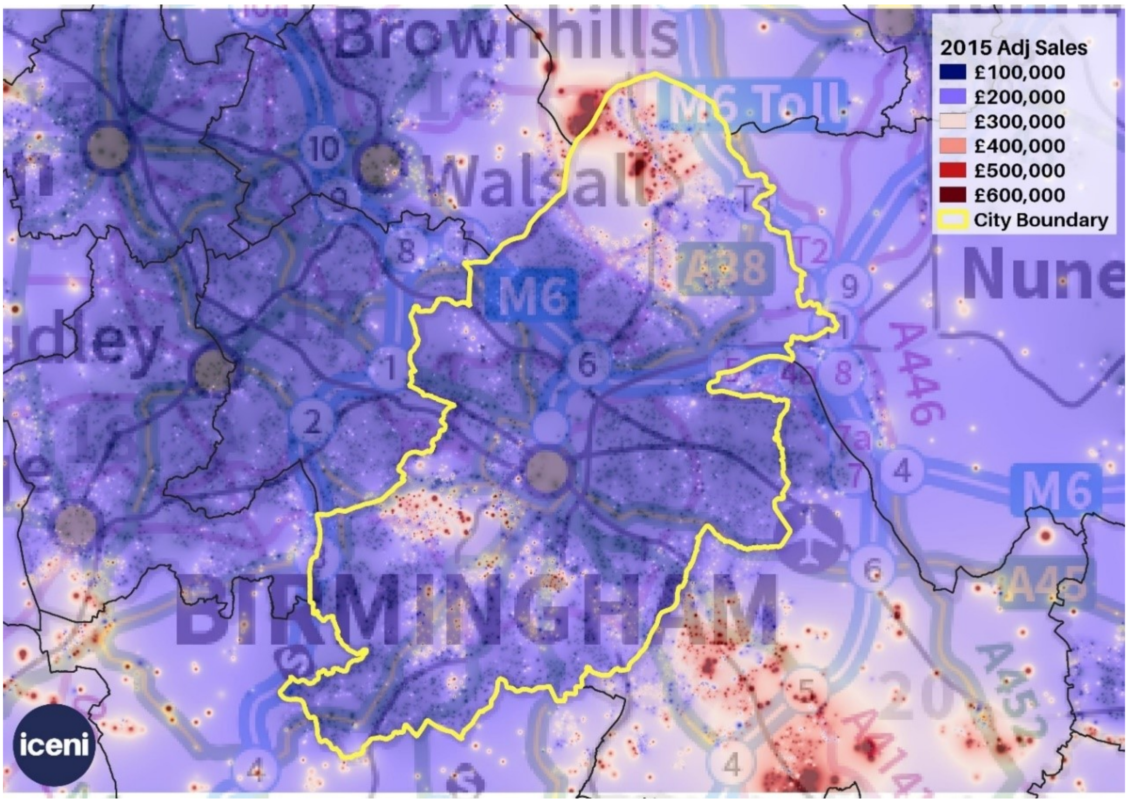
	Detached	Semi-Detached	Terraced	Flats	Overall
Birmingham	£375,000	£205,000	£160,000	£155,000	£185,000
Cannock Chase	£267,950	£160,000	£150,000	£93,500	£180,000
Lichfield	£375,000	£225,000	£175,750	£142,000	£250,000
South Staffordshire	£325,000	£195,000	£177,950	£120,000	£235,000
Tamworth	£299,995	£200,000	£163,250	£116,500	£210,000
North Warwickshire	£320,000	£205,000	£159,998	£140,000	£210,000
Stratford-on-Avon	£435,000	£272,500	£235,000	£160,500	£315,000
Bromsgrove	£406,750	£270,000	£225,000	£145,000	£290,000
Redditch	£315,000	£210,000	£166,250	£120,000	£216,000
Dudley	£285,000	£179,950	£152,000	£102,500	£180,000
Sandwell	£240,000	£162,100	£145,000	£90,000	£155,000
Solihull	£488,495	£282,500	£216,000	£169,000	£287,250
Walsall	£290,000	£165,000	£135,000	£99,995	£158,000
Wolverhampton	£243,000	£160,000	£134,000	£88,000	£159,995
West Midlands	£319,000	£190,000	£159,000	£127,500	£200,000
England	£350,000	£223,000	£195,000	£216,000	£249,000

Source: Derived from ONS Small Area House Price Statistics Dataset 9

1.47 When compared to the regional averages there are a number of local authorities in the previously defined HMA which deviate substantially. In terms of high value areas Stratford-On-Avon, Bromsgrove, and Solihull to the south of the City are significantly higher than the regional average with a band of higher residential values evident. In contrast Sandwell and Wolverhampton and to a lesser extent Walsall and Cannock Chase all have much lower values.

1.48 The map below examines house prices in 2015. These prices have been adjusted by house price inflation to allow for fairer comparison to the map above. Overall, it would appear that house prices in the study area have risen at a rate above inflation (i.e. in real terms), particularly the lower value areas in Birmingham. However, a broadly similar pattern emerges of the housing price geography across the wider Birmingham area. This would suggest that the HMA boundaries have not significantly changed.

TABLE 1.8 HOUSE PRICE HEATMAP – INFLATION ADJUSTED (2015)



Source: HM Land Registry, 2021

1.49 The table below shows house prices changes by local authority over the last 5 and 10 years. We again see a wide range of growth with the largest growth in absolute terms seen in the higher value areas of Bromsgrove, Solihull, Stratford-on-Avon. There was also a high growth in South Staffordshire. In percentage terms the highest growth was in Bromsgrove, Redditch, South Staffordshire and Tamworth.

TABLE 1.9 HOUSE PRICE GROWTH IN HMA LOCAL AUTHORITIES

	2010 Median	2015 Median	5 Year Change	10 Year Change	5 Year % Change	10 Year % Change
Birmingham	£106,250	£117,975	£67,025	£78,750	57%	74%
Cannock Chase	£85,000	£82,000	£98,000	£95,000	120%	112%
Lichfield	£124,950	£135,000	£115,000	£125,050	85%	100%
South Staffordshire	£112,950	£101,250	£133,750	£122,050	132%	108%
Tamworth	£82,500	£98,500	£111,500	£127,500	113%	155%
North Warwickshire	£121,250	£125,000	£85,000	£88,750	68%	73%
Stratford-on-Avon	£140,000	£147,500	£167,500	£175,000	114%	125%
Bromsgrove	£127,500	£109,950	£180,050	£162,500	164%	127%
Redditch	£88,000	£95,000	£121,000	£128,000	127%	145%
Dudley	£102,950	£92,000	£88,000	£77,050	96%	75%
Sandwell	£77,750	£70,000	£85,000	£77,250	121%	99%
Solihull	£131,000	£155,000	£132,250	£156,250	85%	119%
Walsall	£95,000	£89,250	£68,750	£63,000	77%	66%
Wolverhampton	£79,748	£79,950	£80,045	£80,248	100%	101%
West Midlands	£147,500	£161,000	£39,000	£52,500	24%	36%
England	£180,000	£209,500	£39,500	£69,000	19%	38%

Source: Derived from ONS Small Area House Price Statistics Dataset 9

1.50 The lowest absolute growth in the Black Country authorities such as Walsall, Sandwell, Wolverhampton and Dudley. Birmingham also had a low absolute and percentage growth particularly over the last 5 years. North Warwickshire and Walsall also had a low percentage growth.

Travel to Work Areas

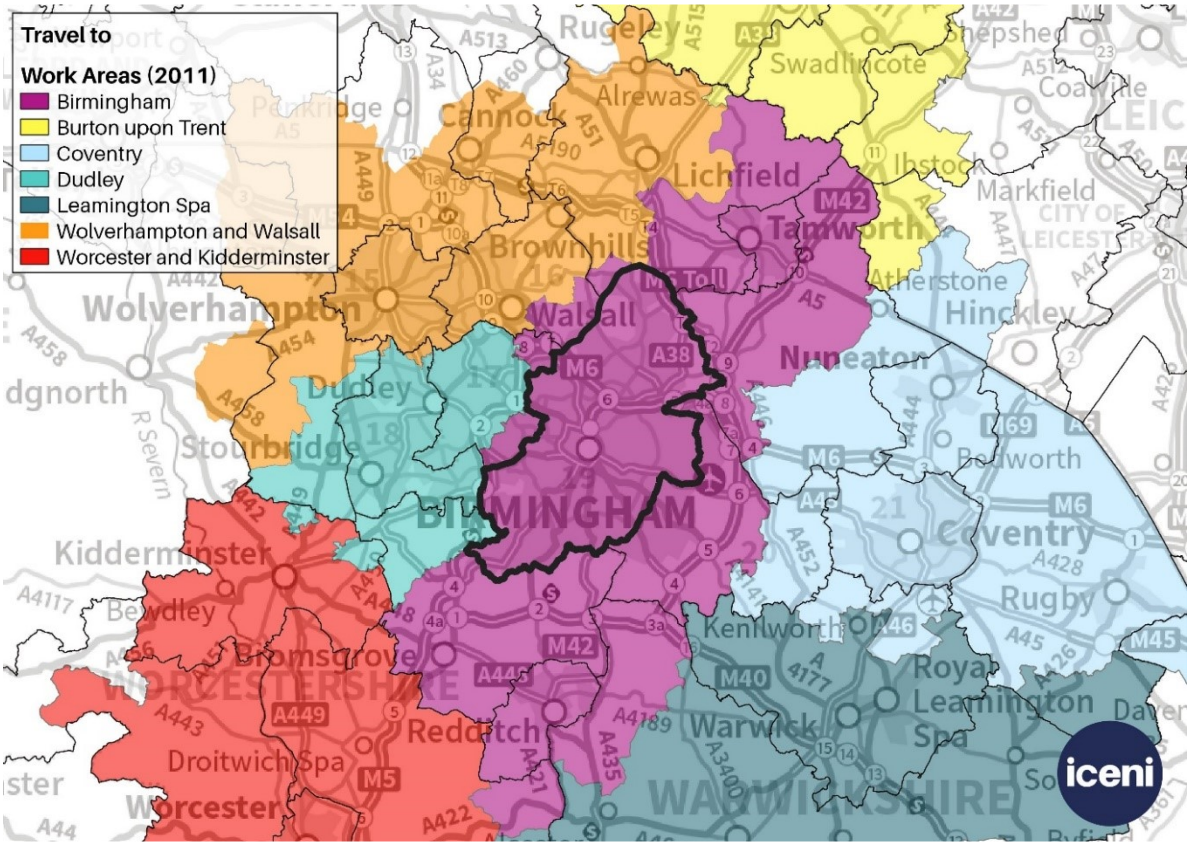
1.51 Although the PBA report examined commuting patterns it did not draw on the ONS Travel to Work areas (derived from 2011 Census data). These are set out below and shows that the Birmingham TTWA extends to include parts of Bromsgrove, Lichfield, North Warwickshire, Redditch, Sandwell, Solihull, Stratford-on-Avon, Tamworth, Walsall and Wychavon.

1.52 North Warwickshire is split between the Coventry TTWA and the Birmingham TTWA. The situation with Stratford-on-Avon is less clear cut with the majority of the district falling within the Leamington Spa TTWA although parts of the district including Studley fall within the Birmingham TTWA.

1.53 The extent of the Birmingham TTWA highlights the importance of the city as an employment centre across a wider sub/city-regional area.

1.54 It is notable however, that the Black Country is not within the Birmingham TTWA and is shown as a two separate TTWA centred on Dudley and Wolverhampton and Walsall. However as shown earlier there are clear migration links between the two TTWA.

TABLE 1.10 ONS TRAVEL TO WORK AREA GEOGRAPHY



Source: ONS Travel to Work Area

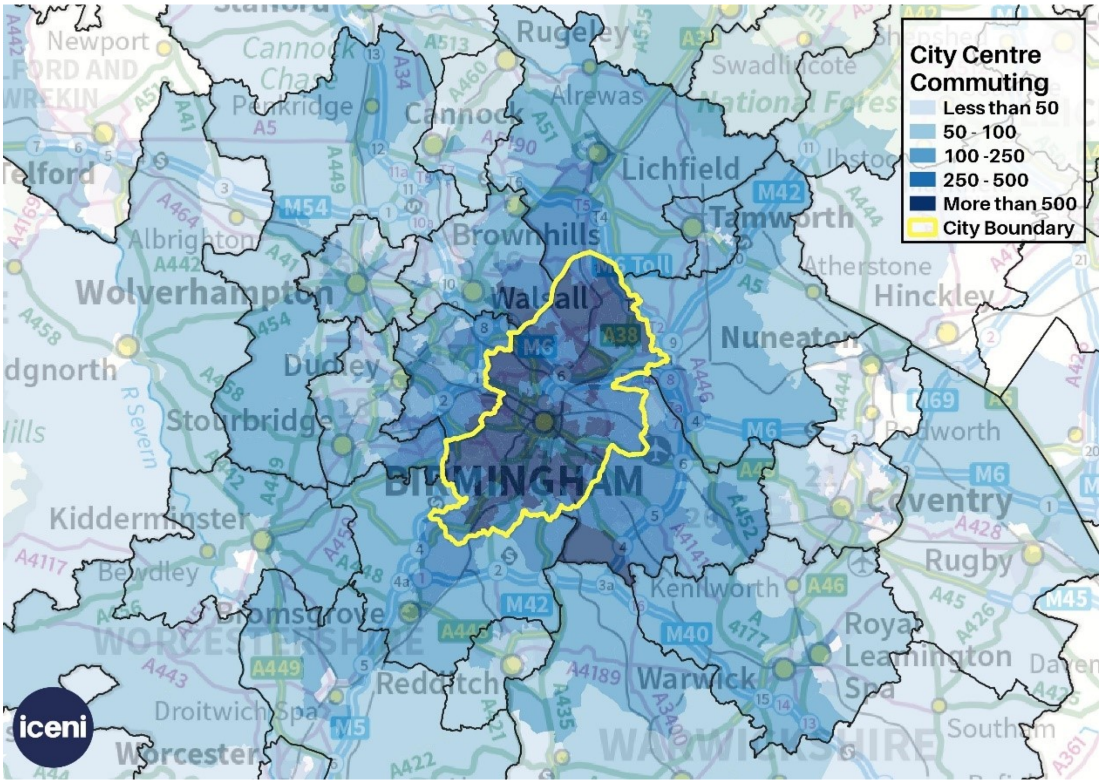
1.55 The LEP also extends to Wyre Forest which falls within the Worcester and Kidderminster TTWA and East Staffordshire which falls within the Burton Upon Trent TTWA.

1.56 The importance of the City is furthered confirmed by the analysis below which shows high levels of commuting to Birmingham from all of the Black Country and in particular Sandwell and Walsall. There are also significant levels of commuting from parts of Dudley i.e. Halesowen.

1.57 These dynamics will in part be supported by the existing transport network and in particular the West Midlands Metro which runs from Birmingham City Centre to some key population centres including West Bromwich, Wednesbury, Bilston before terminating in Wolverhampton.

1.58 There is also notable levels of commuting into Birmingham City Centre from both Stratford-on-Avon (particularly the north west of the district) and North Warwickshire (particularly the west of the district). Again, this would indicate continued links with Birmingham from these areas. There are smaller flows from Wyre Forest and Cannock and even smaller flows from Wychavon, Nuneaton and Bedworth, Worcester, Shropshire, Stafford, Telford and Wrekin and East Staffordshire which all total more than 1,000 people.

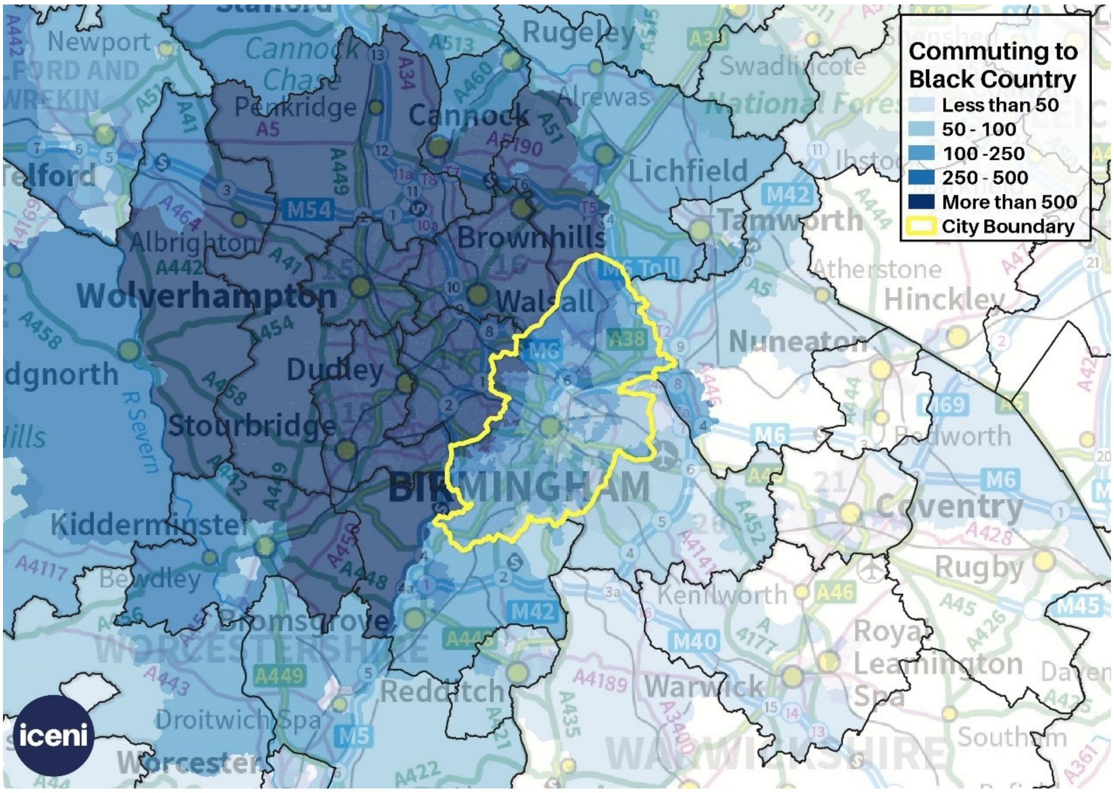
TABLE 1.11 COMMUTING TO BIRMINGHAM CITY CENTRE



Source: Census, 2011

1.59 A similar exercise for the Black Country also demonstrates the two way patterns which confirm the interrelationship between Birmingham and the HMA. As shown in the second map below all of Birmingham has some level of commuting to the Black Country. There are also parts of Bromsgrove, Lichfield and Cannock Chase which show very high levels of commuting to the Black Country and to a lesser degree Stafford, Shropshire and Telford and Wrekin.

TABLE 1.12   COMMUTING TO THE BLACK COUNTRY



Source: Census, 2011

1.60 Drawing the commuting and migration patterns information together would suggest the current definition of the HMA remains a reasonable approximation for the Greater Birmingham HMA. This would include areas which have (and remain) in more than one HMA.

HMA Conclusions

1.61 The evidence presented herein presents no clear evidence to that the HMA boundaries have change. This evidence should also be read alongside that within the Strategic Housing Needs Study Stage 2 Report, prepared by Peter Brett Associates (PBA).

1.62 The PBA report showed a Silver-Standard HMA Boundaries produced by the Centre for Urban and Regional Development at the University of Newcastle which identified a strategic HMA which covers Cannock Chase; Lichfield; South Staffordshire; Tamworth; North Warwickshire; Stratford-on-Avon; Bromsgrove; Redditch; Birmingham; Dudley; Sandwell; Solihull; Walsall and Wolverhampton.

1.63 The evidence set out herein is conclusive enough to not suggest a moving away from this definition. It does however highlight weaker links to Birmingham such as those to Cannock Chase and South Staffordshire. However, it is clear that these areas have strong links to other parts of the HMA – in particular to the Black Country authorities. Therefore, we are content that the HMA boundary has not changed.

1.64 That said, functional market areas clearly do not precisely fit to local authority boundaries; and at the borders of any area HMA there are often links with the adjoining areas. For example, the migration data for the West Midlands area highlights strong inter-connectedness with Coventry, Shropshire, Telford and Wrekin, Wyre Forest and Worcester.

1.65 One of the purposes of defining housing market areas is to identify the "appropriate functional geographical area to gather evidence and develop policies to address these (Strategic) matters, based on demonstrable cross-boundary relationships." Where these areas are identified the relevant local planning authorities are required to cooperate on strategic matters. This cooperation includes, according to Paragraph 11 of the Plan-Making PPG (reference ID: 61-011-20190315), agreeing a statement of common ground which contains:

- *"if applicable, the housing requirements in any adopted and (if known) emerging strategic policies relevant to housing within the area covered by the statement"; **or***
- *"distribution of needs in the area as agreed through the plan-making process, or the process for agreeing the distribution of need (including unmet need) across the area".*

1.66 It will be therefore important for the Council to continue to liaise with surrounding authorities on strategic planning matters including a discussing any issues associated with unmet housing needs. Based on the evidence set out within this report this is particularly relevant to Cannock Chase; Lichfield; South Staffordshire; Tamworth; North Warwickshire; Stratford-on-Avon; Bromsgrove; Redditch; Birmingham; Dudley; Sandwell; Solihull; Walsall and Wolverhampton.

FEMA

1.67 The extent of the housing market area and the travel to work areas also have an impact on the FEMA definition. As we have noted the HMA covers Cannock Chase; Lichfield; South Staffordshire; Tamworth; North Warwickshire; Stratford-on-Avon; Bromsgrove; Redditch; Birmingham; Dudley; Sandwell; Solihull; Walsall and Wolverhampton.

1.68 The commuting patterns are slightly more complex but Birmingham is central to the regional economy, although we note that the Black Country is not within the Birmingham TTWA although there still a significant level of commuting from places such as Sandwell, Walsall and Halesowen.

1.69 There are also a range of wider considerations when examining the FEMA that do not need interpretation, for example:

- Greater Birmingham and Solihull is the defined LEP area reflecting a bottom-up definition of economic geography, which has been agreed by Government. This area includes Birmingham, Solihull, East Staffordshire, Cannock Chase, Lichfield, Tamworth, Redditch, Bromsgrove and Wyre Forest;

- The NHS provides health services across the Birmingham and Solihull Clinical Commissioning Group which was a merger of merger of NHS Birmingham CrossCity CCG, NHS Birmingham South Central CCG and NHS Solihull CCG;

- But there are separate geographies for some functions. The West Midlands Combined Authority which includes the areas of the Black Country, Birmingham, Solihull and Coventry. The Combined Authority Area is also the area covered by the Transport for West Midlands transport network.

- The same area is covered by West Midlands Police and West Midlands Fire Service. However, the West Midlands Ambulance Service University NHS Foundation Trust (WMAS) is responsible for providing ambulances across the West Midlands region.

1.70

Service Market for Consumers

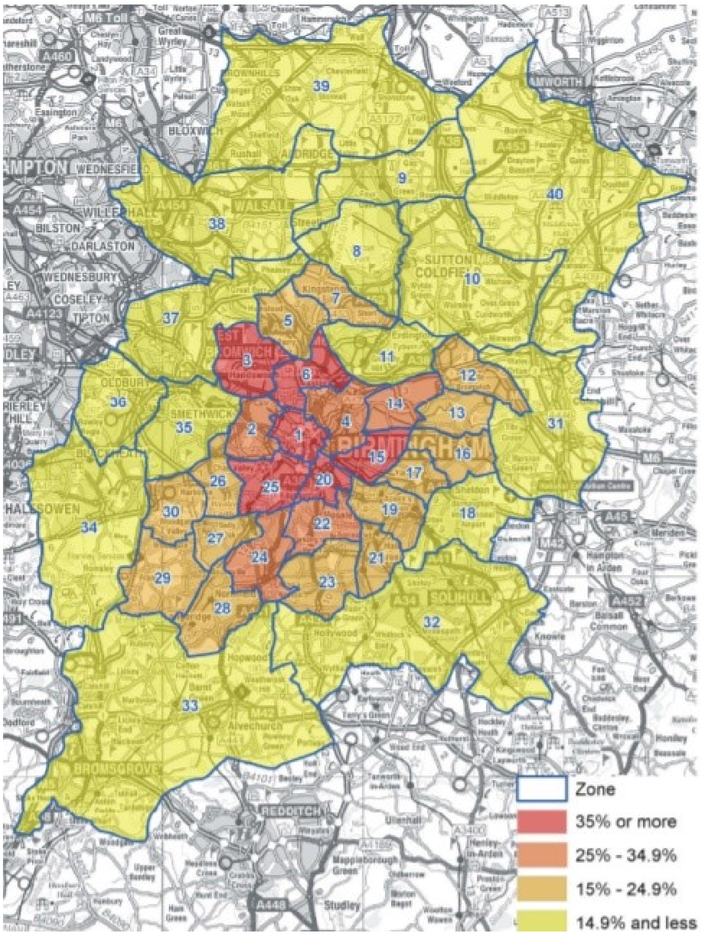
1.71 The Birmingham Retail Needs Assessment Update (February 2013)[5] establishes that Birmingham City Centre is the primary shopping destination in the City with a total market share of around 36% of all expenditure in the City.

1.72 There is however some expenditure - Solihull Town Centre, Solihull Retail Park, Walsall Town Centre and to a lesser degree the town centres of Halesowen, Bromsgrove, West Bromwich and Oldbury within the Secondary Catchment Area of the City. Outside of this secondary Catchment, . there is also some leakage to Merry Hill/Brierley Hill, Redditch, Gallagher Retail Park and to Tamworth.

1.73 The report also illustrates what percentage of expenditure occurs in the City Centre from different parts of the study area. As the map below illustrates the City Centre draws significant trade from all parts of the city and beyond including parts of the Black Country and Solihull.

[5] https://www.birmingham.gov.uk/download/downloads/id/1454/retail_needs_assessment_update_2013_volume_1.pdf

TABLE 1.13 BIRMINGHAM CITY CENTRE'S PERCENTAGE MARKET SHARES FOR COMPARISON GOODS



Source: HollisVincent for BCC, 2013

1.74 The dominance of Birmingham City Centre is also confirmed by Venuescore rankings6. The 2017 scores place the city as the fourth ranked retail centre outside of London. Although this is a fall from third place in 2014. The only other centres in the Midlands in the Top 20 are in Nottingham (eighth) and Leicester (14th).

1.75 The Bullring is ranked as the 14th best Shopping Mall in the same report with Merry Hill in 9th position. It is also likely that these centres, as well as the wider Birmingham City Centre, will provide a higher end retail offer, the catchment of which extends to much of region.

[6] https://www.javelingroup.com/wp-content/uploads/2017/01/Javelin_Group_Executive_Summary_VENUESCORE_2017.pdf

1.76 Overall, the evidence shows that Birmingham plays a role as a centre for comparison retailing covering a wider catchment extending into and across Warwickshire. This is supportive of the previous definition of the FEMA.

Flow of Goods and Services

1.77 The flow of goods, services and information within the local economy is difficult to quantify. Our approach therefore is to look at the make-up of the economies in Birmingham and the other authorities in the West Midlands. We also examine office and industrial clusters across the study area and its neighbouring areas.

1.78 Drawing on BRES data we have examined the relative representation of each economic sector in each local authority in comparison to the national picture. We have used location quotient analysis where a score over one represents an over-representation and a score under one represents an under-representation in relation to the study area. Those coloured pink to red showing a medium to high over-representation in sectors in each local authority and those in blue an under-representation.

1.79 As shown below, in comparison to the national economy Birmingham is balanced with no significant over-representation. It is under-represented in Agriculture but that would be expected for an urban authority.

1.80 Looking down each column we can see that there are particular strengths across the West Midlands in manufacturing, the motor trade, wholesale and Transport. There is also under-representation in information and communications and finance across the finance across the region but not within Birmingham.

1.81 As well as a strong financial sector the city also has an over-represented in other public sector focused roles in Health and Public Administration. Although not highlighted, the City also has a strong Education sector linked to the five universities.

1.82 This data also illustrates an urban rural dimension within the West Midlands with many local authorities having an over-representation of Agriculture. However, the only ones that are in close proximity to Birmingham are Stratford and Lichfield. As established earlier in the report there is still a level of commuting from these areas into Birmingham.

TABLE 1.14 LOCATION QUOTIENT VS ENGLAND FOR EMPLOYMENT BY SECTOR (2019)

Area	Agri etc.	Utilities	Manufacturing	Construction	Motor Trade	Wholesale	Retail	Transport	Hospitality	Info & Comms	Finance	Property	PSI	Business Admin	Public Admin	Education	Health	Art & Ents
Birmingham	**0.0**	**0.7**	**1.0**	**0.7**	**0.9**	**1.1**	**0.9**	**0.9**	**1.0**	**0.6**	**1.3**	**1.0**	**1.0**	**1.1**	**1.3**	**1.2**	**1.3**	**0.9**
Bromsgrove	0.9	0.4	0.8	1.4	1.0	1.0	0.5	0.6	0.9	0.7	1.1	0.9	0.5	3.1	0.5	0.8	0.8	0.9
Cannock	0.7	1.1	1.6	1.7	1.6	2.2	1.2	2.5	1.0	0.6	0.3	0.5	0.4	0.7	0.6	0.7	0.7	0.7
Coventry	0.0	2.7	1.4	0.5	1.6	1.1	0.8	0.9	0.8	0.6	0.9	0.8	0.8	1.2	0.9	1.7	1.0	0.8
Dudley	0.1	0.7	2.0	1.2	1.4	1.7	1.2	0.7	0.8	0.4	0.4	1.3	0.5	0.6	1.0	1.1	1.2	0.8
East Staffs	1.8	0.9	2.1	1.0	1.1	1.6	0.9	1.5	1.1	0.3	0.3	0.6	0.8	0.9	0.5	0.8	1.0	0.8
Herefordshire	9.3	0.9	1.7	1.0	1.3	0.9	1.1	0.4	1.2	0.3	0.3	1.3	0.5	0.6	0.4	0.8	1.1	0.8
Lichfield	1.5	0.6	1.3	1.2	1.3	1.0	1.3	1.0	1.2	0.5	0.4	0.8	0.8	1.1	0.8	0.7	1.0	1.5
Malvern Hills	5.3	0.5	1.6	1.1	1.0	0.7	0.8	0.3	1.8	0.6	0.2	0.9	0.8	0.7	0.4	1.1	0.9	1.5
Newcastle	1.0	0.3	1.1	1.1	1.7	1.6	1.0	1.9	1.0	0.4	0.4	0.7	0.7	1.0	0.5	1.5	0.9	0.7
North Warks	1.2	0.7	1.8	1.4	3.2	1.3	1.1	3.2	1.1	0.5	0.1	0.4	0.9	0.9	0.2	0.5	0.3	0.4
Nuneaton	0.2	1.6	1.6	0.8	1.3	1.3	1.0	1.6	0.8	0.3	0.4	0.6	0.6	0.9	1.2	1.1	1.3	0.8
Redditch	0.1	0.3	2.8	0.8	2.5	1.4	1.0	1.1	0.8	0.7	0.4	0.5	0.6	1.2	0.5	0.7	0.9	0.5
Rugby	1.3	0.5	1.3	1.2	1.3	1.0	0.9	2.4	1.2	0.7	0.5	0.6	1.1	1.0	0.6	1.0	0.6	0.7
Sandwell	0.0	1.6	2.2	1.1	1.7	1.8	0.9	1.6	0.7	0.3	0.3	1.0	0.4	0.6	0.5	0.9	1.1	1.0
Shropshire	6.1	1.1	1.2	1.3	1.5	1.1	1.0	0.7	1.3	0.4	0.3	1.3	0.7	0.5	0.9	0.9	1.1	0.9
Solihull	0.1	0.6	1.2	0.8	0.7	0.6	0.8	1.1	0.9	1.0	0.8	1.1	0.8	3.0	0.7	0.8	0.5	0.6
South Staffs	3.8	1.6	1.9	2.0	0.9	1.0	0.7	1.3	1.2	0.3	0.2	1.0	0.5	0.7	1.1	1.0	0.7	0.8
Stafford	3.6	0.6	1.4	1.0	1.5	1.0	0.9	1.3	1.1	0.5	0.3	0.8	0.6	0.5	2.0	0.8	1.3	0.9
Staffs Moors	5.8	0.8	2.0	1.2	1.0	1.2	0.8	0.6	1.2	0.2	0.5	0.5	0.3	0.5	0.5	1.1	0.7	2.7
Stoke	0.1	1.1	1.6	0.8	1.5	0.8	1.0	1.8	0.7	0.8	0.4	0.5	0.4	0.8	0.8	0.9	1.6	1.2
Stratford	4.0	0.2	2.2	0.9	1.5	1.0	0.7	0.8	1.4	0.7	0.9	1.3	0.9	0.7	0.3	0.8	0.7	1.3
Tamworth	0.3	0.4	1.9	1.2	1.7	1.9	1.4	1.5	1.0	0.7	0.4	0.5	0.5	1.3	0.4	0.8	0.5	0.7
Telford	0.6	1.3	2.2	0.7	1.0	1.7	0.8	1.0	0.7	1.0	0.7	0.8	0.5	1.1	1.4	0.9	0.8	0.7
Walsall	0.1	1.1	1.7	0.9	1.3	1.5	1.0	1.5	0.6	0.3	0.8	1.0	0.4	1.2	0.7	1.1	1.1	0.8
Warwick	0.6	4.1	0.9	0.7	1.5	1.7	0.7	0.9	1.1	1.3	0.3	0.7	1.2	0.9	1.3	0.7	0.8	1.5
Wolves	0.0	1.5	1.6	0.9	1.5	1.4	0.9	1.1	0.8	0.4	1.0	1.2	0.4	0.7	1.1	1.2	1.4	0.8
Worcester	0.2	1.2	1.0	0.6	1.2	0.7	1.0	0.7	1.0	0.6	0.5	2.3	0.5	0.9	1.2	1.1	1.8	1.0
Wychavon	4.0	1.3	2.0	1.2	1.1	1.3	0.9	1.4	1.2	0.7	0.2	1.3	0.6	0.6	1.3	0.7	0.6	0.9
Wyre Forest	1.0	0.8	1.3	1.0	1.4	1.7	1.3	2.4	1.2	0.3	0.3	1.1	0.5	0.7	0.6	0.9	0.8	1.0

Source: VOA Data, 2021

1.83 According to VOA floorspace data, Birmingham has the largest amount of non-domestic floorspace within the West Midlands with more than double Sandwell which had the next largest. The majority of the commercial floorspace in Birmingham is Industrial, although it has a far higher share of office and retail floorspace than any of the other local authorities.

TABLE 1.15 TOTAL NON-DOMESTIC FLOORSPACE ('000) BY LOCAL AUTHORITY - 2020

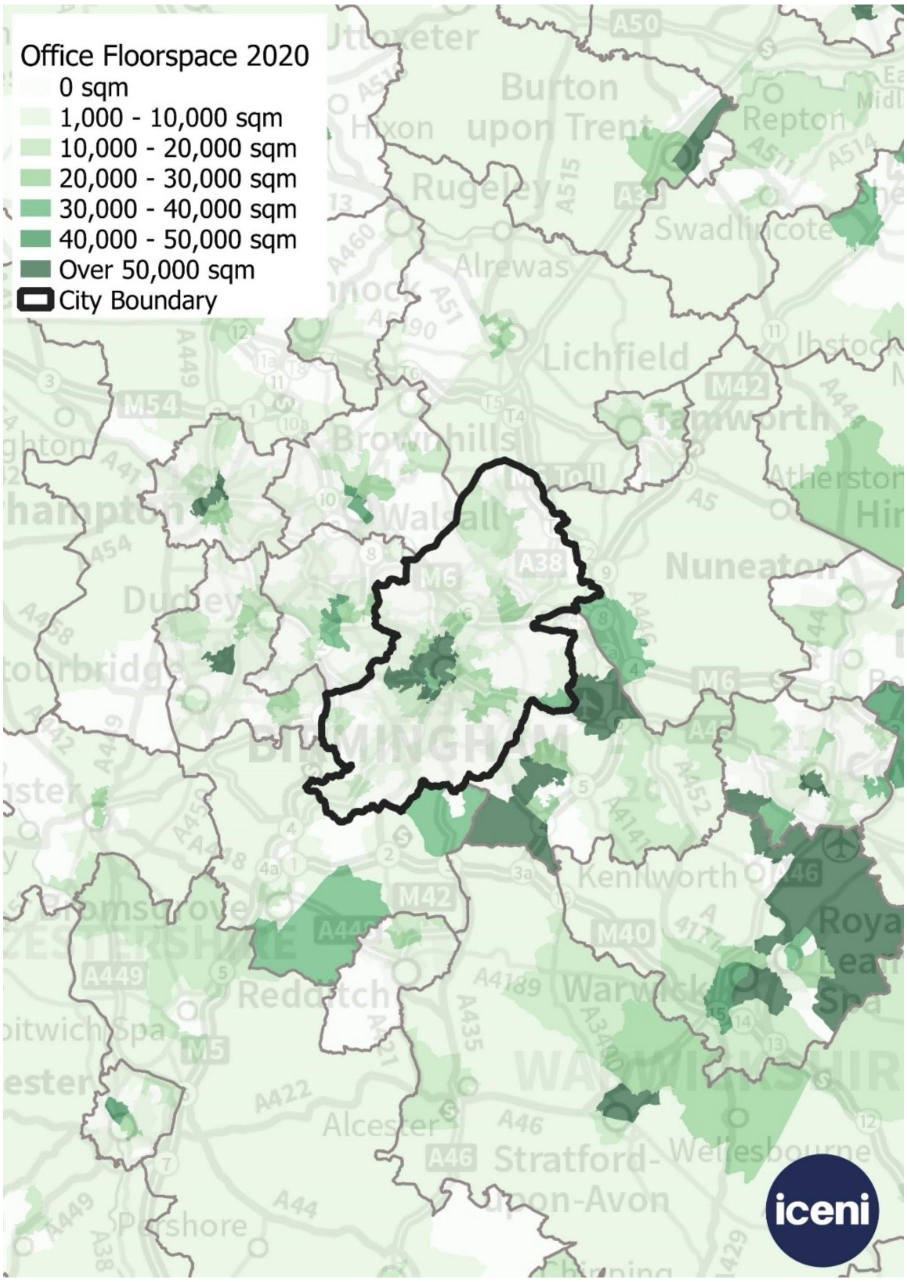
Area	Total ('000)	Retail ('000)	Office ('000)	Industrial ('000)	Other ('000)
Birmingham	**11,610**	**2,148**	**1,925**	**6,407**	**1,129**
Sandwell	4,875	576	198	3,834	268
Stoke-on-Trent	3,721	637	254	2,566	264
Coventry	3,592	634	474	2,181	302
Dudley	3,566	615	266	2,391	294
Walsall	3,163	510	168	2,233	252
Wolverhampton	3,106	503	204	2,112	287
Shropshire	3,084	573	243	1,817	452
Telford and Wrekin	2,802	342	197	2,100	163
Herefordshire	2,176	376	131	1,426	243
East Staffordshire	2,145	253	156	1,623	113
North Warwickshire	1,912	44	59	1,703	107
Stafford	1,819	255	134	1,203	226
Rugby	1,753	189	113	1,335	116
Wychavon	1,716	182	82	1,274	178
Warwick	1,674	259	340	874	200
Solihull	1,624	398	484	540	204
Nuneaton and Bedworth	1,424	201	63	1,012	148
Stratford-on-Avon	1,369	196	176	844	154
Cannock Chase	1,324	226	65	950	83
Newcastle-under-Lyme	1,301	211	104	878	108
Redditch	1,238	168	79	906	85
Lichfield	1,220	140	87	897	95
Worcester	1,177	270	132	623	153
Wyre Forest	1,126	224	76	707	118
Tamworth	1,012	179	71	699	64
South Staffordshire	1,007	64	44	774	125
Bromsgrove	801	110	128	459	105
Staffordshire Moorlands	756	112	45	518	82
Malvern Hills	554	97	54	315	88

Source: VOA,2021

1.84 Using the same VOA data, we have also examined the location of office and industrial floorspace in the West Midlands in more detail. As shown, there is a cluster of offices in Birmingham City Centre and others in Wolverhampton, Brierley Hill in at the NEC and Blythe Valley in Solihull. There are also secondary office clusters around Walsall and West Bromwich.

1.85 Moving slightly further out there are also clusters around Coventry City Centre and Westwood Business Park; and in Warwick District around the Warwick Technology Park and Heathcote Industrial Estates around the University and Coventry Airport and in Stratford upon Avon. These potentially serve a slightly different market to Birmingham.

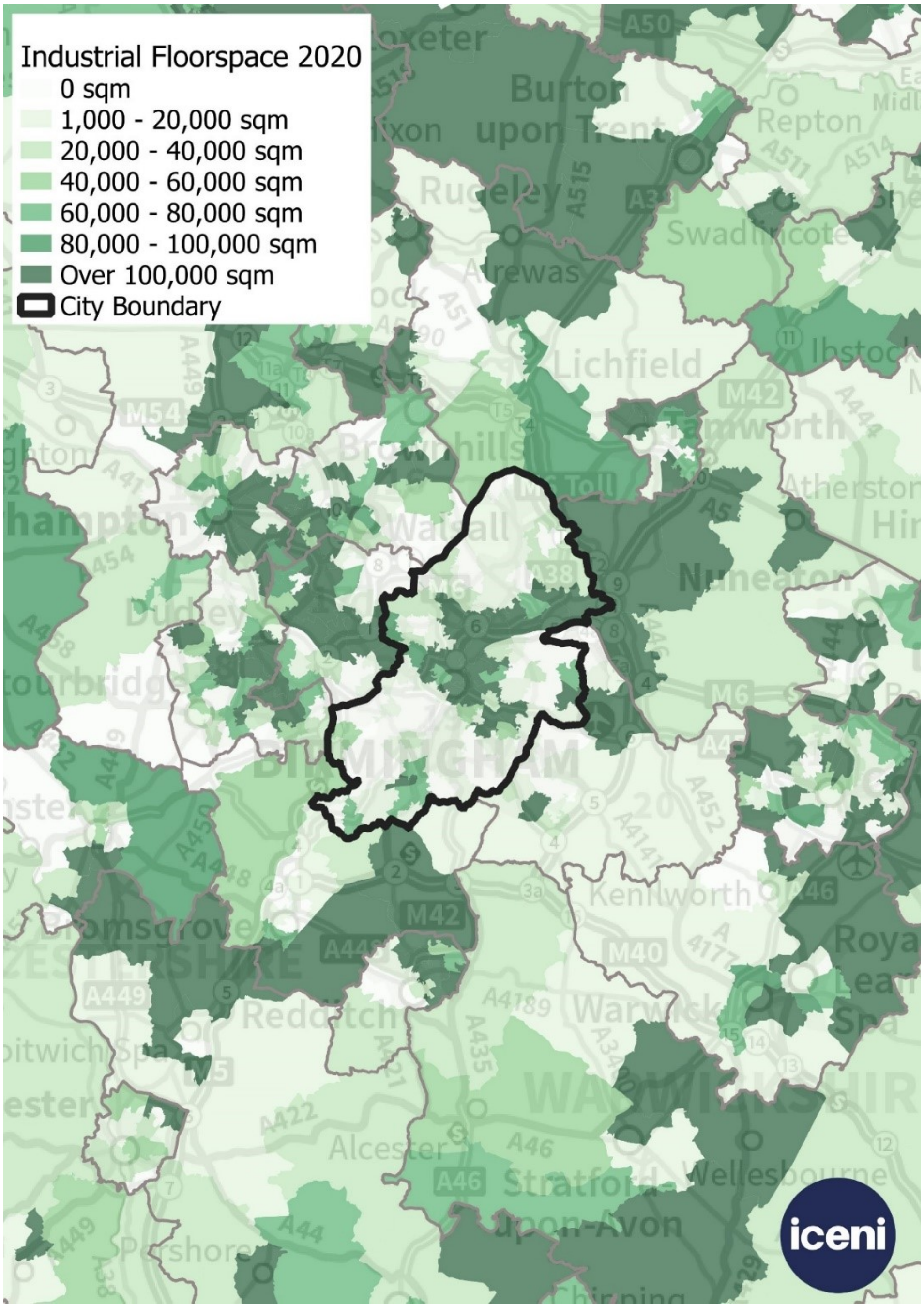
TABLE 1.16 OFFICE FLOORSPACE MAP (2020)



Source: VOA, 2021

1.86 The industrial clusters are much more widespread across the region. Within the City the largest clusters can be found in the North and East of the City along the M6 Corridor. There are also other clusters to the south including around Digbeth and Tyseley.

TABLE 1.17 INDUSTRIAL FLOORSPACE MAP (2020)



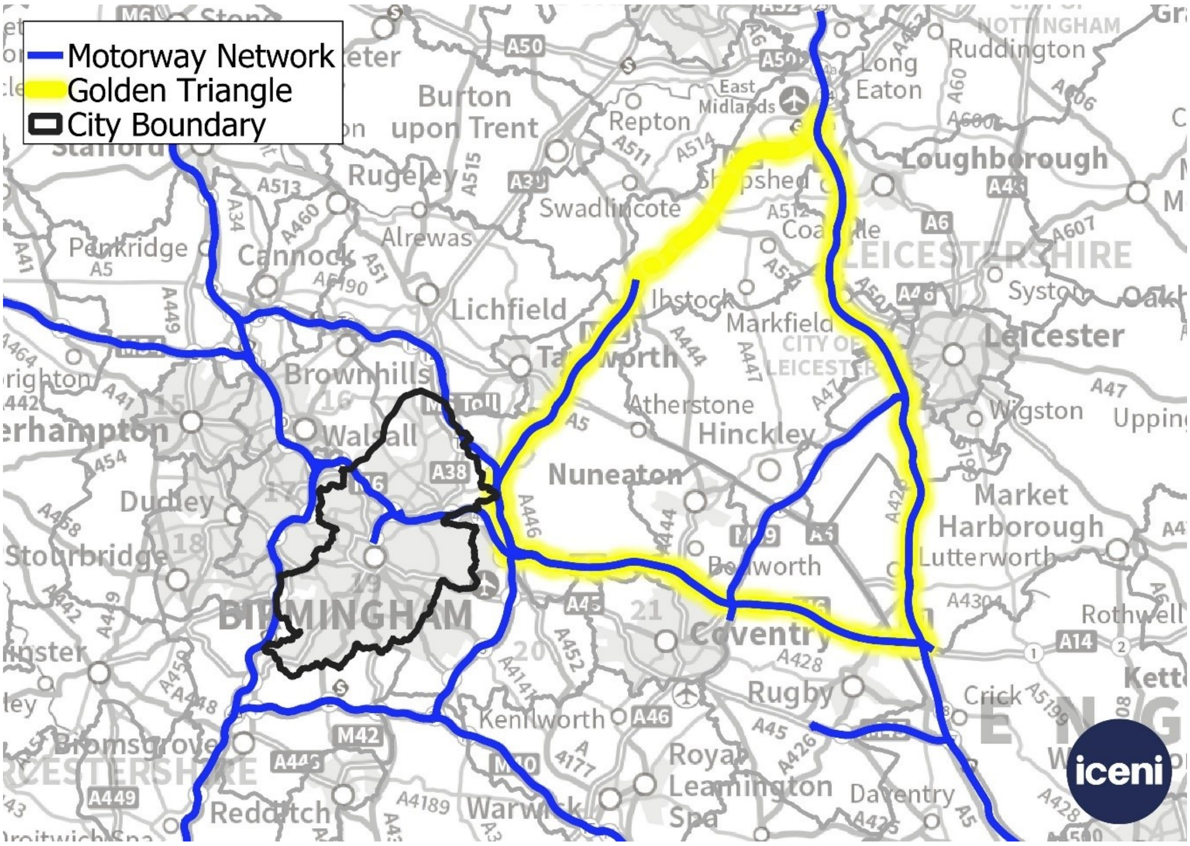
Source: VOA, 2021

1.87 The other major industrial locations include large parts of the Black Country particularly around Sandwell. In some cases, there are significant industrial locations found adjacent to some smaller towns with access to the motorway such as Dorden, Atherstone and Coleshill in North Warwickshire.

1.88 This again reiterates the importance of Birmingham as an employment and commercial location within the region. It also demonstrates the difference between the Urban and Rural parts of the West Midlands in the office market and for the industrial market the importance of the motorways.

1.89 The logistics market is also likely to operate differently from the wider industrial market. As the map below shows, north east of the City along the M6 falls within the Golden Triangle for logistics space. The core Golden Triangle area is typically defined as the triangle of motorways formed by the M1, M6 and M42/A42 and areas with easy access to them. This area is the prime location for logistics operators as its central location means that suppliers can reach around 90% of the UK population within 4 hours drive.

TABLE 1.18 GOLDEN TRIANGLE FOR LOGISTICS



Source: Iceni Projects

1.90 Logistics operators are unlikely to confine their accommodation search to one FEMA and the functional geography for the industry in this area are those authorities with access to the Golden Triangle.

1.91 Such is the level of industrial and to a lesser extent office supply within the City it would be reasonable to suggest that the area would be fairly self-sufficient when it comes to the flow of goods and services. Indeed, it could be argued that it serves a much wider area.

Employment Self-Containment

1.92 Finally, we have looked as self-containment for jobs and residents, For this we have drawn on the 2011 Census which is the only nationally consistent dataset on commuting patterns. This is the same dataset used by previous studies examining the FEMA in the West Midlands.

1.93 To reiterate, for ONS Travel to Work Areas "the current criteria for defining TTWAs are that at least 75% of the area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area…However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted".

1.94 The City has a resident self-containment rate of around 76% when those mainly working from home and with no fixed place of work are included. This in itself would justify the City being its own FEMA but that would ignore its wider influence. This is best illustrated by the fact that the job self-containment rate is only 61%.

1.95 West Midlands Functional Economic Market Area Study (2015)[7] examined resident based self-containment for the three LEP areas in the West Midlands and combinations of them. This showed the following:

- Black Country LEP – 71%
- Coventry and Warwickshire LEP – 77%
- Greater Birmingham and Solihull LEP – 77%
- Black Country and Greater Birmingham and Solihull LEPs – 87%
- Black Country and Coventry and Warwickshire LEPs - 75%
- Greater Birmingham and Solihull and Coventry and Warwickshire LEPs – 84%
- All three LEPs – 90%

1.96 Clearly given the self-containment rate analysis, Birmingham could be defined in its own right. However, it is clear that it relies on an element of in-commuting drawn from the wider LEP area. This is illustrated by the higher self-containment rates for the wider area. And as established by the HMA analysis there are clearly wider dynamics at play.

1.97 These increases further when the neighbouring LEP areas are included. This would justify looking at the area as a single Functional Economic Market area or a series of overlapping FEMA.

Cultural and Social Facilities

1.98 The map below illustrates the location of key cultural and social facilities in Birmingham and the wider area. There is clearly a large cultural cluster in Birmingham which has regional and national significance, all of the key facility types are located within the study area.

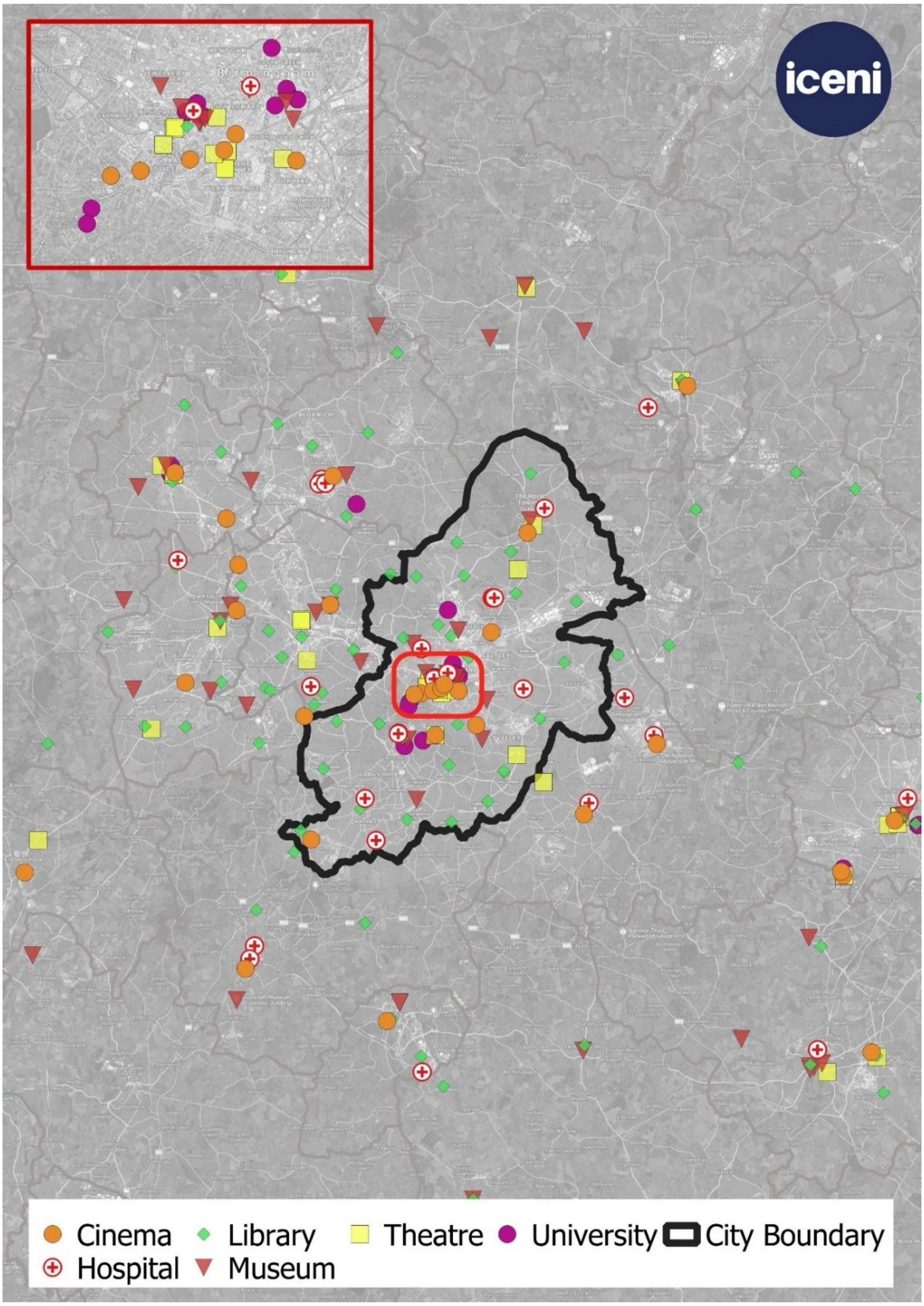
1.99 There are five universities in Birmingham. Culturally, the major theatres such as the Hippodrome and events space such as the Utilita Arena Birmingham (originally known as the National Indoor Arena) in the city as well as museums and other tourist attraction.

1.100 There are other cultural and social facilities clusters in the Black Country and more notably Coventry both of which are likely to serve different markets to those in Birmingham.

[7] https://democracy.stratford.gov.uk/documents/s34932/WestMidlandsFEMAStudy26June2015.pdf

1.101 The only areas where there is a notable absence of cultural and social facilities is North Warwickshire and to a lesser extent Bromsgrove and Wyre Forest. North Warwickshire has no major towns although Atherstone provides some leisure and cultural facilities. While Bromsgrove and Kidderminster have some facilities, they far fewer than comparable towns.

TABLE 1.19 CULTURAL AND SOCIAL FACILITIES



Source: Iceni Projects and Open Streetmap

1.102 This illustrates that these areas are reliant on larger nearby centres such as Birmingham for some higher order services and cultural facilities.

FEMA Conclusions

1.103 The evidence presented herein shows a continued interaction between Birmingham and its neighbouring authorities. These relationships are, in the main, illustrative of Birmingham as the dominant economic, cultural and service centre for the region.

1.104 There continues to be significant levels of migration between the local authorities and particularly with those authorities which are immediately adjoining the City and specifically Solihull and Sandwell. As established we have identified a Strategic HMA which covers Cannock Chase; Lichfield; South Staffordshire; Tamworth; North Warwickshire; Stratford-on-Avon; Bromsgrove; Redditch; Birmingham; Dudley; Sandwell; Solihull; Walsall and Wolverhampton.

1.105 Although not new evidence, self-containment rates for the LEPs in the Wider West Midlands from 2011 exceed the former threshold of “typically 70%” and with the continued interactions between these areas then the self-containment rates are unlikely to change enough to drop below 70%

1.106 There are also notable commuting patterns between Birmingham and its neighbours including parts of the Black Country and North Warwickshire. While ONS TTWA for Birmingham also includes parts of Lichfield, Tamworth, Redditch, Bromsgrove and Stratford-on-Avon.

1.107 In examining the local economies of all the districts in the West Midlands region we can see distinctions between the industrial parts in and around the core Birmingham urban area and the rural parts of Worcestershire, Herefordshire, Staffordshire and Shropshire.

1.108 For the logistics sector the functional market is likely to be much wider than West Midlands and will reflect the “Golden Triangle.” This market is particularly relevant to the north of the City with the west and south of the City unlikely to be part of this core logistics market although there will be some demand along the M5.

1.109 There is evidence that a number of neighbouring authorities are reliant on Birmingham for a range of retail, social and cultural services including Bromsgrove and North Warwickshire which have few cultural facilities. There is also evidence that the City is the major retail centre for much of the West Midlands.

1.110 There are also other administrative boundaries such as the West Midlands Combined authority as well as the police and fire service which operate across the wider West Midlands combined authority area

1.111 The LEP Area covers most of the Combined authority area but excludes Coventry and includes East Staffordshire and Wyre Forest. However, Wyre Forest and East Staffordshire fall within more than one LEP and therefore arguably in more than one FEMA.

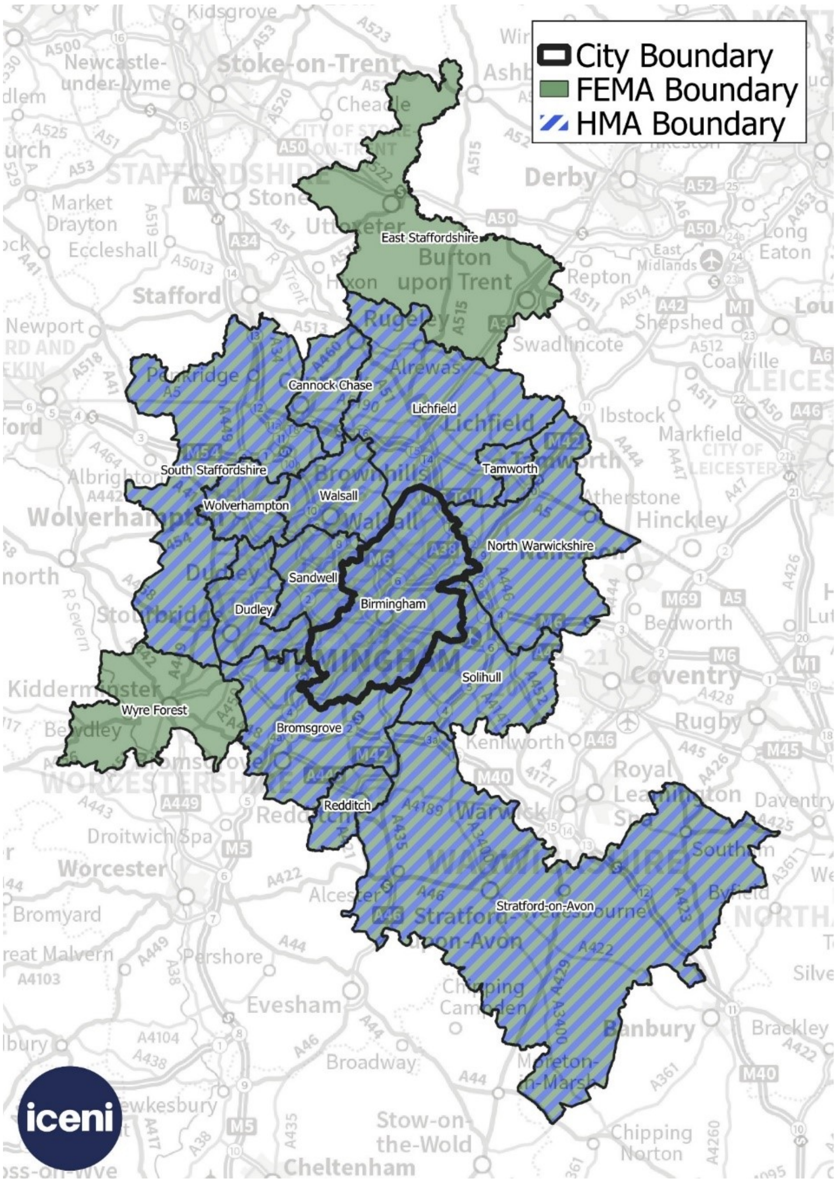
1.112 While previous definitions of the FEMA have suggested that the three LEP areas are akin to the FEMA, it appears that the Coventry and Warwickshire FEMA and specifically Coventry is more self-sufficient than the Black Country FEMA which has clearer commuting and economic links to Birmingham.

1.113 That said, there are still parts of Warwickshire, specifically in North Warwickshire and Stratford-on-Avon which have been identified as part of the Greater Birmingham HMA and also have notable cultural, service and economic reliance on Birmingham. Although, there are also clear links to Coventry as well. This would suggest an area of overlap.

1.114 In conclusion, the evidence suggests a FEMA consisting of the Greater Birmingham and Solihull LEP (Birmingham, Bromsgrove, Cannock Chase, East Staffs, Lichfield, Redditch, Solihull, Tamworth and Wyre Forest) and Black Country LEP (Dudley, Sandwell, Walsall and Wolverhampton) as well as North Warwickshire and Stratford-on-Avon. There is also a case to be made for South Staffordshire to be included in this definition due to its close links to the Black Country.

1.115 The extent of the FEMA and HMA boundaries are shown below.

TABLE 1.20 HMA AND FEMA BOUNDARY



Source: Iceni Projects, 2021

1.116 As shown below the HMA and FEMA Boundaries differ on the basis of East Staffordshire and Wyre Forest being included in the LEP and not the HMA. These are included in the FEMA as they are included within the Greater Birmingham and Solihull LEP Area. Although in both cases there are likely to be overlaps with other FEMA, specifically the other Staffordshire and Worcestershire authorities respectively.

1.117 Inevitably functional market areas clearly do not precisely fit to local authority boundaries; and at the borders of any area HMA or FEMA there are often links with the adjoining areas. We should therefore continue to recognise overlaps in North Warwickshire and Stratford-on-Avon with the Coventry and

Warwickshire HMA and FEMA as well as those with Wyre Forest and Worcestershire and East Staffordshire and Staffordshire.

1.118 One of the purposes of defining market areas is to identify the "appropriate functional geographical area to gather evidence and develop policies to address these (Strategic) matters, based on demonstrable cross-boundary relationships." Where these areas are identified the relevant local planning authorities are required to cooperate on strategic matters. This cooperation includes, according to Paragraph 11 of the Plan-Making PPG (reference ID: 61-011-20190315), agreeing a statement of common ground which contains:

- *"if applicable, the housing requirements in any adopted and (if known) emerging strategic policies relevant to housing within the area covered by the statement"; **or***
- *"distribution of needs in the area as agreed through the plan-making process, or the process for agreeing the distribution of need (including unmet need) across the area".*

1.119 This HEDNA will provide an updated assessment of need. It will be important for the Council to continue to liaise with surrounding authorities on strategic planning matters including in discussing any issues associated with unmet housing and employment needs.

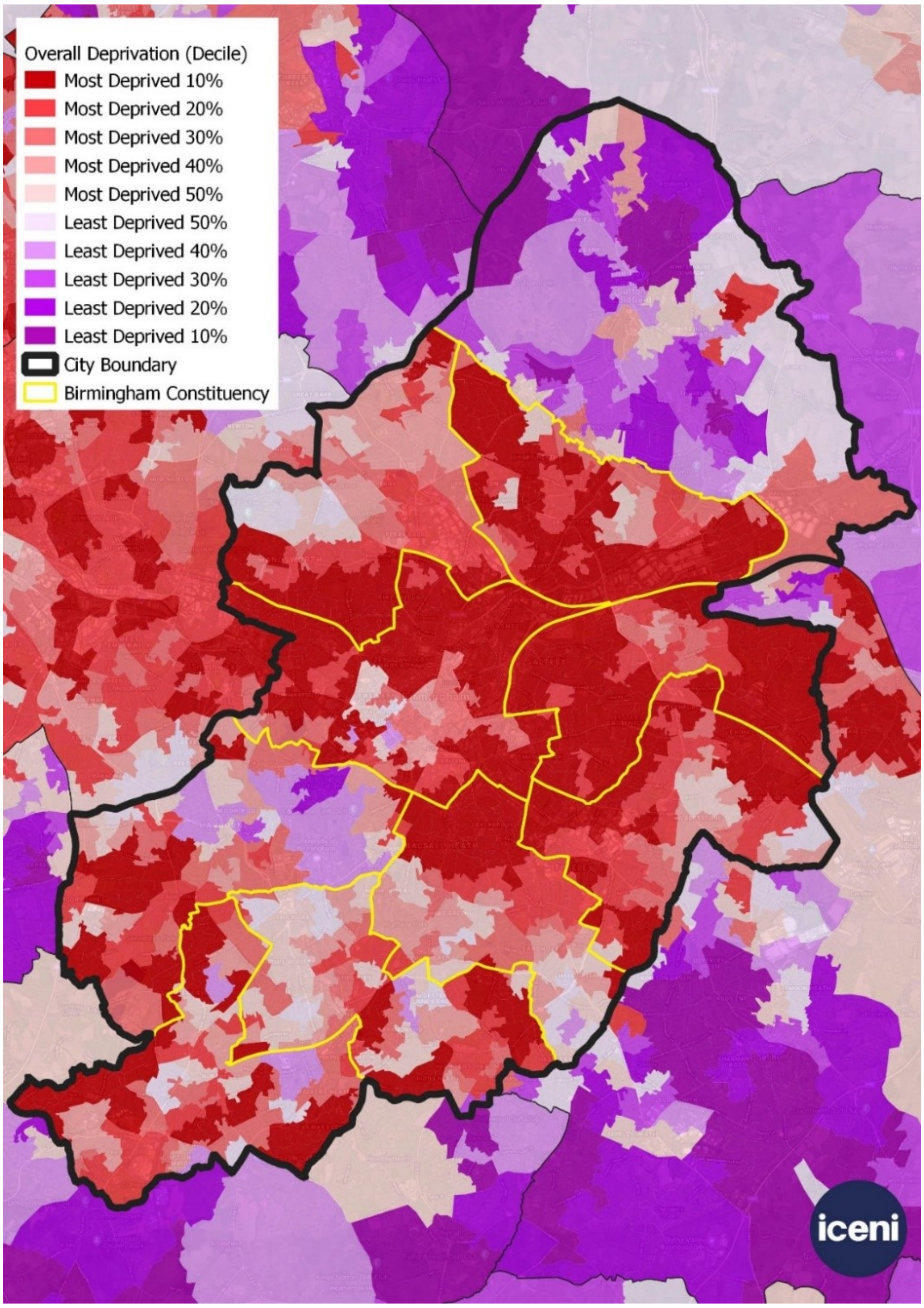
Sub Area Analysis

1.120 In order to develop locally-responsive planning policies this document has also examined sub areas within Birmingham's administrative area to allow more localised distinctions to be drawn out. We have examined a range of factors which can be used as indicators of distinct roles each area plays in housing the City's population.

Deprivation

1.121 The first factor we have examined is deprivation, using the former Ministry of Housing, Communities and Local Government's Index of Multiple Deprivation (IMD). The IMD ranks every Lower Super Output Area in England and Wales in terms of its deprivation using and the figure below shows these ranks grouped into deciles.

TABLE 1.21 INDEX OF MULTIPLE DEPRIVATION (2019)



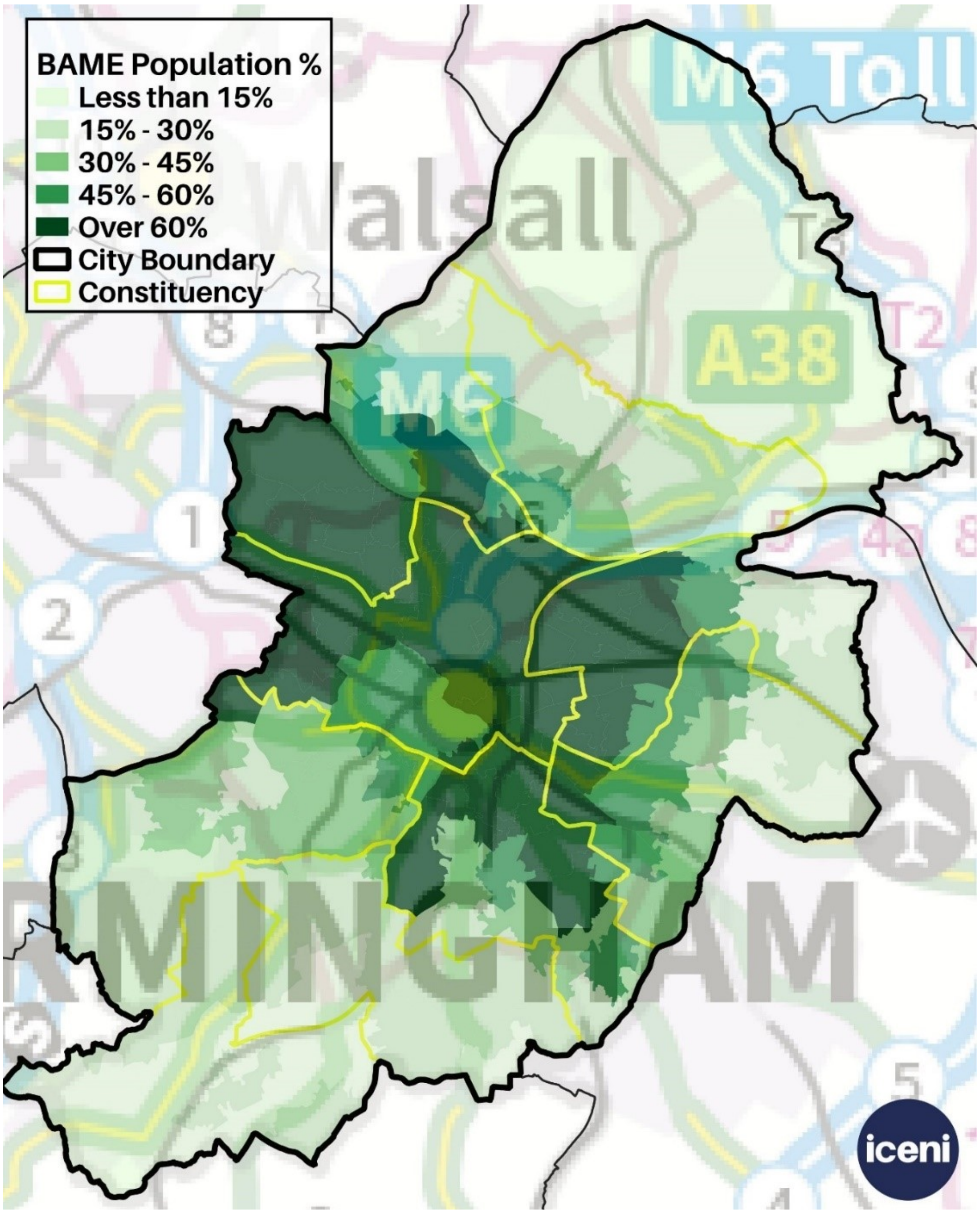
Source: MHCLG, 2020

1.122 The City includes many of the most deprived areas in the country but also some of the least deprived. The most deprived areas are most common in the area surrounding the City Centre. The least deprived areas within the city are concentrated in Sutton Coldfield and Edgbaston.

Ethnicity

1.123 The city is one of the most diverse in the Country and as illustrated below. This is particularly the case in the City Centre and surrounding area were over 60% of the population that live there identify as black or minority ethnic group (BAME). This effectively shows an urban and suburban difference within the City.

TABLE 1.22 PERCENTAGE OF POPULATION WHICH ARE BLACK AND MINORITY ETHNIC (2011)



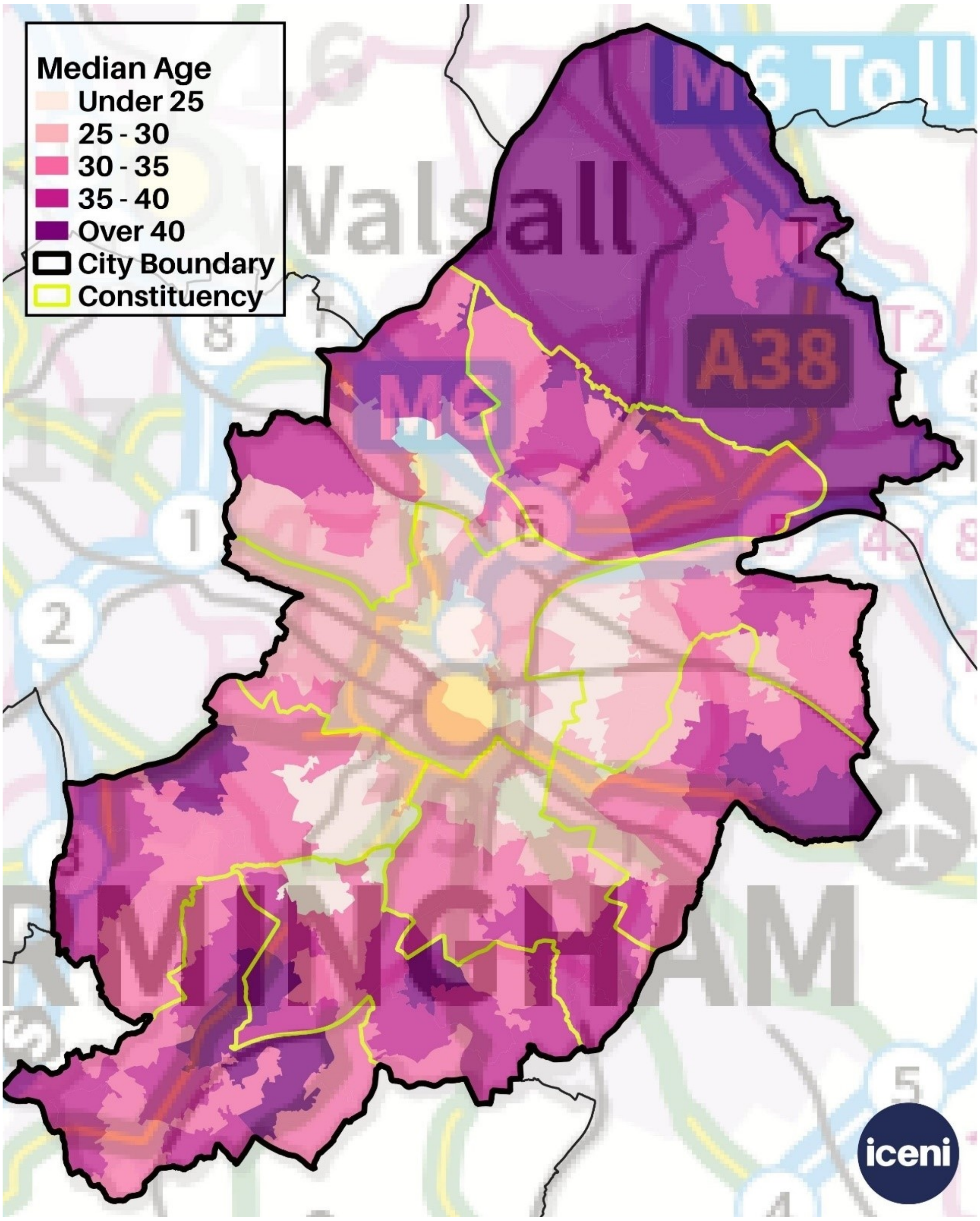
Source: ONS, Census 2011

1.124 In the very north and south of the city the population becomes less diverse and in some locations the BAME population is less than 15% of the population. This is particularly the case in Sutton which was also the least deprived location along with Edgbaston. Although in Edgbaston, linked to the Universities the population is significantly more diverse.

Age

1.125 The area around Edgbaston also has a notably lower median age which is also the case with much of the City Centre. This can be linked to the student population but also the ethnic profile as some BAME groups tend to have younger age structures. Again, this reflects a distinction between the more urban and suburban parts of the city.

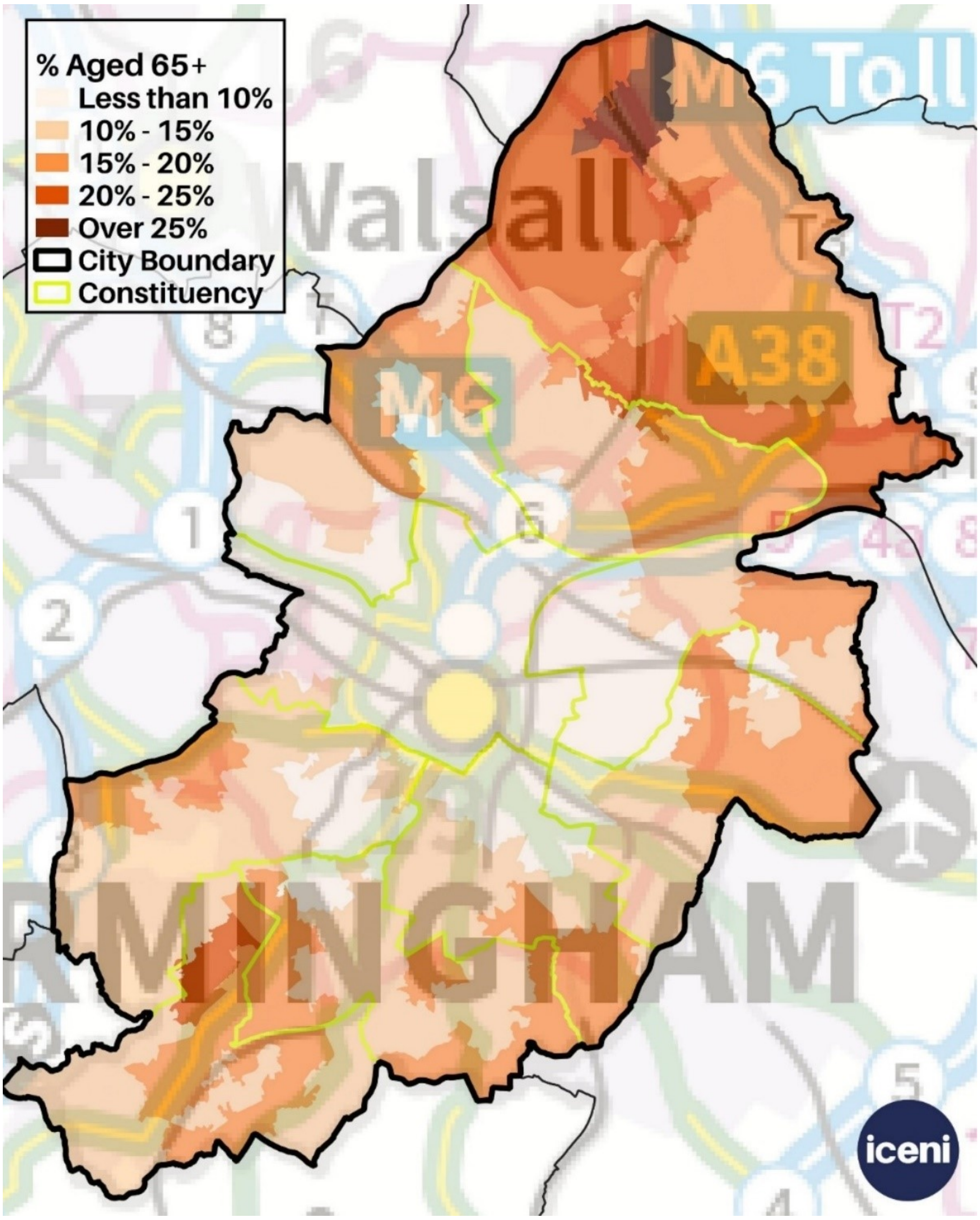
TABLE 1.23 MEDIAN AGE OF POPULATION (2011)



Source: ONS, Census 2011

1.126 The areas with higher median ages can be found in Sutton, Sheldon, Northfield and parts of Harborne. This is also seen in the next map which illustrates the percentage of population of a retirement age. This peaks around Butlers Lane to the north of the city.

TABLE 1.24 PERCENTAGE OF POPULATION AGED OVER 65 (2011)



Source: ONS, Census 2011

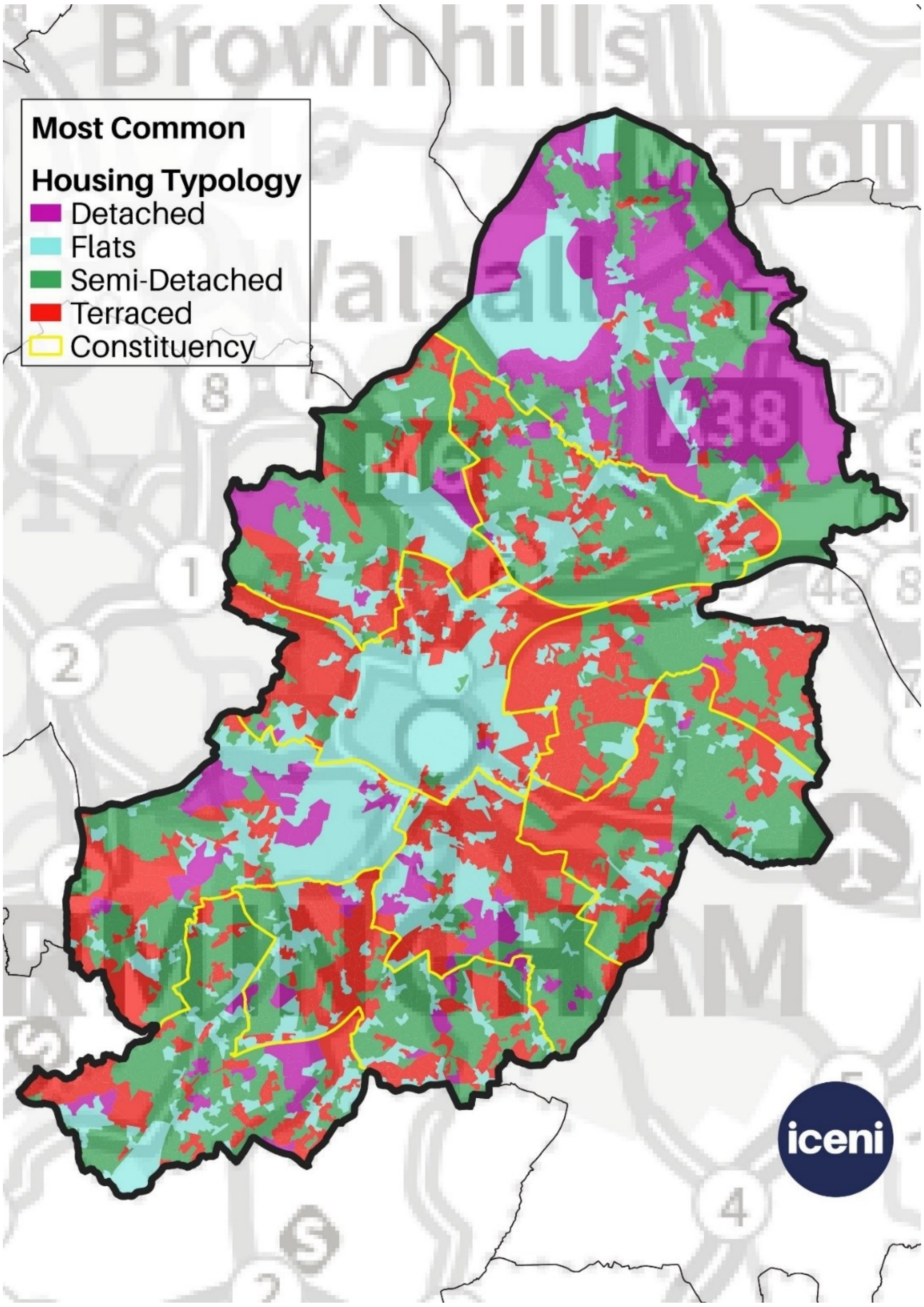
Housing Type

1.127 We have examined the typologies of housing across the City. This is based on 2011 Census data and mapped to output area. The patterns shown are not dissimilar to other post-industrial cities with the central part of the city dominated by flats and is surrounded by Victorian terraced housing. As we move to the suburbs semi-detached become most common although it is a patchwork with terraced housing and flats.

1.128 Sutton Coldfield has a distinct characteristic in that it has a predominance of detached housing, not seen elsewhere. There are also notable numbers of flats in Sutton Coldfield which would appear to be properties situated around Sutton Park and in Sutton Coldfield Town Centre.

1.129 There are pockets of detached homes around Harborne, Moor Green, Moseley and King’s Norton. But these are typically surrounded by terraced housing the closer to the City Centre; and semi-detached housing as you move away from the City Centre.

TABLE 1.25 MOST COMMON HOUSING TYPE

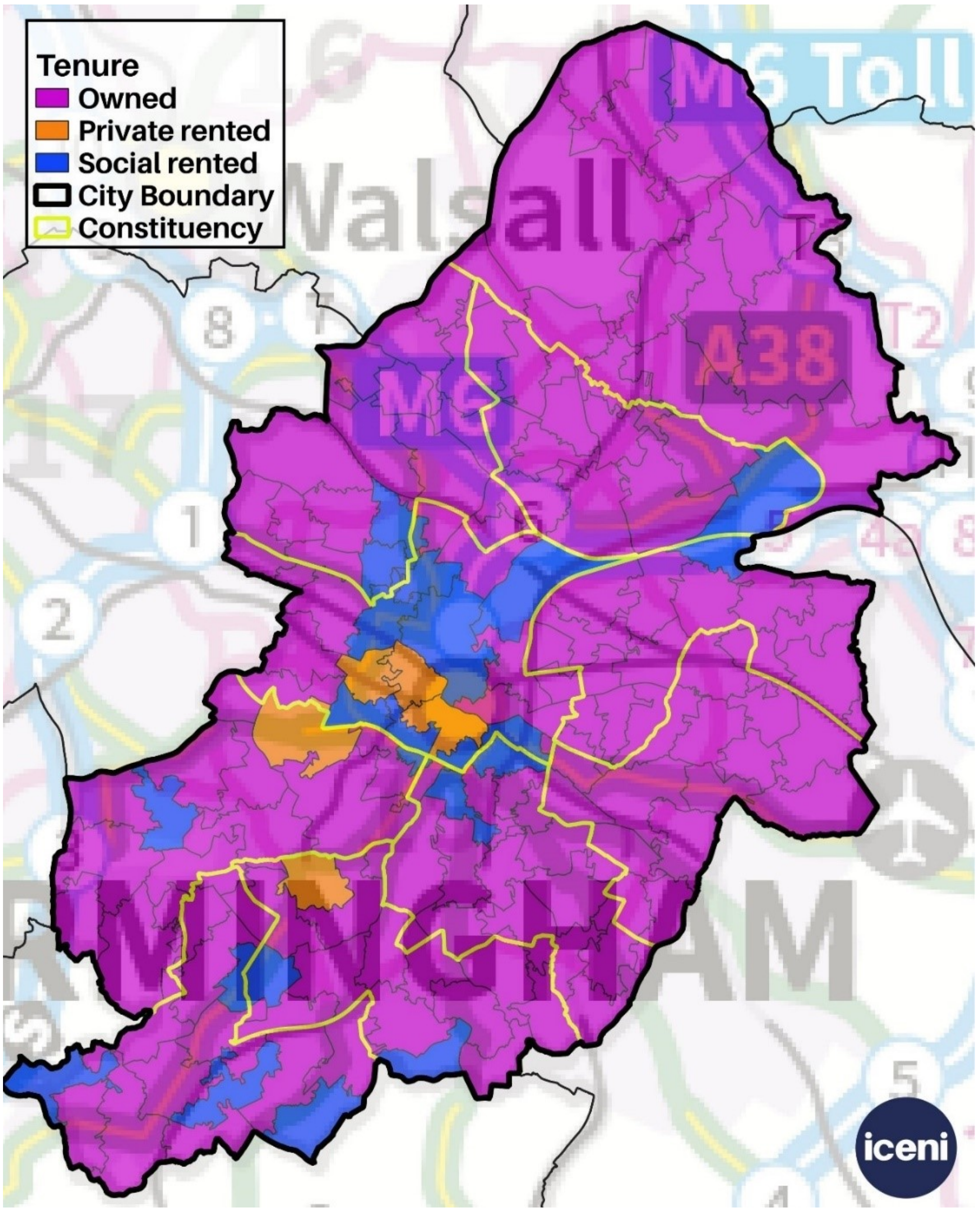


Source: Iceni Projects based on ONS Census and OS data

Tenure

1.130 The City Centre is also a significant outlier when we examine the most common tenure of housing in the City. As the map below illustrates the most common tenure in the City Centre is the Private Rental Sector. Then moving out from the Core there are immediate clusters of Social Rental Stock. Elsewhere in the City the most common tenure is owner occupation.

TABLE 1.26 MOST COMMON HOUSING TENURE

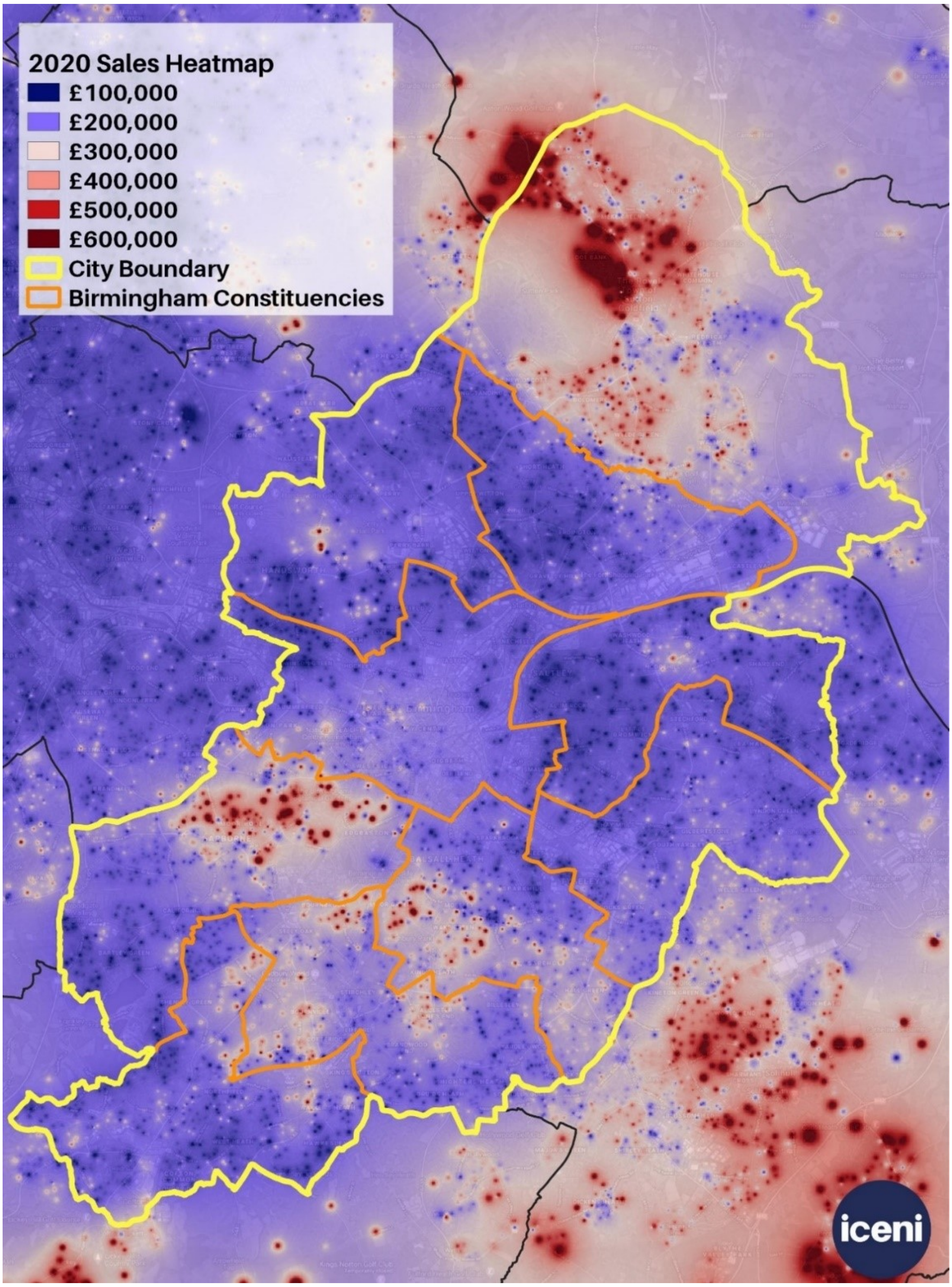


Source: Iceni Projects based on ONS Census and OS data

House Prices

1.131 We have also examined house prices across the city in more detail. As shown in the map below the Sutton Coldfield ward encapsulates the higher value area in the north of the City. The higher values in the south of the City are focused in the Edgbaston, Hall Green, Selly Oak and Northfield constituencies. The remaining constituencies of Perry Barr, Erdington, Ladywood, Hodge Hill and Yardley comprise an area of notably lower house prices.

TABLE 1.27 HOUSE PRICE AND CONSTITUENCY BOUNDARY



Source: OS Data and HM Land Registry.

Sub-Area Conclusions

1.132 Drawing this information together there are clear and consistent differences in the north of the City around Sutton and in the City Centre. Although, there are nuances in the rest of the Birmingham's administrative area these are less consistent, however grouping the rest of the city as a single block is not particularly productive we have therefore split this out into a north and south of the city to develop four broad areas. These area:

- Sutton Coldfield
- City North
- Central
- City South

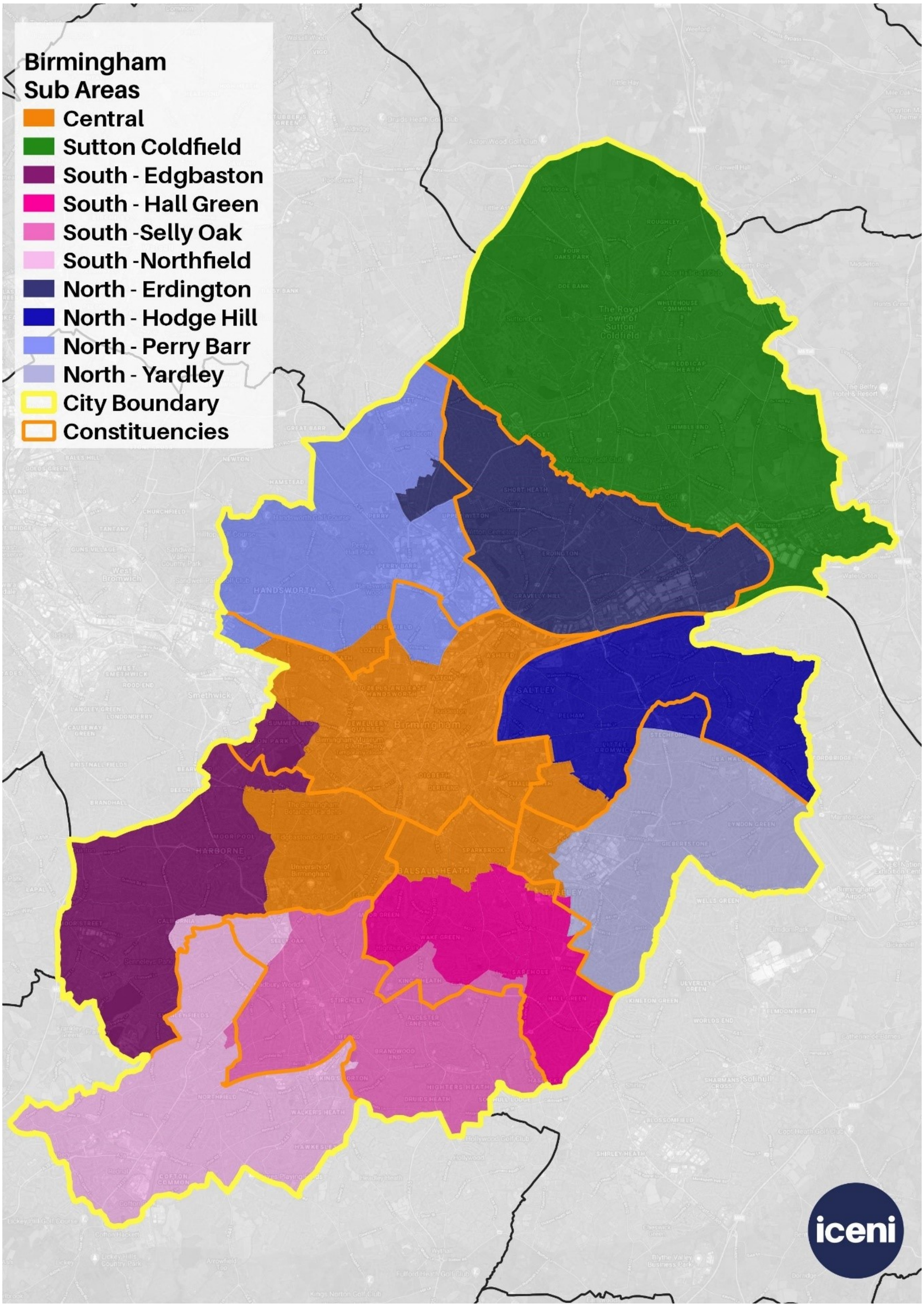
1.133 In order to align with other strategies being developed by the Council[8] we have used the definition of the Central sub area which also extends to include all or parts of the following wards: Balsall Heath East. Balsall Heath West. Bordesley Green. Bordesley and Highgate. Edgbaston Ladywood. Lozells. Nechells. Newtown. Small Heath. Soho and Jewellery Quarter. Sparkbrook.

1.134 As these wards cover a number of different constituencies, we have translated the ward boundaries into a best fit of constituencies. Only two wards within the Ladywood constituency do not fall into the Central area. However, these wards (North Edgbaston and Aston) also fall, in part, across other constituencies and have been placed in those constituencies.

1.135 The map below shows the sub-areas based on wards aggregated to the best-fit of constituencies alongside the Central area. These have also been grouped in to four broader areas as shown in the following map which reflect the house prices across the city. These broader areas are useful in that they would provide a greater level of confidence for the survey outputs.

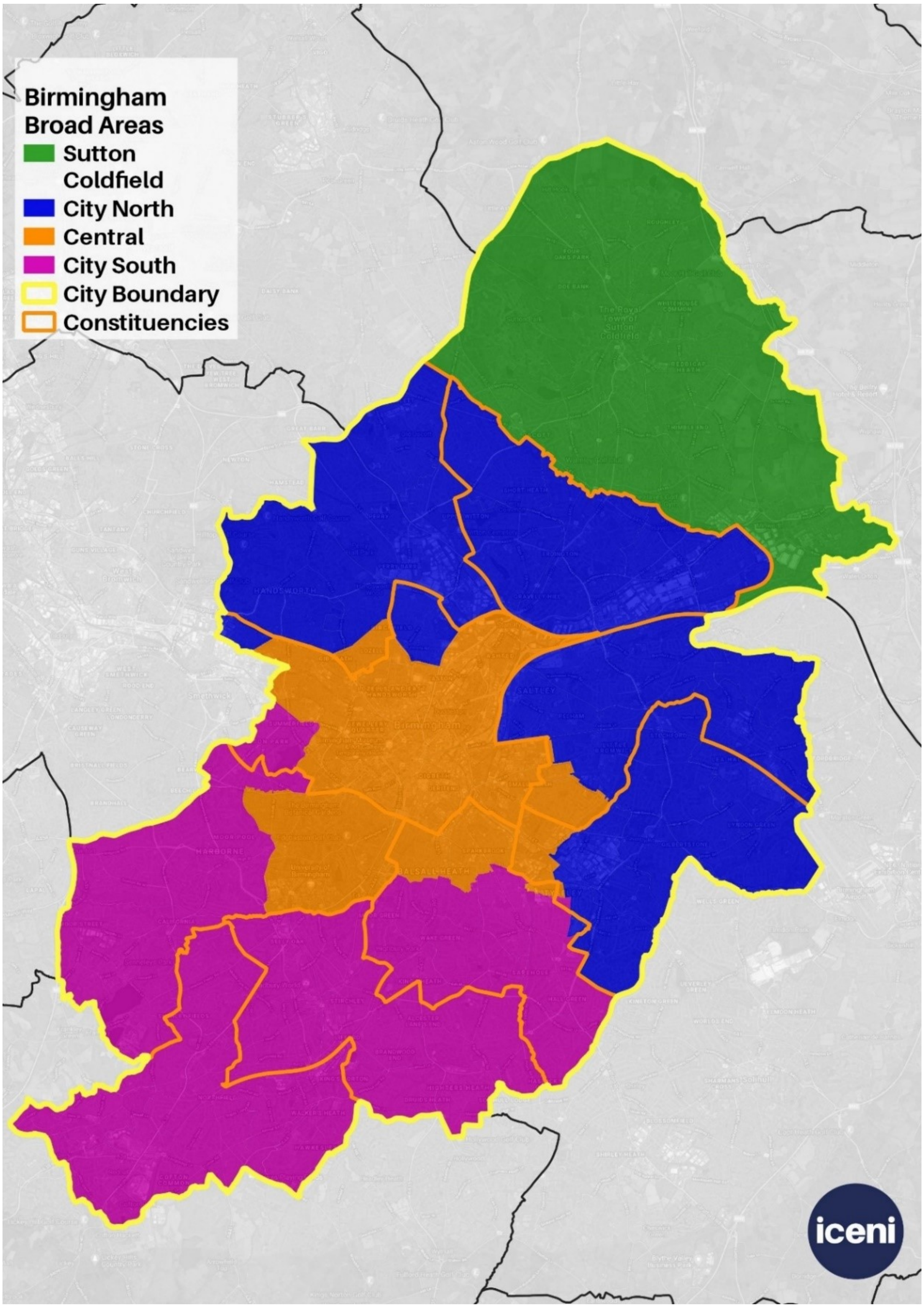
[8] https://www.birmingham.gov.uk/downloads/file/18589/our_future_city_plan_2021_screen_version

TABLE 1.28 BIRMINGHAM SUB-AREAS



Source: Iceni Projects based on OS data

TABLE 1.29 BIRMINGHAM BROAD AREAS



Source: Iceni Projects based on OS data

1.136 The table below provides an alphabetical list of wards alongside the sub area and broad area that they fall within.

TABLE 1.30 WARDS BY SUB AREA AND BROAD AREA.

Ward Name	Sub Area	Broad Area		Ward Name	Sub Area	Broad Area
Acocks Green	Yardley	North		Lozells	Central	Central
Allens Cross	Northfield	South		Moseley	Hall Green	South
Alum Rock	Hodge Hill	North		Nechells	Central	Central
Aston	Perry Barr	North		Newtown	Central	Central
Balsall Heath West	Central	Central		North Edgbaston	Edgbaston	South
Bartley Green	Edgbaston	South		Northfield	Northfield	South
Billesley	Selly Oak	South		Oscott	Perry Barr	North
Birchfield	Perry Barr	North		Perry Barr	Perry Barr	North
Bordesley & Highgate	Central	Central		Perry Common	Erdington	North
Bordesley Green	Central	Central		Pype Hayes	Erdington	North
Bournbrook & Selly Park	Selly Oak	South		Quinton	Edgbaston	South
Bournville & Cotteridge	Selly Oak	South		Rubery & Rednal	Northfield	South
Brandwood & King's Heath	Selly Oak	South		Shard End	Hodge Hill	North
Bromford & Hodge Hill	Hodge Hill	North		Sheldon	Yardley	North
Castle Vale	Erdington	North		Small Heath	Central	Central
Druids Heath & Monyhull	Selly Oak	South		Soho & Jewellery Quarter	Central	Central
Edgbaston	Central	Central		South Yardley	Yardley	North
Erdington	Erdington	North		Sparkbrook & Balsall Heath East	Central	Central
Frankley Great Park	Northfield	South		Sparkhill	Hall Green	South
Garretts Green	Yardley	North		Stirchley	Selly Oak	South
Glebe Farm & Tile Cross	Hodge Hill	North		Stockland Green	Erdington	North
Gravelly Hill	Erdington	North		Sutton Four Oaks	Sutton Coldfield	Sutton Coldfield
Hall Green North	Hall Green	South		Sutton Mere Green	Sutton Coldfield	Sutton Coldfield
Hall Green South	Hall Green	South		Sutton Reddicap	Sutton Coldfield	Sutton Coldfield
Handsworth	Perry Barr	North		Sutton Roughley	Sutton Coldfield	Sutton Coldfield
Handsworth Wood	Perry Barr	North		Sutton Trinity	Sutton Coldfield	Sutton Coldfield
Harborne	Edgbaston	South		Sutton Vesey	Sutton Coldfield	Sutton Coldfield
Heartlands	Hodge Hill	North		Sutton Walmley & Minworth	Sutton Coldfield	Sutton Coldfield
Highter's Heath	Selly Oak	South		Sutton Wylde Green	Sutton Coldfield	Sutton Coldfield
Holyhead	Perry Barr	North		Tyseley & Hay Mills	Yardley	North
King's Norton North	Northfield	South		Ward End	Hodge Hill	North
King's Norton South	Northfield	South		Weoley & Selly Oak	Northfield	South
Kingstanding	Erdington	North		Yardley East	Yardley	North
Ladywood	Central	Central		Yardley West & Stechford	Yardley	North
Longbridge & West Heath	Northfield	South				

1.137 Where data is available the analysis will be provided at a sub area level and aggregated to a broad area level.