ID12

Examination of Wolverhampton Local Plan

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29 October 2026

Dear Ms Ross

Wolverhampton Local Plan Examination: Inspectors' findings following stage 1 hearings

1. As set out in our holding letter (ID11) dated 6 October 2026, we have identified a number of fundamental concerns relating to the legal compliance and soundness of the submitted Plan. This letter explains those concerns, the work that would be required if the examination were to continue, and the implications for the examination timetable.

2. Our comments are based on the evidence currently before the examination and all that we heard during the Stage 1 hearing sessions. They identify the principal matters which, in our view, prevent us from reaching positive conclusions on legal compliance and soundness at this stage. They are not intended to provide our full reasoning on every matter considered at the hearings.

Plan Making Context

3. In writing this letter we are mindful that the Council has given formal Notice of Intention to Commence Local Plan Preparation of a new plan for the whole of the Wolverhampton area. This will be prepared under the Town and Country Planning (Local Planning) (England) Regulations 2026. The published timetable states that the 30 month plan preparation process is expected to

start on 30 October 2026. The Council is currently working on gathering evidence to inform the new plan.

4. A Spatial Development Strategy will eventually be prepared for a number of local authority areas, including Wolverhampton. That, however, is some way off and will be too late to influence the emerging local plan or the plan before us.

5. Importantly, these are both future plans which cannot be relied upon by the Plan before us to resolve current unmet needs or any other soundness concerns, as was suggested by the Council in its reference to a 'two-pronged approach'. Such an approach is contrary to the 2023 Framework in that it does not result in a Plan that is positively prepared or effective.

Effective Cooperation

6. We are generally satisfied that regular meetings take place between the relevant Councils and from what we heard at the hearings those meetings are productive in that agreement is reached at officer level about the exportation of unmet needs, in principle.

7. However, we have significant concerns that despite the Plan being submitted over a year ago there is still no up-to-date Statement of Common Ground (SoCG) with neighbouring authorities to reflect the verbal agreements. At the recent hearings sessions, the Council said that a SoCG, signed at officer level, would be available by the Wednesday of the following week (30 September), but we have still not received this. Moreover, such a SoCG would have limited weight given that it would represent officer level agreement only and may not necessarily reflect the respective Councils' position.

8. In this case a SoCG is particularly important given the significant level of unmet needs for housing and employment land and gypsy and traveller pitches/plots in Wolverhampton and the reliance on some neighbouring authorities to help meet a very large portion of the housing and employment land needs. The fact that other Councils are unwilling or unable to sign the SoCG is a major concern of ours.

9. Moreover, if the Council wish to rely on contributions from neighbouring authorities, as well as a SoCG, there will need to be far greater certainty about which sites are being allocated to meet the needs of Wolverhampton in neighbouring areas. Without this level of detail, monitoring the delivery of homes to meet Wolverhampton's unmet need would not be effective and there is a risk that double counting would occur, especially since some local

authorities are helping with meeting the unmet housing needs of more than Wolverhampton.

10. The Council referred at the hearings to being 'on a journey to achieve the scale of contributions necessary'. This approach is not consistent with paragraph 35 c) of the Framework in so far as it requires cross boundary strategic matters to be the dealt with rather than deferred and it also requires it to be evidenced by a SoCG. As such the Plan is not effective or positively prepared. We shall return to this issue again below.

Sustainability Appraisal (SA) and Reasonable Alternatives

11. The SA is an integral part of plan preparation. Planning Practice Guidance advises that it should be an iterative process which informs the development of the plan, enabling reasonable alternatives, including the preferred approach, to be identified, assessed and compared against the relevant environmental, economic and social baseline as the plan evolves.

12. Importantly, the SA should provide a clear explanation of why the preferred approach has been selected in light of the reasonable alternatives considered and why other options have been rejected. We have considered the SA on that basis, including the options assessed and the justification for the Council's preferred approaches.

Housing Growth Options

13. The SA considered three housing growth options. H1 is based principally on existing undeveloped housing allocations. H2 adds a new site allocation for 61 homes and provides further capacity from density uplift and some structural changes. Both leave a substantial proportion of the identified housing need unmet (over 10,000 homes). H3 is H2 with reliance on contributions from neighbouring authority areas to meet the residual need in full.

14. H3 was selected as the preferred option principally because it was the only option considered capable of meeting Wolverhampton's housing need of 19,728 homes in full. However, the scale and distribution of cross-boundary provision assumed by H3 had not been secured when the assessment was undertaken and that is still the case.

15. We recognise the Council's active and constructive engagement with neighbouring authorities, but the latest position would still meet only a small part (currently around 1,850 homes) of the residual need assumed by H3. Our concern is therefore not that cooperation has failed, but that the evidence did not justify treating cross-boundary provision on the scale assumed by H3 as a sufficiently certain outcome on which to base the preferred strategy. Also, as

set out above even this relatively small contribution is not secured by a SoCG and so there is a lack of certainty over its delivery such that it cannot be relied upon.

16. In addition, the submitted Plan does not implement H3 and its housing requirement in Policy CSP1 is closer to H2. A strategy corresponding broadly to H2 may be capable of justification notwithstanding the resulting unmet need. However, the SA does not adequately explain why proceeding on that basis represents an appropriate strategy.

17. Moreover, in preparing for the hearings sessions the Council realised that its housing supply information was out of date. Further analysis has led to the Council reducing its overall housing land supply position by a further 521 homes to 8,809. This is a further concern in terms of the SA which was carried out based on a supply of around 9,330.

18. On a separate point, earlier evidence identified potential capacity for approximately 1,000 homes within Wolverhampton's Green Belt. We recognise that the December 2023 Framework did not require the Council to review or alter Green Belt boundaries, and we are not suggesting that Green Belt land should necessarily have been released.

19. Nevertheless, given the scale of unmet housing need, the SA does not adequately explain why potential Green Belt provision was excluded from the reasonable alternatives. It moves from H2, with substantial unmet need, to H3, which assumes that the whole residual need will be accommodated elsewhere, without testing an intermediate alternative involving some additional capacity within Wolverhampton.

20. An additional reason for at least considering Green Belt release would have been in relation to the ability to provide a greater percentage of 3/4 bedroom homes. The Wolverhampton Housing Market Assessment (HO4) identifies a significant demand for such housing that could be difficult to meet on urban brownfield sites. An alternative involving some Green Belt release may therefore have had different implications for the type and mix of housing capable of being provided. Those potential sustainability effects were not drawn out through the assessment of reasonable alternatives.

21. Further SA work would therefore need to reconsider the housing alternatives, including the sustainability consequences of substantial unmet need (based on the revised housing land supply position), potential Green Belt capacity and such cross-boundary provision as can reasonably be supported by the evidence.

Gypsies, Travellers and Travelling Showpeople Options

22. The Gypsy and Traveller growth options were prepared on the basis of a need for 33 pitches to 2032. The Council's updated evidence now identifies a need for 50 pitches over that period, against provision of 14 pitches. This would result in an unmet need of 36 pitches to 2032.

23. G2 was selected as the preferred option because it assumed that the identified five-year pitch target would be met in full, including through cross-boundary provision. No agreement was in place to secure that contribution, and none has subsequently been identified. The SA's assessment of Policy HOU5 itself recognises that the Plan would meet only some of the identified need.

24. The submitted Plan therefore more closely reflects G1. However, G1 cannot simply be redesignated as preferred because both alternatives were assessed against the former need of 33 pitches. Further SA work would need to reconsider the alternatives against the corrected need and supply position and assess the implications of any residual unmet need.

25. In addition, the SA does not assess the implications of not meeting the target for 4 travelling showpeople plots, either as part of the growth options or in its considerations of relevant policies in the submitted Plan. This is also a serious flaw in terms of the SA.

26. We have set out our views above in relation to the Green Belt and housing and the need to at least consider the release of Green Belt land as a reasonable alternative. This should have also been the case for gypsy and traveller and travelling showpeople sites given the level of unmet needs for this form of housing.

27. Further SA work would therefore need to reconsider the sustainability consequences of substantial unmet need (based on the revised figures), potential Green Belt capacity and the fact that the unmet need will not be exported to neighbouring authorities.

Employment growth options

28. Option E1 comprises 33.65 hectares of existing employment land allocations and sites with planning permission. E2 adds 9.25 hectares of new allocations. E3 adds to E2 a further 83.5 hectares assumed to be accommodated in neighbouring authority areas.

29. E3 was preferred on the basis that the residual employment land requirement would be accommodated outside Wolverhampton. Although constructive cross-boundary cooperation has occurred and is continuing, the evidence does not establish provision on the scale assumed by E3. The submitted Plan is materially closer to E2. While E2 may ultimately represent an appropriate provision and distribution option, that does not remedy the deficiency in the SA. Reasonable alternatives should be assessed on the basis of realistic expectations about the level of provision that can be secured elsewhere. The evidence currently identifies 16 ha, although that contribution has yet to be secured through an updated SoCG.

30. Further SA work would therefore need to reconsider the employment land alternatives, including the sustainability consequences of substantial unmet need (based on the revised employment land supply position), and such cross-boundary provision as can reasonably be supported by the evidence.

Spatial strategy options

31. We recognise that Wolverhampton's tightly drawn urban boundary and limited land supply significantly constrain the range of realistic spatial alternatives. The Council was not required to devise unrealistic alternatives, merely to broaden the assessment.

32. Nevertheless, those that were tested do not simply compare different spatial distributions of a common amount of development. They combine differences in the amount of housing and employment development, its distribution and the underlying strategic approach. This makes it difficult to distinguish the sustainability effects attributable to location from those attributable to different amounts of development. Preferred Spatial Option G is also linked to the assumptions underpinning H3 and E3 and is therefore affected by the uncertainty over cross-boundary provision identified above. In addition, none of the spatial alternatives considered an approach involving potential Green Belt capacity.

33. Further SA work would therefore need to address these concerns.

Overall findings on reasonable alternatives

34. Taken together, we are not satisfied that the SA provides a clear and consistent audit trail demonstrating how the strategy in the submitted Plan emerged from the reasonable alternatives.

35. We accept the Council's position that the submitted Plan is not necessarily required to meet Wolverhampton's housing and employment needs in full. Given the constraints affecting the city, a strategy which provides for less than

identified need may be capable of justification. The issue is whether the levels of development proposed through this Plan have been demonstrated to represent an appropriate strategy.

36. The preferred housing and employment options relied on levels of cross-boundary provision that are significantly greater than those which are now relied on and even these remain uncertain. The submitted Plan instead more closely reflects alternatives under which substantial needs remain unmet. Those alternatives, or variations of them, may ultimately be capable of justification, but that does not remove the need for them to be properly assessed before being identified as the preferred approach.

37. Further SA work is therefore necessary to reconsider the reasonable alternatives, including realistic cross-boundary provision, the implications of up-to-date residual unmet needs, the omitted or materially changed alternatives identified above and the spatial strategy as well as looking at Green Belt capacity as part of a reasonable alternative option. Depending on its outcome, consequential changes to the submitted Plan may also be necessary as it is essential that the Plan is consistent with the preferred options in the SA.

Overall Housing Land Supply

Reliance on sites already allocated in adopted Plans and AAP

38. The submitted Plan relies mostly on sites already allocated in existing adopted Plans. Some of these sites have been allocated for many years but have failed to come forward and that may still be the case with the submitted Plan as the constraints to development will remain the same.

39. The submitted Plan allocates land for just 61 homes, that is not already allocated in existing adopted plans. Moreover, that site is not deliverable at present as it is an occupied employment site. The Council accept that if this site did become available it could probably come forward as a housing site in any event as it would be classed as a brownfield windfall site and a case could be made for allowing housing on it, especially given the shortfall in housing land.

40. The Council also confirmed at the hearings that the additional 387 homes from density uplift and structural change could also happen regardless of the policies in this Plan. Therefore, the amount of housing land that the submitted Plan would deliver is minuscule, at best. Indeed, it could be argued that it does not deliver any additional housing land.

Exported unmet need

41. The Council is relying on exporting some of its unmet housing needs to neighbouring authorities. The amount agreed informally would be very small in comparison to the actual level of unmet need and there is no formal agreement in relation to any of it. Moreover, no sites have been specifically allocated to meet this need in adopted or emerging plans. Consequently, even if it did come forward it would be difficult for the Council to effectively monitor this source of supply. Such an approach could also result in double counting of some homes, especially since some Councils have agreed to meet the needs of more than one neighbouring authority without saying where that need would be met.

Gypsies, Travellers and Travelling Showpeople: supply and equality implications

42. Following the correction of the supply figures to remove existing pitches, the Council now identifies a need for 50 pitches to 2032, against provision of 14 pitches on two sites. One of these sites has extant planning permission for 12 pitches and so could come forward in the absence of this Plan, but none have been delivered since permission was granted in 2013. It is not clear from the evidence before us why that is the case or when those pitches are likely to be delivered. The other site is a tolerated site which is currently occupied and permanent planning permission could be granted to regularise that site in any event.

43. Even if all 14 pitches are assumed to be deliverable, the submitted Plan does not identify sufficient sites to provide a five-year supply on adoption. Moreover, there would be an overall shortfall of 58 pitches by 2042.

44. In respect of travelling showpeople accommodation, neither the overall target of 4 plots nor the five-year need for 2 plots can be demonstrated. As is the case for pitch provision, there is no identified cross-boundary provision to address these shortfalls.

45. This is materially different from the general housing position. National policy specifically expects a supply of deliverable pitches and plots sufficient to provide five years' worth of sites against locally set targets. A criteria-based policy provides a mechanism for considering proposals which may come forward but does not itself provide the required supply.

46. As set out above, given the significant unmet need, we would have expected the Council to at least consider whether sites could be accommodated in the Green Belt. Without such analysis we cannot conclude that the Council have done all they can to find sites to reduce the overall unmet need or provide a five-year supply of pitches and plots.

47. We also have serious concerns about the Equality Impact Assessment (CD3b). Its positive assessment of Policy HOU5 is not reconciled with the accumulated shortfall, absence of a five-year supply, identified unmet needs or absence of cross-boundary provision of both pitches and plots.

48. In addition, the SA scores the growth options G1 and G2 as having neither a positive nor negative effect in terms of equality. That was not the case for option G1 as it was not meeting the needs of the travelling community and in terms of G2 it was purporting to meet the need but without the necessary evidence that this was realistic. It therefore does not adequately assess the equality implications of the strategy now proposed.

49. The Equality Act 2010 amongst other things, aims to ensure that plans do not discriminate in the way they provide services and do all they can to promote equality. As it stands the submitted Plan is not legally compliant with this Act. Consequently, further work would also be necessary to assess properly the equality implications of the residual unmet need and ensure compliance with the Equality Act 2010.

<u>Employment Land Overall Supply</u>

Reliance on sites already allocated in adopted Plans and AAP

50. As with housing, the submitted Plan relies mostly on employment sites already allocated in existing Plans. Many of these sites have been allocated for a considerable period without coming forward for development, and there is no certainty that their reallocation in this Plan would overcome the constraints that have affected their delivery.

51. Furthermore, with one of the three new employment allocations now benefitting from planning permission, the Plan would provide only 3.94 ha of additional employment land. As there is no compelling evidence that allocation of the remaining sites through this Plan is necessary to secure their development, there is little before us to demonstrate that the Plan would facilitate employment development that could not otherwise come forward under the existing planning policy framework.

Exported unmet need

52. The Council are relying on exporting some of its unmet employment land need to neighbouring authorities. The amount agreed informally would be very small in comparison to the actual level of unmet need and there is no formal agreement in relation to any of it. Moreover, no sites have been specifically allocated to meet this need in adopted or emerging plans. Consequently, even if it did come forward it would be difficult for the Council to effectively monitor

this source of supply. Such an approach could also result in double counting of sites, especially since some Councils have agreed to meet the needs of more than one neighbouring authority without saying where that need would be met.

Conclusions and next steps

53. The concerns identified above are fundamental. Importantly, virtually all of the housing and employment land allocated by the submitted Plan is already allocated through existing adopted development plan documents and forms part of the existing supply. The additional housing and employment land and gypsy and traveller sites associated specifically with this Plan is extremely limited. In essence the submitted Plan would deliver, at most, 61 additional homes.

54. For housing and employment land, and gypsy and traveller accommodation the SA does not presently demonstrate that the level and distribution of development proposed through the submitted Plan represents an appropriate strategy when considered against the reasonable alternatives.

55. Substantial further work would consequently be required, including further SA work and reconsideration of the spatial strategy including in terms of the Green Belt; review of the housing, employment and Gypsy and Traveller strategies in light of that work; further consideration of the Equality Impact Assessment; updating relevant elements of the evidence base; and preparation of any consequential changes to the submitted Plan.

56. The passage of time is also material. The viability evidence dates from November 2024, and the Gypsy and Traveller evidence is based principally on survey work undertaken in 2021. There would also need to be an updating of the previous Green Belt study or a delay until the new one being prepared for the emerging plan is complete. Further prolongation of the examination therefore increases the risk that these and other parts of the evidence base will require additional updating before sound conclusions can be reached.

57. The further work would need to be consulted on, and further hearing sessions would be necessary. Given the scale of the work required, we do not envisage those hearings commencing before summer 2027 at the earliest. They would likely need to be staged so that any revised spatial strategy could be considered before site allocations and detailed policies. Consultation on any subsequent Main Modifications would follow. Even on a best-case timetable, adoption would be unlikely before 2028.

58. In parallel, the Council has commenced preparation of a new Wolverhampton Plan. Continuing this examination would therefore result in substantial overlap between the two processes, place significant demands on resources and risk divergence between the strategies being pursued.

59. We acknowledge the work undertaken so far and the Council's patience during the delays with the examination. However, having regard to the fundamental nature of the concerns identified, the extent of the further work required, the increasing age of parts of the evidence base, the relatively limited additional development likely to be secured by the submitted Plan and the commencement of the new Plan, our view is that the most efficient and effective course is for the Council to withdraw the submitted Plan and address these matters through preparation of the new Wolverhampton Plan.

60. Alternatively, the Council may request that the examination continue. In that event, it should provide a realistic programme for completing the additional evidence and assessment, consulting on it and submitting any consequential changes for examination.

61. We therefore ask the Council to confirm which course it wishes to pursue. We recognise that this may require consideration by elected members and ask that, within 10 working days of the date of this letter, the Council advises us of the anticipated timescale for formally communicating its decision.

62. Any procedural questions should be directed through the Programme Officer. Please place this letter on the examination website at the earliest opportunity. We are not inviting comments from other examination participants at this stage.

Yours sincerely

Louise Crosby Laura Bartle

Examining Inspectors