

Agenda Item 9

Ward: All

Portfolio Holder: Cllr M Baker

Council

30 September 2014

Report of Head of Planning, Economy and Housing

South Worcestershire Development Plan: Proposed Modifications for Consultation Purposes

1. Purpose of Report

1.1 The purpose of this report is to:

- Update members regarding progress with the South Worcestershire Development Plan (SWDP) and the Inspector's conclusions arising from Stage 1 of the SWDP Examination process.
- Advise members about the work under taken to address the conclusions and recommendations of the Local Plan inspector regarding the submitted SWDP.
- Seek approval of recommended proposed modifications to the submitted SWDP for the purposes of undertaking formal public consultation into Post Submission Proposed Modifications to the SWDP.
- Advise Council of the next steps in the SWDP process, including arrangements for consultation about the proposed modifications.
- To identify key evidence and supporting documents which are related to the recommended Proposed Modifications.
- To advise Council of the recommendations of the South Worcestershire Joint Advisory Panel, including its recommendation that, subject to the approval of the Proposed Modifications, the SWCs write to the Planning Minister seeking support for substantial weight to be afforded the emerging SWDP in Development Management decisions and any associated appeals as the Plan progresses.

1.2 Council should note that supporting evidence, Background Papers, Maps associated with the Proposed Modifications are available electronically either from the Councils own website (linked to this report) or the SWDP website www.swdevelopmentplan.org

Head of Planning, Economy and Housing RECOMMENDS:

- (i) that the recommended proposed main modifications to the submitted SWDP as set out in Appendix 1 to this report (including proposed modifications to the Policies Map and Key Diagram) and the associated Sustainability Appraisal are approved for the purposes of formal public consultation**
- (ii) that delegated approval is given the relevant Head of Service in consultation with the Planning Portfolio to make minor changes to the proposed modifications in terms of formatting, presentation and accuracy, including any minor changes arising from the consideration of the proposed modifications by the other South Worcestershire Councils, prior to publication for consultation purposes**
- (iii) that the South Worcestershire Councils write to the Planning Minister seeking support for substantial weight to be afforded the emerging SWDP in current and future Development Management decisions and any associated appeals as the Plan progresses**

2. Background/Introduction

- 2.1 On 10th December 2012 the three South Worcestershire Councils approved the pre-submission version of the SWDP for formal submission to the Secretary of State. This was following consideration of responses to consultation undertaken in August and September 2012 into proposed Significant Changes to the plan. Following public consultation on the Pre-Submission Document and consideration of representations received the SWDP was formally submitted to the Secretary of State for the purposes of examination in accordance with Regulation 22 on 28th May 2012.
- 2.2 The submission of the SWDP triggered the start of the Examination of the SWDP and the appointment of Mr Roger Clews BA MSc DipEd Dip TP MRTPI by the Secretary of State to conduct the Examination.
- 2.3 The Inspector indicated to the South Worcestershire Councils his intention to hold the Examination in two distinct Stages. Stage 1 was confined to the consideration of the soundness of the proposed levels of employment, housing and retail provision set out in policy SWDP3, and whether or not the requirements of section 33A of the *Planning and Compulsory Purchase Act 2004* in respect of the duty to co-operate were met in the preparation of the Plan. The first Stage 1 hearing was held between 1st and 3rd October 2013.

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- 2.4 The Inspector subsequently wrote to the South Worcestershire Councils on 28th October setting out his Interim Conclusions in respect to Stage 1.
- 2.5 In his first set of Conclusions the Inspector concluded, amongst other things:
- The South Worcestershire Councils had complied with the legal requirement under the Duty to Co-operate.
 - The Employment Land requirements were broadly acceptable but should not be treated as maximum requirements.
 - Further work around retail needs should be undertaken.
 - The Worcestershire Strategic Housing Market Assessment (SHMA) 2012 could not be treated as a reliable basis for identifying housing need in the Plan area up to 2030. Therefore further work would be required in relation to the housing requirement of 23,200 dwellings (2006 – 2030) set out in the Submitted SWDP. The Inspector noted that this issue went to the soundness of the plan and it could not be rectified without further work.
- 2.6 The South Worcestershire Councils agreed a timetable with the Inspector for the recommended additional work around housing need and commissioned consultants to look further at elements of the household projections and economic forecasts for South Worcestershire given the objective of the plan to be economic development led.
- 2.7 Technical evidence including an updated Objectively Assessed Housing Need (OAHN) was submitted to the Inspector on 31st January 2014.
- 2.8 In the light of this additional technical work the South Worcestershire Councils suggested in evidence to the Examination that the overall housing need for South Worcestershire should be between 26,700 dwellings and 27,343 dwellings (using the average and mid-point of a jobs led sensitivity scenario based on three employment forecasts in the updated SHMA evidence).
- 2.9 A re-convened session of Stage 1 of the Examination was held between 13th and 14th March 2014. In terms of housing need, the Inspector subsequently recommended (Inspector's letter of 31st March 2014 refers) taking a mid point between two Sensitivity Tests based on jobs led scenario 'average' case forecasts within the submitted evidence. He concluded that this represents the full, objectively assessed level of need (OAHN) over the plan period. This increased the requirement for South Worcestershire to 28,370 dwellings, which is distributed as follows:

Table 1

South Worcestershire OAHN 2006 – 2030 as recommended by the Local Plan Inspector	
Malvern Hills District	8,590 dwellings
Worcester City	9,830 dwellings
Wychavon District	9,950 dwellings
South Worcestershire Total	28,370 dwellings

2.10 The South Worcestershire Council's wrote to the Inspector on 7th April 2014 stating their intention to proceed as quickly as possible with the preparatory work required for the next stage of the examination whilst endeavouring to ensure that the resultant plan is sound and the process legally compliant. This work would include addressing the recommended increase in housing need. The SWCs advised, at that time, that recommended proposed modifications would be prepared for consideration by the three Councils in June 2014 with consultation to follow in July and August 2014. In reality the high volume of responses to the 'call for sites' and the scale of the work required to bring forward robust recommended proposed modifications to the three Councils has resulted in this timetable slipping to September for consideration of the recommended proposed modifications and consultation in October and November 2014. The plan timetable is discussed in more detail in Section 7 of this report.

2.11 This is the first formal occasion that the Inspector's Conclusions in relation to Stage1 of the SWDP Examination process have been considered by the SWCs. However, the Inspector's Conclusions have been previously presented to the South Worcester Leaders and South Worcestershire Joint Advisory Panel, and district councillor briefings have been held.

3. Recommended Proposed Modifications

Scope of the Recommended Proposed Modifications

3.1 It should be noted that modifications to the Local Plan fall into two broad categories these are Main and Minor Modifications. The Local Plan Inspector will wish to be advised of both types of modifications and schedules of intended modifications and a track change version of the SWDP have already been submitted to the SWDP Examination library (and can be viewed on the SWDP Website). However, it is only Main modifications which significantly modify the content of policies or

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proposals or their interpretation which are required to be subject to formal public consultation before they can be incorporated into the plan as submitted. This report is only concerned with Main modifications to the SWDP and therefore all references to Proposed Modifications throughout this report should be treated as reference to Post Submission Proposed Main Modifications.

- 3.2 The recommended Proposed Modifications set out in Appendix 1 to this report are Post Submission Proposed Modifications to the submitted SWDP. If approved for consultation purposes and submission to the SWDP Examination they will have the effect of replacing the content of the submitted SWDP. The consultation arrangements associated with the recommended Proposed Modifications are discussed below. However, members may wish to note that the subsequent consultation responses to the changes to the SWDP will be reported directly to the Inspector and not back to the SWCs. There is a direct parallel with the pre-submission stage in December 2012 when the three SWCs approved the pre-submission version of the SWDP for consultation and submission to the Secretary of State. At that stage consultation responses were passed directly to the appointed Inspector and not formally considered by the SWCs.
- 3.3 The Stage 1 Examination process and on-going work on the SWDP has already identified a number of potential main and minor modifications to the submitted SWDP. The Inspector has already been advised of the SWCs likely acceptance of these changes which range across various sections of the SWDP. It is inevitable that the Stage 2 element of the Examination will also generate the need for consideration to be given to further main and minor modifications to the submitted SWDP.
- 3.4 It will therefore be necessary for a package of proposed modifications to be consulted upon after the completion of Stage 2 of the Examination prior to the receipt of the Inspector's full report into the SWDP.
- 3.5 However, the current package of recommended Proposed Modifications are confined, in the main, to changes to the plan which are required to address the Inspector's recommended uplift in the OAHN requirement up to 2030. This approach has been agreed with the Inspector and enables the SWDP to move forwards to Stage 2 of the Examination as quickly as possible.
- 3.6 This means the bulk of the changes set out in Appendix 1 of this report are related to:
 - Incorporating the recommended OAHN requirement (28,370 dwellings) into the SWDP and the associated district distribution.
 - Establishing sub-area targets for the plan which address the full OAHN requirement.

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- Identifying the supply of new or amended housing allocations required to address the recommended uplift in the OAHN (note this also includes the deletion of sites which are no longer considered deliverable)
 - Amending or introducing SWDP policies required to guide the implementation of recommended housing allocations.
- 3.7 This approach has been accepted by the Inspector as an appropriate way forward and it enables the Stage 2 Examination to proceed and consider a proposed housing supply which addresses the full OAHN. Furthermore, the changes to the proposed housing requirements and associated supply will have been subject to consultation and testing on the same basis as the submitted SWDP.
- 3.8 If the recommended uplift in the OAHN requirement is not addressed as set out above and subject to formal consultation, given the Inspector's comments about the unsoundness of the submitted housing requirement, in the opinion of the Heads of Planning for all three SWCs, it would be extremely unlikely that the inspector would allow the Examination to continue and the SWCs would be invited by the Inspector to withdraw the submitted plan.
- 3.9 The recommended Proposed Modifications set out in Appendix 1 do however include other changes to the SWDP. These are:
- A revised Annex I which provides an updated schedule of Infrastructure requirements. This is considered essential as it has been necessary to fully review infrastructure requirements in the light of the recommended housing uplift, both in terms of the quantum of housing and its recommended location.
 - A revised Policy SWDP 17: Travellers and Travelling Show people. This has been introduced given the publication of the new Worcestershire Gypsy and Traveller Accommodation Assessment (GTAA) (2014) which represents a major new piece of evidence underpinning the SWDP and which has implications for Gypsy and Traveller provision as an element of housing need and specific site allocations. The Inspector has indicated that he is content for the SWCs to decide whether to deal with revisions to Policy SWDP17 now or following Stage 2.
 - The recommended Proposed Modification to SWDP Policy 3 also include updated figures for retail development as a result of the Local Plan Inspector's conclusions arising from Stage 1 of the Examination.
- 3.10 Further main modifications to the SWDP will inevitably be discussed during Stage 2 of the Examination. If they are to be incorporated into the

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SWDP they will have to be formally reported to the SWCs for approval and subject to further public consultation, before the SWDP could be formally adopted.

Addressing the uplift in the OAHN: Strategy Issues

- 3.11 The SWDP is based upon a vision and approach for the area which is:
- Economic prosperity-led with a focus on jobs and investment
 - Predicated on the future growth of the city of Worcester needing to take place around the city in the adjacent areas of Wychavon and Malvern Hills through the development of Urban extensions and promoting the sub-regional role of the City.
 - Focussed on housing need requirements based on the OAHN (as now updated) and locating growth in accordance with a hierarchy of sustainable settlements.
 - Supported by an overarching Infrastructure Delivery Plan, which sets out where new infrastructure needs to be provided, when its needs to be provided, how much it will cost and who is responsible for delivering it.
 - Supported by investment in strategic transportation within and around Worcester and the A46.
 - Based upon thorough review of the Integrated Assessment (which includes the Sustainability Assessment).
- 3.12 At a basic level the task of addressing the uplift in the OAHN requires the SWCs to incorporate the new OAHN into the SWDP and identify sufficient additional housing land supply to bridge the gap between the housing supply identified in the submitted SWDP (23,425 dwellings – *as subsequently amended downwards by the Inspector's recommendations*) and the increased requirement of 28,370 dwellings (2006-2030).
- 3.13 However, in order that the SWDP can continue through the Examination process it is critical that the response to the uplift in the OAHN can be brought forward in a way which is consistent with and supports the Vision, objectives and spatial strategy underpinning the submitted SWDP. If this were not possible or the preferred way forward for the SWCs was significantly different, there is a major risk that the plan could be re-directed back to an earlier stage of preparation so that an alternative or modified strategy can be consulted upon and tested. This would mean a major delay in the process of adopting the SWDP with the inherent risks associated with none of the SWCS having an up to date Local Plan and means of establishing policy on housing requirements and an associated housing land supply.

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3.14 The SWDP was prepared within the context of National Planning Policy Framework (NPPF) and was guided by the vision and objectives of the Plan, all of which had been the subject of extensive public consultation. The strategic policies of the SWDP are set out in policies SWDP 1 - SWDP 7 and those policies and in particular SWDP2 (Development Strategy and Settlement Hierarchy) were the main drivers of the allocation of sites in the submitted SWDP.

3.15 The SWDP development strategy has yet to be tested but the Inspector. However, in his Interim Conclusions of 28/10/13 he made some important statements about the meeting of housing need. In particular:

“Para: 82 An important factor in the decision of the three SWCs to prepare the SWDP jointly is that Worcester City’s built-up area is tightly constrained inside its boundaries. There is insufficient space in the City’s administrative area to meet all its needs for development, especially housing.

83. Hence the Plan proposes that a share of Worcester’s housing need should be met on sites just outside and abutting its boundary, in both Malvern Hills and Wychavon (policy SWDP3 H). The Worcester City administrative area together with the urban extension sites directly abutting it are referred to in the reasoned justification to policy SWDP3 as the Wider Worcester Area [WWA].....

Para: 84. Because of natural and environmental constraints, Malvern Hills district is also seen by the Councils as having limited ability to accept new development. The Plan therefore proposes that part of its housing need be met in the WWA and part in Wychavon.

85. These arrangements are entirely in line with the approach suggested in NPPF paragraph 179 to deal with situations where development requirements cannot wholly be met within an LPA’s own area. Accordingly, policy SWDP3D and Table 4b of the plan contain separate housing apportionments for the WWA, Malvern Hills excluding the WWA, and Wychavon excluding the WWA. The policy specifies that the apportionments are non-transferable between these three areas.” (Extract from the Inspector’s letter dated 28.10.13)

3.16 The recommended Proposed Modifications set out in Appendix 1 are considered to address the housing uplift in accordance with the vision, objectives and strategy of the SWDP. It is considered that the strategy is sufficiently robust and can accommodate the necessary housing uplift and the recommended Proposed Modifications. This is achieved in accordance with the SWDP strategy and particularly the policies SWDP1-7, and especially policy SWDP 2. The approach is consistent

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across the plan area and delivers sustainable growth in the following respects:

- Continuing to seek to reduce the need to travel
- Making sure that the distribution of housing and employment is in balance
- Making the most effective use of available or readily provided infrastructure.

3.17 The following represent key principles / factors that have also guided the recommended response to the housing uplift:

a) Provide for sufficient housing across South Worcestershire to meet the OAHN and, subject to constraints, address housing need where it arises.

b) Focus most housing need in the urban areas (*this follows the settlement hierarchy set out in policy SWDP.2*), where housing needs, employment opportunities and access to infrastructure are greatest and where the cost of public service delivery is relatively lower.

c) Maintain the openness of the Green Belt. This supported by guidance in the NPPF and it is set out in Policy SWDP 2 A v). Furthermore, the submitted SWDP was supported by a comprehensive Green Belt review (2010) which concluded that the existing South Worcestershire Green Belt continues to serve nationally identified Green Belt purposes. Officers are also concerned that the allocation of Green Belt for development could be only done after a further Green Belt Review which would trigger a fundamental review of the SWDP which could lead to the withdrawal of the SWDP. There is sufficient suitable and non Green Belt land to deal with the uplift without a further Green Belt Review.

d) Safeguard the open countryside. The open countryside is defined in SWDP 2 B (as proposed in the track change document) as “land beyond any development boundary or land beyond the Worcester City administrative boundary. In these areas development will be strictly controlled, especially in designated areas such as the Areas of Outstanding Natural Beauty”.

e) Maintain the openness of Significant Gaps. As stated in SWDP 2 C, “any development proposals should retain the open character of the Significant Gaps”. However, it is acknowledged that Significant Gap status is not an absolute constraint to strategic plan led growth where the purpose of a particular Significant Gap can be maintained.

f) Development should be of an appropriate scale and type. As stated in Policy SWDP 2E (as proposed in the track change document), “with regard to development proposals, the scale must be proportionate to the

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needs and size of settlement, local landscape character and /or location as well as the availability of community service infrastructure to accommodate it in a sustainable manner". SWDP 2F also provides guidance: "Within development boundaries and within the Worcester City administrative area, preference is given to the redevelopment of brownfield sites before bringing forward greenfield land. In the open countryside the preference will also be to redevelop brownfield sites in the first instance although the availability of infrastructure and accessibility to local services will be material considerations..."

- 3.18 In addition it is clearly essential that sites recommended for housing allocation are deliverable and free from overriding technical or environmental constraints and any other constraints which may be evident can be overcome.
- 3.19 The package of allocations and changes to existing allocations for housing development set out in Appendix 1 have also been submitted for assessment in the context of the Sustainability Appraisal prepared to test the strategy and associated policies in the SWDP.

Addressing the uplift in the OAHN: Distribution of housing requirements

- 3.20 As stated in paragraph 3.19 the SWDP seeks to address the OAHN across South Worcestershire. It also establishes the strategy of achieving urban concentration at Worcester. This objective is delivered through SWDP policy in the form of the Wider Worcester Area¹ (WWA) described in SWDP3 para 29.
- 3.21 The proposed distribution of housing need set out in the recommended modification to Policy SWDP 3 reflects the available and deliverable capacity in each of the three South Worcestershire Districts which accords with the strategy of the SWDP. Unmet housing need is directed to policy sub-areas which reflect the objectives and locational strategy of the plan. It is the lack of capacity within Malvern Hills and Worcester City that has driven the need for cross boundary co-operation over plan making so that unmet housing need can be met in a strategic and logical way across South Worcestershire.
- 3.22 It has been necessary to revisit the overall extent of the WWA as a means of addressing the uplift in the OAHN but it is considered that the objective is robust and continues to be deliverable in line with the original principles set out in the version of the plan submitted to the Secretary of State in May 2013. The current text needs to be amended to take account of the new land supply which has been identified in this area

¹ Wider Worcester Area (WWA) is defined as the City of Worcester and the Urban Extensions immediately adjoining the city boundary in Malvern Hills and Wychavon Districts.

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and its enhanced capacity to deliver urban concentration and meet additional housing needs of Malvern Hills and Worcester City. Additional text is also required to set out how this approach supports a number of strategic objectives within the SWDP and that a significant change in circumstances would require a review of how the objective of meeting Worcester’s needs and unmet needs from Malvern Hills in the WWA would be implemented in detail.

3.23 In the light of the additional capacity identified in the review it is recommended that all of Worcester City’s revised OAHN could be met within the Wider Worcester Area. Malvern Hills need that cannot be met in its towns and villages should be directed in the first instance to the WWA and only need that cannot be met in the WWA should then be directed to the Wychavon sub-area. Currently available information suggests around 2441 dwellings from Malvern Hills revised OAHN can also be accommodated within the Urban Extensions in the Wider Worcester Area situated within Malvern Hills District.

3.24 Table 2 below provides a summary of the distribution of OAHN and the recommended housing requirements for the policy sub-areas established under Policy SWDP3. Table 3 provides the comparable figures for the submitted version of the SWDP. Figure 1 below shows the recommended flows of housing growth within the SWDP sub-areas under SWDP Policy 3.

Table 2: Recommended proposed modifications

	SWDP Inspector’s recommended OAHN (districts)	Supply	SUBAREA/Area	SWDP 3 Target Recommended in Appendix 1
Malvern	8,590	5,913	Malvern Hills (Ex WWA) Sub Area	5,900
Worcester (Supply includes 80 at Worcester South SUE)	9,830	6,784	WWA (Worcester City)	6,750
Worcester urban extns (supply excludes 80	N/A	5,471	WWA (Malvern Hills and Wychavon)	5,450

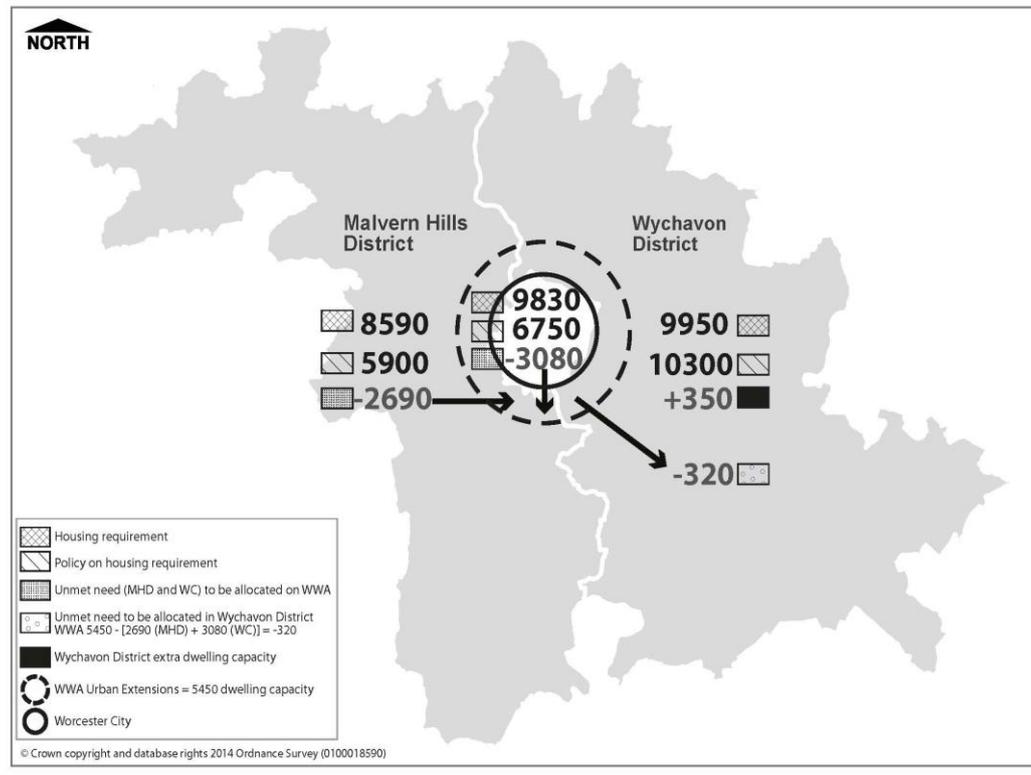
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dws in Worcester)				
Wychavon	9,950	10,768	Wychavon (Ex WWA) Sub Area	10,300
TOTAL	28,370	28,936	South Worcs	28,400

Table 3 Submitted SWDP as set out in Policy SWDP 3

	2012 Strategic Housing Market Assessment (SHMA) (districts)	Supply	SUBAREA/Area	SWDP 3 Target in submitted SWDP
Malvern	7,520	4,768	Malvern Hills (Ex WWA) Sub Area	4,900
Worcester City	8,150	5,690	WWA (Worcester City)	9,400 (of which the City target was 5,500)
Worcester Urban Extensions		3,925	Within WWA	
Wychavon	7,500	9,042	Wychavon (Ex WWA) Sub Area	8,900
TOTAL	23,170	23,425	South Worcs	23,200

Figure 1: Diagram showing housing flows across the SWDP as recommended under Proposed Modification to SWDP Policy 3.



3.25 The recommended housing targets set out in Table 1 of this report (and SWDP 3 in Appendix 1) meet the full OAHN for South Worcestershire up to 2030. The recommended distribution is within, and supportive of, the Vision, objectives and spatial strategy of the Plan. The overall distribution of proposed housing growth within the SWDP (as recommended for modification) continues to ensure that growth is focussed on existing urban areas with greater levels of growth directed to the higher order settlements within the proposed settlement hierarchy. There is a significant increase in the level of growth proposed in the WWA and specifically the urban extensions This reflects the sub-regional role of Worcester City. A response to the recommended housing uplift that did not first consider options for further growth at Worcester would be unlikely to be found sound.

Addressing the uplift in the OAHN: Housing Supply identification

3.26 The primary focus for the site identification process has been to identify sufficient land for housing to address the Inspector’s recommended OAHN. It has also been necessary to find additional sites to address the Inspector’s Initial Conclusions at Stage 1 of the Examination with respect to the proposed housing supply. In his Conclusions the Inspector made recommendations which reduced the housing supply in the submitted

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plan by around 1,200 dwellings. Therefore, the South Worcestershire Councils have undertaken work to identify sites for around 6,700 additional dwellings. This includes intensification on submission allocations as well new allocations, plus additional supply from completions 2012 to 2014 and commitments at 2014, including recent appeals.

3.27 In order to propose an increased housing supply the SWCs have had regard to the following potential sources:

- a) Extension and / or intensification of existing SWDP allocation sites.
- b) Omission sites put forward by developers but not currently allocated in the SWDP.
- c) Current planning housing applications and paid pre-application advice sites (including sites approved but subject to completion of s.106 agreements).
- d) Planning permissions on sites post submission of the SWDP, including those allowed on appeal.
- e) Sites submitted to the Strategic Housing Land Availability Assessment (SHLAA) for evaluation since its last publication (December 2012).
- f) Other sites identified recently by the three South Worcestershire Councils, including surplus public sector sites, vacant and derelict land and buildings and local authority property.
- g) Sites submitted under the Call for Sites carried out after the Stage 1 Examination (March / April 2014).

3.28 The South Worcestershire Councils considered that data already held in relation a) to g) provided a comprehensive database from which to formulate proposed modifications. However, given the publication of National Planning Practice Guidance in March this year, which promotes the importance of up to date consultation on housing availability it was agreed to undertake a comprehensive 'call for sites' exercise across South Worcestershire.

3.29 Around 550 suggested sites were submitted to the South Worcestershire Councils in response to the 'Call for Sites' consultation. The bulk of suggested sites came forward in Wychavon and Malvern Hills Districts.

3.30 An initial screening of possible additional sites was undertaken to identify those sites most suitable to address the housing uplift. This screening process included criteria associated with compatibility with the SWDP strategy and significant site or locational constraints. Those sites carried

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forward as potential allocations have been subject to more detailed assessment and consultation, including transportation modelling and Sustainability Appraisal.

- 3.31 Those sites now recommended for inclusion in the SWDP housing supply are identified in Appendix 1. Those sites which have not been carried forward from the 'Call for Sites' exercise are listed in Appendix 2 to the report (a hyper link is provided from Appendix 2 to the relevant location maps). The principal reasons for a site not being selected are set out in Appendix 2. The reasons stated represent a high level statement and do not necessarily reflect all site specific constraints that may exist.
- 3.32 Council should be aware that the housing uplift set out in Appendix 1 includes all sites granted consent, either directly by the local planning authority or on appeal, including sites where s106 agreements are still to be signed and issued. It is accepted that some of these sites do not sit comfortably with SWDP strategy either in terms of their location or the level of growth established in a particular location. However, it is considered inappropriate to ignore the existence of these sites as this would simply require the SWDP to allocate more sites than currently set out in Appendix 1 and for the SWDP to exceed the OAHN.
- 3.33 The submission of such a high number of sites under the 'Call for Sites' exercise that has led to the slippage in the Proposed Modifications timetable as it has been essential to ensure that potential allocations are assessed on a detailed basis and a level comparable with those sites allocated under the submitted SWDP. In addition it has been necessary to assess the impact of all potential allocations which passed the initial screening and the detailed assessment with respect to the Infrastructure Delivery Plan (IDP) and the Sustainability Appraisal.
- 3.34 The housing land supply information (commitments) set out in the recommended Proposed Modifications has been updated to 1st April 2014, and includes associated updating of small sites windfall dwellings allowances and completions / commitments. It also includes recent appeal decisions.
- 3.35 Council will note that the housing supply for South Worcestershire is 28,936 against the recommended SWDP target of 28,400 (*which rounds upwards the 28,370 dwellings recommended by the Inspector*). The recommended housing supply provides some overall flexibility associated with deliverability of sites over the plan period. It is not a deliberate approach to establish 'headroom' around the OAHN as the South Worcestershire Councils firmly believe the Inspector's recommended approach has addressed any perceived uncertainty around the level of the OAHN and the OAHN has been fully addressed by the recommended Proposed Modifications.

Addressing the uplift: Key elements Worcester City

- 3.36 The potential to increase the level of housing growth within Worcester City has been considered as part of the proposed modifications process. It is part of the strategy of urban concentration at Worcester. As well as supply taking account of the evidence from monitoring of housing development (commitments and completions), the recommended modifications set out in Appendix 1 to this report propose additional housing supply in the city through the intensification of sites allocated in the SWDP as submitted in May 2013, and additional sites to be proposed to be allocated. Total supply in the City is about 6,784 dwellings including these proposed changes, a rise of about 1,100 compared to the submitted plan. The City supply of 6,784 excludes the Worcester urban extensions, except for an indicative 80 dwellings now recommended to be developed on land in the City in the SWDP 45/1 Worcester South urban extension, adjacent to the Ketch roundabout.
- 3.37 Total supply capacity from the submitted plan allocations and the recommended additional site allocations would amount to 2,689 dwellings, a rise of about 1,235 compared to the submitted SWDP. The 2,689 are part of the overall 6,784 supply. 24 of the 2,689 have been built, 699 have been granted planning permission and 558 have been approved subject to completion of a Section 106 Agreement. 1,408 have not yet been permitted, including 80 situated in the city within the Worcester South urban extension.
- 3.38 The proposed modifications recommended in Appendix 1 would result in the overall capacity on sites allocated in the submitted SWDP rising by 372 to 1,827 dwellings. This is due to intensification, notably at the SWDP44/4 Shrub Hill Opportunity Zone, reflecting the development east of the railway approved subject to S106 and the need for housing development to the west of the railway to assist the mix of uses and viability of regeneration of this area. The rise also takes account of close care and extra care apartments permitted at SWDP43/18 (Grove Farm – now ‘branded’ as University Park (100 units, now under construction) and the SWDP43/25 College of Art and Design, Barbourne where demolition works are underway. Previously those sites were solely for C2 care homes. Recommended site allocation boundary changes are proposed at SWDP 43/4 Old Northwick Farm to take account on new evidence about flood risk at the College of Art and Design, reflecting the permitted area, and at SWDP43/7 Sansome Walk, taking account of site access and property boundaries.
- 3.39 29 additional sites totalling 858 dwellings are recommended for allocation across the city as set out in Appendix 1, with over 80% of these being brownfield. Seven have been granted planning permission but not yet started, two are approved subject to S106, and 20 are not yet the subject of planning applications. In particular, the site capacity of these sites takes appropriate account of local green network mitigation,

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the historic environment, avoidance and management of flood risk, and the impact of neighbouring uses. A series of footnotes to the relevant site policies provides the necessary guidance for those sites' development. The largest proposals are the former Crown Packaging site at Perry Wood Walk (totalling 240 dwellings) and mixed redevelopment at Lowesmoor Wharf (including 100 dwellings).

Addressing the uplift: Key elements Wider Worcester Area (Urban Extensions)

- 3.40 The potential to increase the level of housing growth located at Worcester in accordance with the SWDP's strategy has been considered as part of the proposed modifications process. The recommended modifications set out in Appendix 1 to this report propose that the two largest urban extension allocations (SWDP 45/1 and 45/2) are modified and a wholly new urban extension Land at Swinesherd Way is allocated for 300 dwellings.
- 3.41 With respect to Site SWDP45/1 (Broomhall Community and Norton Barracks Community) to the south of Worcester City it is recommended that the allocation is increased by 150 dwellings 2,600 dwellings. No modification of the existing allocation site boundary or the amount of employment land to be provided is proposed.
- 3.42 The recommended increase of 150 dwellings is considered achievable on the basis of on-going master planning work with prospective developers and the evidence provided through the submission of planning applications across this allocation. Other text changes are proposed the SWDP 45/1to reflect progress with master planning work and infrastructure discussions.
- 3.43 Council will note that under SWDP 3 reference is now made to 80 dwellings on this urban extension falling within the administrative boundary of Worcester City. This change reflects the alignment of the City boundary within the proposed allocation. However, it remains the position that the allocation will be brought forward comprehensively having regard to the fact that the allocation sits, in part, in the administrative areas for all three South Worcestershire Councils.
- 3.44 With respect to SWDP Site 45/2 (Temple Laugherne) to the west of the City it is recommended that the allocation is increased by 1,175 dwellings from 975 dwellings to 2,150 dwellings. No changes with respect to the amount of employment land are proposed.
- 3.45 The increase is achieved by extending the proposed allocation under the submitted SWDP slightly further westwards and further north towards the Martley Road (B4204). The policy associated with the allocation now proposes that the development is served by a spine road connecting the A44 in the south to the Martley Road in the north. This requirement

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reflects the output of the transportation modelling undertaken by WCC associated with the Worcester Transport Strategy. The diagram accompanying the allocation proposes that the recommended spine road forms the outer edge of the proposed development (subject to detailed design and assessment). This could have urban design benefits with respect to promoting cycling and walking on to the City from the development. It would also offer the possibility that the capacity of the spine road could potentially be increased should long terms aspirations for a NWLR (in whole or part) come forward. Paragraphs 3.78 3.80 below however, make clear that there is no current requirement under the SWDP as recommended for modification for the building of a NWLR (in whole or part) or the protection of an alignment for its longer term construction.

- 3.46 Further changes are recommended to the allocation policy SWDP 45/2 to reflect increased size of the allocation, including increasing the size of the proposed local centre.
- 3.47 Clearly there is a disparity between the two largest urban extensions with respect to how advanced they are with Master Planning work. In the case of Site SWDP45/1 (Broomhall Community and Norton Barracks Community) most of the proposed allocation area is subject to planning applications and discussions have been on-going regarding master planning issues. The indicative diagram accompanying this site reflects the developing work under taken so far.
- 3.48 Whilst, part of the area under the enlarged allocation at SWDP Site 45/2 (Temple Laugherne) to the west of the City is the subject of current planning applications these are broadly related to the earlier allocation made under the submitted version of the SWDP for 975 dwellings. Given the quick turnaround required for Proposed Modifications to the SWDP to address the housing uplift it is inevitable that Master Planning associated with the enlarged allocation is not yet advanced. The policy wording associated with SWDP 45/2 as proposed for modification makes clear that the disposition of proposed uses within the allocation boundary will require, and be subject to, further intensive Master Planning to ensure the comprehensive development of the amended allocation as a whole and provide an integrated and cohesive urban design and movements within the site and to / from the City.
- 3.49 A wholly new urban extension is recommended for allocation at Land at Swinesherd Way for 300 dwellings. This urban extension is within Wychavon District adjacent to the eastern edge of the City. It is located between the A4440 and the M5. The recommended proposed modifications introduce a specific allocation policy for this site which, amongst other matters, addresses the need for a comprehensive landscaping scheme to address noise issues from the A4440 and the M5, as well as avoidance of areas within the allocation boundary subject to surface water flooding.

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- 3.50 No changes are proposed with respect to SWDP45/3 Kilbury Drive and SWDP 45/4 Gwillam's Farm as both of these sites already have the benefit of planning approval. No changes are proposed to SWDP 45/5 Worcester Technology Park as the urban extension is for employment uses only and is therefore unaffected by the uplift in the OAHN.

Addressing the uplift: Key elements Malvern Hills District (Ex WWA)

- 3.51 The SWDP housing allocations, as amended by the recommended Proposed Modifications, continue to maintain the strategy objective of focussing development in the towns and higher order settlements across the District.
- 3.52 Excluding the WWA, the allocations within Malvern Hills District, total 3093 dwellings of these 1295 dwellings (42%) already have planning approval, with a further 35 dwellings subject to current planning applications.
- 3.53 In total 1982 dwellings are allocated in or adjacent to the main towns across the district.
- 3.54 The total allocation to the district's villages is 1,110 dwellings of which 756 dwellings are in Category 1 villages (of which 633 (84%) have planning permission), 340 dwellings in Category 2 villages (of which 188 (55%) have planning permission) and 14 in Category 3 villages (all of which have planning permission). Overall this means around three quarters of the rural allocations set out in the SWDP (which includes both allocations in the submitted plan and proposed for modification) already have the benefit of planning approval.
- 3.55 Only two additional allocations are recommended (see Appendix 1) in the rural areas on sites which currently do not have the benefit of planning permission. These are:
- Land south of Greenhill Farm, Hallow (30 dwellings)
 - Land off Bransford Road, Rushwick (50 dwellings)
- 3.56 In overall terms addressing the uplift across Malvern Hills District (ex. WWA) has been assisted by the additional housing supply generated by planning approvals granted recently (including appeal decisions) on five year housing land supply grounds.
- 3.57 The main changes for Malvern set out in Appendix 1 are as follows:

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- Land at North East Malvern (Policy SWDP 56) is recommended to increase by 100 dwellings to 800 dwellings (with no recommended change to the allocation site boundary).
- The proposed redevelopment of former QinetiQ land (Policy SWDP 53) is recommended to increase by 50 dwellings to 300 dwellings (with no recommended change to the allocation site boundary). The employment land requirement remains unchanged.

- Six new are recommended for allocation:

Victoria Road Car Park (21 dwellings)

Broadlands Drive (33 dwellings)

Brook Farm Drive (77 dwellings)

Lower Howsell Road former Allotments (81 dwellings)

Two other sites which have recently received planning permission are allocated – these are Pickersleigh Grove (44 dwellings) and Mill Lane, Poolbrook (62 dwellings).

3.58 At Tenbury 3 additional allocations are recommended. These include two sites recently granted planning approval on appeal which are Land at Mistletoe Row (44 dwellings) and Land opposite Morningside (43 dwellings). The only wholly new site allocated at Tenbury is Land south of the Oaklands (35 dwellings).

3.59 Since the submission of the SWDP in May 2013, Upton-upon-Severn has had two additional housing sites outside of the SWDP granted approval which are now incorporated into the SWDP. These are Upton Marina (70 dwellings – granted on appeal) and Welland Road, Tunnel Hill (43 dwellings). The SWDP submission allocation at Sunny Bank Meadow (Site SWDP 58/1) has also been granted planning approval (25 dwellings). In combination these sites will achieve more than the level of housing growth recommended under Policy SWDP 58, which under SWDP 58 (C) made a non site specific allocation to Upton-upon-Severn of 75 dwellings to be brought forward in the area via Neighbourhood Planning.

3.60 The proposed modifications in Appendix 1 now recommend that the non site specific allocation of 75 dwellings at Upton-upon-Severn is deleted. However, this change would not preclude a neighbourhood plan (s) bringing forward additional housing allocations if unconstrained sites could be identified and were in line with local housing need requirements.

Addressing the uplift: Key elements Wychavon District

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3.61 Wychavon, along with Malvern Hills and Worcester City, engaged positively in respect of identifying additional housing supply in order to meet the SWDP' examination inspector's recommended increase in the Objectively Assessed Need for Housing. Over 260 representations were received following the "call for sites". Many of these had previously been submitted to the Strategic Housing Land Availability studies or were amendments to allocations already proposed in the SWDP. In the meantime the Council continued to approve a number of major housing proposals and together with a number of significant housing appeals which went in favour of the developer the need for additional new allocations rapidly receded. Indeed the only new proposed housing allocations are those which already have planning permission or at least a resolution to grant planning permission subject to a S106 legal agreement and which are supportive of the proposed SWDP development strategy. In summary the proposed main modifications would result in a total of 79 SWDP housing allocations of which only 36 do not have a planning permission or resolution to grant permission. The total housing supply for Wychavon District now stands at 10,768 dwellings which is 468 dwelling more than the proposed "policy on "housing requirement of 10,300 dwellings. Compared with the SWDP as submitted in May 2013 the balance of rural development versus urban development has moved slightly in favour of the former albeit that has been driven by the planning applications approved including appeal site. Overall the majority of the development will continue to be met at the relatively more sustainable locations i.e. Droitwich Spa, Evesham and Pershore as advocated in the SWDP development strategy (SWDP2).

Addressing the uplift in the OAHN: Infrastructure Delivery Plan (IDP) and consideration of North West Link Road at Worcester

3.62 The purpose of the Infrastructure Delivery Plan (IDP) is to identify the key infrastructure to support future housing and employment growth proposed by the SWDP up to 2030. National planning policy provides the framework for this. The IDP seeks to assess the current physical, social and green infrastructure provision across South Worcestershire along with what investment and improvement schemes are planned and programed in the plan period.

3.63 A new SWDP policy (SWDP Policy 7) was introduced into the SWDP at the earlier suggested changes stage and provides the link to the IDP. No changes are proposed to SWDP Policy 7 but the schedule of infrastructure requirements reproduced as Annex I to the SWDP has been updated (see Appendix 1 to this report). The updating process reflects consultation with all essential infrastructure providers and includes the results of transport modelling undertaken by WCC and the Highways agency.

3.64 The May 2013 version of the SWIDP estimated a total infrastructure capital cost for the SWDP proposals of over £500m. The September

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2014 SWIDP shows that these capital costs for the September 2014 proposals will increase by at least an additional £50m. There has been full consultation with all infrastructure stakeholders dealing with all forms of physical, social and green infrastructure and this feedback is all saying that there are no “show stoppers” to prevent proposed development coming forward in the plan period.

- 3.65 The key infrastructure elements are Transport and Education.
- 3.66 Transport: Estimates show the total capital cost rising from the original figure of about £204m to now around £226m. This is a significant increase but not in percentage terms which suggests a positive correlation between the development strategy and the transport strategy.
- 3.67 Education: Latest estimates show the total capital cost rising from about £66m to now about £94m. This is because in some cases a threshold has been crossed in terms of school capacity although in other instances new housing development will help boost the intake of schools with spare capacity.
- 3.68 Full information on this and other forms of infrastructure can be found in the SWIDP (see Annex I as recommended for modification in Appendix 1 to this report).
- 3.69 North West Link Road at Worcester: In order to update the IDP and bring forward proposals for additional growth at Worcester, consideration has been given to the need for a North West Link Road (NWLR) which could potentially connect the A4440 / A44 at Grove Farm to the A449 north of Worcester.
- 3.70 The views of Worcestershire Council have been sought on this matter and the impact of proposed housing growth on the A 4440 southern link road and motor way junctions has been fully taken into account.
- 3.71 The current position can be summarised as follows:
- The level of growth proposed at Worcester and specifically the recommended major urban extension to the west of the City (2,150 dwellings) does not require the building of a NWLR in either whole or part during the plan period (i.e. up to the year 2030).
 - The advice of the Highway Authority is that it is unlikely that a significantly larger major urban extension to the west of the City (*i.e. larger than the recommended modification set out in Appendix 1 to this report*) could be served using the existing road network, including the A4440 southern link road, even with major improvement, and a NWLR in whole or part would be required. Further, technical work and transport modelling would be required

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however, to determine a general tipping point where a NWLR would be required.

- The building of a NWLR remains a long term aspiration in the Worcestershire Local Transport Plan No.3. However, there is no approved scheme, no approved detailed alignment or current design proposal and no funding identified for the building of a NWLR. Furthermore, there is no long term commitment to further growth to the west of the City beyond 2030 which may result in the need for a NWLR. This aspiration therefore does not currently provide a basis for protecting a particular alignment or space for a potential NWLR in the SWDP or the associated IDP.
- SWDP Policy 45 (2) deals with the major urban extension to the west of the City. The policy and the associated IDP require a spine road connection between the A4440 / A44 to the south of the allocation to the Martley Road (B4204) in the north. This requirement reflects the detailed outputs of the Worcester Transport Model as recently updated.
- Good planning would suggest that notwithstanding the advice above regarding the current absence of a case for a NWLR the implementation of SWDP Policy 45 (2) should not preclude the possible completion of a NWLR at some later stage. SWDP Policy 45 (2) envisages that the spine road connection between the A4440 / A44 in the south and the Martley Road (B4204) in the north will form the outer western boundary of the proposed development. It is suggested that the proposed road's overall alignment and its connections with existing roads to the south and north could be designed so as to enable the proposed spine road to be uprated to form part of a potential NWLR in the longer term. However, this will currently have to be achieved through discussion and negotiation with the prospective developers of the major urban extension to the west of the City.

Addressing the uplift in the OAHN: SWDP Viability

3.72 The National Planning Policy Framework (NPPF) formalises the requirement for Councils to ensure that the Local Plan is deliverable and viable. Accordingly consultants were commissioned to undertake an independent assessment of the overall viability of the Plan. Their findings on the submitted SWDP formed part of the evidence base for the Plan.

3.73 At the pre-submission stage the key conclusion of the consultants work was that the policies set out in the SWDP would not put the implementation of the Plan at serious risk.

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- 3.74 Given that additional housing supply has had to be identified to address the increase in the OAHN requirement and additional infrastructure requirements have been identified through the updating of the IDP it has been necessary to commission a further assessment of the SWDPs overall viability.
- 3.75 The consultants have identified that in overall terms the Policies of the SWDP are placing increased pressures on overall viability. This is particularly important with respect to brownfield sites across the Plan area, but which are concentrated in Worcester City, where sites may be potentially unviable or marginal in the face of all full policy compliance and infrastructure requirements. The consultants advise that affordable housing provision is potentially one of the most significant factors that impacts on the viability of brownfield sites and particularly those in Worcester city. This has led to a recommendation that consideration is given to a reduction in the affordable housing requirement in Worcester City on Brownfield Sites and that further detailed assessment is undertaken regarding the viability of the proposed Major Urban Extensions.
- 3.76 This recommendation is discussed in the following section of this report. However, it should be noted that whilst viability issues with Worcester City have previously impacted on the delivery of affordable housing, where some developments do not achieve 40% affordable housing, the picture is not the same across South Worcestershire as a whole. Recent decisions in both Wychavon and Malvern Hills indicate that housing schemes in these locations can include and deliver 40% affordable housing without adversely impacting on viability of the delivery of other essential infrastructure or mitigation measures.
- 3.77 The consultants remain of the view that, subject to consideration being given to amending the affordable housing requirements set out under SWDP Policy 15: (Meeting Affordable Housing Needs) the SWDP policies in overall terms would not put the implementation of the Plan at serious risk. The updated viability assessment report can be viewed at www.swdevelopmentplan.org

Addressing the uplift in the OAHN: Affordable Housing Supply

- 3.78 The Submitted SWDP had regard to the need for 8,250 affordable dwellings between 2006 and 2030. Evidence submitted by the South Worcestershire Councils to the Stage 1 of Examination into the SWDP stated that the forecast affordable housing supply for the plan period, at that time, would be around 6,100 dwellings. The Local Plan inspector in his findings noted the mismatch between the overall requirement for affordable housing and the forecast supply but he did not recommend to the Councils any particular actions to address the shortfall.

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- 3.79 As part of the work undertaken to address the recommended uplift in the OAHN for South Worcestershire, consideration has been given to the likely supply of affordable housing which will be delivered in the context of the increased housing supply now proposed through the recommended Proposed Modifications. This work has had regard to the recommended proposed modification to SWDP Policy 15: (Meeting Affordable Housing Needs) which proposes a reduced contribution towards affordable housing grounds on brownfield sites within Worcester City on viability grounds (see 3.85 above).
- 3.80 The updated need total is 8,140 affordable dwellings. The current forecast is that even with the Proposed Modification to SWDP Policy 15 a total of 8,903 dwellings will be provided across South Worcestershire between 2006 and 2030. This demonstrates that with the recommended uplift in the OAHN requirement there is an opportunity to provide a closer match between affordable housing need and supply over the plan period. However, this will be subject to on-going assessment of viability and specifically viability and deliverability for major sites.
- 3.81 Whilst the projected supply of 8,903 affordable dwellings suggests a modest surplus of affordable housing against need, this belies internal variation in supply against affordable housing need across South Worcestershire. With respect to Worcester City's affordable housing need there remains a potential shortfall of around 800 dwellings up to 2030. This would point towards a joint strategy to be adopted by the South Worcestershire Councils to ensure that housing development within the WWA maximises its potential contribution towards meeting the City's affordable housing needs. This could be achieved through a memorandum of understanding or a joint allocations policy. However, this is not a planning policy matter and does not feature in the recommended Proposed Modifications.

Addressing the uplift in the OAHN: Integrated Assessment

- 3.82 The Planning and Compulsory Purchase Act 2004 requires a Sustainability Appraisal (SA) of the Strategy and Policies in the Local Development Framework. The SA is intended to assess the impact of the plan from an environmental, economic and social perspective. It is intended to test the performance of a plan against the objectives of sustainable development and thereby provide the basis for its improvement. The SA is an on-going assessment of the South Worcestershire Development.
- 3.83 A Sustainability Framework has been developed and all emerging options and policies have been tested against this at each step in the Plans preparation. The Integrated Assessment also includes the Habitats Regulations Assessment which is required under the Strategic Environmental Assessment Directive.

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- 3.84 It has therefore been essential to test the impact of changes arising from meeting the uplift of the OAHN through the Integrated Assessment process. This includes considering the impact of the Proposed Modifications both individually and cumulatively with the submitted SWDP.
- 3.85 The SA broadly indicates that the recommended Proposed Modifications are positive in improving the required mitigation of the effects of proposed development and importantly the recommended Proposed Modifications are consistent with, and supportive of, the SWDP Vision, objectives and strategy for sustainable development. The updated Integrated Assessment can be viewed at www.swdevelopmentplan.org
4. SWDP Policy 17: Travellers and Travelling Show people / Gypsy and Traveller Accommodation Assessment
- 4.1 The six district councils across Worcestershire, along with Worcestershire County Council have co-operated over the updating of the Worcestershire Gypsy and Traveller Accommodation Assessment (GTAA) (February 2008) which was originally used to develop and justify the submitted SWDP Policy 17. The SWCs considered that the 2008 GTAA was in need of both review and updating. Furthermore, it was considered that a thorough review of the GTAA methodology was required.
- 4.2 The 2014 update of the Worcestershire GTAA is based upon a comprehensive survey of existing sites and assessment of future needs. The assessment work was completed in early 2014. Whilst the full report is still to be released (expected October 2014) the Executive Summary has been published on the basis that its findings have been accepted by the Worcestershire Councils and finalisation of the background report is unlikely to result in any changes to the conclusions reached by the Assessment or the estimates of forecast need.
- 4.3 The GTAA is considered to represent a major element of the SWDP evidence base and it is related to understanding and responding to overall housing needs within South Worcestershire. As the results of the 2014 Assessment are so markedly different from the 2008 Assessment it is considered important that proposed modifications are brought forward at this stage rather than post Stage 2 Examination. Furthermore, the reduced level of need for Gypsy pitches identified by the updated Assessment has a direct bearing for policies associated with the major urban extensions. It will be noted that the recommended Proposed Modifications propose that the two potential Gypsy and Traveller sites at Site SWDP45/1 (Broomhall Community and Norton Barracks Community) are reduced to one. Furthermore, in the absence of immediate 5 year requirements for Gypsy and Traveller accommodation in Malvern Hills District and Worcester City any future allocation of sites

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will be dependent upon the outcome of a future review of the GTAA. This position is reflected in the recommended update of the Local Development Scheme with respect to the timing of the proposed Gypsy and Traveller Site Allocations DPD.

5. Duty to Co-operate

- 5.1 Section 100 (3) of the Localism Act amends Section 20(5) of the Planning and Compulsory Purchase Act 2004 (PCPA 2004) by requiring the Local Plan Inspector to consider (alongside legal compliance and soundness) whether the local authority has complied with any duty imposed on the SWCs by Section 33 A in relation to the preparation of the plan.
- 5.2 As stated above the Local Plan Inspector has found, on the basis of Stage 1 of the Examination that the South Worcestershire Councils have complied with the legal duty.
- 5.3 The South Worcestershire Councils recognise that duty is on-going and therefore they have not simply rested on the Inspector's Conclusions at Stage 1.
- 5.4 The production of additional evidence regarding OAHN involved the participation of the north Worcestershire districts in recognition that the Worcestershire Strategic Housing Market Assessment had been a joint project with the additional work giving rise to potential implications for their plan making work. In addition those authorities previously contacted under the duty to co-operate prior to the submission of the SWDP have been contacted again to determine whether the recommended SWDP response to the uplift in the OAHN requirement gives rise to any new strategic cross boundary issues. None have been raised with the South Worcestershire Councils. Similarly the on-going plan making work of neighbouring and near neighbour authorities has not raised any new issues for the SWDP to address at this time. An update to the Duty to Co-operate background Paper will be submitted to Stage 2 of the SWDP examination.

6. Proposed Consultation Arrangements

- 6.1 If approved by the three South Worcestershire Councils it will be necessary to publish the Post Submission Proposed Modifications for formal consultation purposes in accordance with Regulation 24. This will ensure that the Stage 2 Examination has the opportunity to consider the submitted plan and the proposed modifications on a like for like basis with respect to providing the public with the opportunity to comment on the changes and whether they are considered sound or not.

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- 6.2 If approved the Post Submission Proposed Modifications will be published for consultation for six weeks between the 6th October and 14th November 2014.
 - 6.3 The consultation material will make clear that responses are only being sought in relation to the Post Submission Proposed Modifications and not other elements of the Submitted SWDP which are not proposed for change.
 - 6.4 Appendix 3 to this report sets out the proposed consultation programme which replicates that undertaken at the Pre-submission consultation stage. As with the Pre-submission consultation responses will be invited as to whether the Proposed Modifications are sound and if not, how could they be made sound?
7. Next Steps / SWDP timetable: Local Development Scheme (LDS)
- 7.1 The recommended updating of the Local Development Scheme for each of the South Worcestershire Councils is addressed in detail by a separate report on this agenda.
 - 7.2 The Local Plan Inspector at Stage 2 of the Examination will be required to determine whether the SWDP (as recommended for modification) has been prepared in accordance with the LDS. The updated LDS recommended for approval reflects the changes to the SWDP timetable that have occurred since the current version was approved. It also updates the plan making intentions of the three South Worcestershire Councils.
 - 7.3 The production of a Local Development Scheme is a statutory requirement for every Local Planning Authority as prescribed under the Planning and Compulsory Purchase Act 2004. Best practice also indicates that regular updates to the Project Plan should be provided on the Council's website, as has been the case to date with amendments to the timetable for the SWDP. Changes in legislation since the LDS production have reduced the regulations guiding the production of an LDS.
 - 7.4 The Local Development Scheme itself does not establish policy, but simply outlines plans to be produced, the timetables for their production and the resources that will be necessary to deliver them. It does however set out forthcoming policy documents and their likely content.
 - 7.5 Appendix A to the LDS report on this agenda sets out the detailed timeline for the SWDP which anticipates resumption of the Examination process early in 2015, further proposed modifications and consultation over the summer 2015 and formal adoption by December 2015.

8. Five Year Housing Land Supply Considerations

- 8.1 The Inspector's recommended OAHN requirement and its distribution (see Table 1 above) is significant in that it provides the most up to date and robust assessment of housing need against which to establish 5 year housing land requirements and measure the housing land supply against for development management purposes. This is particularly important as there has been considerable debate and uncertainty recently during planning appeals across South Worcestershire as to what figures should be used to establish housing need requirements (i.e. the 5 year land supply target) in the absence of up to date Local Plans.
- 8.2 However, without the 'policy on' approach proposed by the recommended Proposed Modifications to SWDP Policy 3 which establishes a distribution for the OAHN to planning policy sub areas, the requirements associated with the OAHN will be applied bluntly on a 'policy off' off basis at a district by district level.
- 8.3 It should be noted that the SWDP seeks to establish the 'policy on' sub areas under Policy SWDP3 as areas where housing need will be met on a non transferable basis. This, in policy terms, seeks to ensure that any shortfall in deliverable supply in one sub-area does not result in compensatory releases, justified on 5 year housing land supply grounds, being made in another sub-area.
- 8.4 As a working example, in the absence of the approval of the Proposed Modifications, this would mean that appeals on housing land supply across Malvern Hills District as a whole would be measured against the OAHN requirement of 8,590 dwellings up to the year 2030 and not reflect the establishment of the separate Malvern Hills (Ex WWA) sub area set out in Table 5A for 5,900 dwellings. It can be seen from 4 below the 'policy off position is considerably worse for Malvern Hills District as a whole. This potentially runs the risk that housing growth that, under the plan strategy, would be directed towards Worcester would be released on appeal in less sustainable locations across the wider Malvern Hills District. Clearly such releases would not be supportive of the overall SWDP strategy or its related objectives, but in the absence of an emerging Local Plan, that can be afforded some weight, such considerations are unlikely to have a significant bearing in the minds of planning inspectors.
- 8.5 It will be noted that for Wychavon (ex WWA) the sub area requirement is larger than the OAHN requirement. Therefore, the imposition of a 'policy on' requirement has a negative impact on the 5 year housing land supply. However, as can be seen from Table 5 below, the sub area can still maintain a 5.57 year supply.
- 8.6 The shortfall in housing land supply within that part of the WWA which falls within Malvern Hills District inevitably reflects the lead in time for the

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construction of the greater part of the two very large urban extensions to the south and west of the City. It is also unsurprising given that the 5 year housing requirement is driven in part by housing requirements which are yet to be approved as Proposed Modifications to the SWDP.

Table 4: Indicative 5 year housing land supply against district level OAHN requirements

District	OAHN requirement	Indicative 5 year housing land supply
Malvern Hills	8590	3.51
Worcester City	9830	2.37
Wychavon	9950	5.95
South Worcestershire	28370	N/A

Table 5: Indicative 5 housing land supply against SWDP Policy 3 sub area requirements (as proposed for modification)

SWDP Sub Area	Sub Area target	Indicative 5 year housing land supply
Malvern Hills (excluding WWA)	5900	4.93
Worcester City	6750	6.09
Wider Worcester Area – urban extensions only	5450	See below
Wider Worcester Area within Malvern Hills District	4550	3.0
Wider Worcester Area within Wychavon District	900	6.1
Wychavon (excluding WWA)	10,300	5.57

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South Worcestershire	28,400	N/A
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8.7 The housing land supply estimates provided in Tables 4 and 5 are indicative for the purposes of illustrating the significance of the progressing the SWDP with respect to future development management decisions. They do not however, represent detailed statements of current 5 housing land supply for development management purposes which will be produced by each of the South Worcestershire Councils in due course. Neither do the estimates above represent rolling 5 housing land supply estimates for plan making purposes.

9. Consideration of the recommended Proposed Modifications by the South Worcestershire Joint Advisory Panel (SWJAP)

9.1 The South Worcestershire Development Plan (SWDP) Joint Advisory Panel (JAP) was set up to oversee the development of the SWDP and its predecessor the South Worcestershire Joint Core Strategy.

9.2 The JAP consists of 5 elected members from each of the South Worcestershire Councils and a representative from Worcestershire County Council. JAP is responsible for advising on the SWDP, making recommendations to the three Councils and to “report on and aim to promote and recommend the Panel’s recommendations to their respective District Council decision making bodies”.

9.3 The JAP has no executive powers and therefore can only make recommendations back to each of the three councils.

9.4 Following the submission of the the SWDP to the Secretary of State on 28 May 2013 JAP has continued with its focus shifting to steering the plan through the examination process.

9.5 Following the receipt of the Inspector’s Conclusions into Stage 1 of the Examination JAP has been briefed regarding on-going work to address the uplift in the OAHN and associated work on infrastructure requirements and viability.

9.6 The Panel considered the recommended Proposed Modifications and related supporting work / evidence on 2nd and 12th September 2014.

9.7 The SWJAP specifically considered:

- The Post Submission Proposed Modifications to the submitted SWDP (*as set out in Appendix 1 to this report*) as being sound and deliverable
- The recommended changes to the Infrastructure Delivery Plan (as Proposed for Modification - Annex I to the SWDP)

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- The Panel noted the findings of the updated Viability Study and endorses it for the purposes of informing the recommended Proposed Modifications and specifically the recommended main modifications to SWDP Policy 17 regarding affordable housing.
- The proposed consultation programme (*set in Appendix 3 to this report*).
- The preparation of updated and revised Statements of Community Involvement for the three SWCs .
- Proposed updating and review of Local Development Schemes for South Worcestershire

9.8 The recommendations of the Joint Advisory Panel to the South Worcestershire Councils are as follows:

- (i) **The recommended proposed main modifications to the submitted SWDP as set out in Appendix 1 to this report (including proposed modifications to the Policies Map and Key Diagram) and the associated Sustainability Appraisal are approved for the purposes of formal public consultation.**
- (ii) **Delegated approval is given to the relevant Head of Service in consultation with the Planning Portfolio Holder to make minor changes to the proposed modifications in terms of formatting, presentation and accuracy, including any minor changes arising from the consideration of the proposed modifications by the other South Worcestershire Councils, prior to publication for consultation purposes.**
- (iii) **The South Worcestershire Councils write to the Planning Minister seeking support for substantial weight to be afforded the emerging SWDP in current and future Development Management decisions and any associated appeals as the Plan progresses.**
- (iv) **The Councils accept the proposed updated and revised Statement of Community Involvement and agree to its immediate adoption (effective 1 October 2014).**
- (v) **The Councils:**
 - **approve their Local Development Scheme (LDS) 2014-17;**
 - **note the revised Schedule detailing the timetable revisions consequent to the Inspector's Interim and Further Interim Conclusions;**

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- **agree to its immediate implementation (effective 1 October 2014);**
 - **agree to its immediate publication via the SWDP website;**
 - **delegate authority to the relevant Heads of Service in consultation with the Portfolio Holders to make minor amendments to the text of the LDS in order to correct any minor errors that may be identified, subject to the agreement of all three South Worcestershire Councils where minor amendments relate to joint documents.**
- 9.9 With respect to the paragraph 9.8 (iii) above the Panel was concerned that recent planning appeal decisions, including appeal decisions issued by the Secretary of State, have placed very limited, if any, weight on the emerging SWDP. The reason for taking such a course of action has been cited as the on-going uncertainty about the OAHN requirement addressed by the SWDP, the absence of proposals from the SWCs about how the uplift in the OAHN would be addressed and the level of objection to proposed housing objections.
- 9.10 The Panel considers that by recommending Post Submission Proposed Modifications which address the Inspector's recommended full OAHN and proposing additional housing supply to address that housing requirement, the SWCs have gone a long way towards removing the perceived level of uncertainty. Furthermore, by publishing the recommended Post Submission Proposed Modifications for consultation purposes the SWCs will have returned the SWDP to a stage comparable with the submission stage, with the major added benefit that the OAHN requirement for the plan has already been considered and accepted by the Local Plan Inspector, together with the broad approach towards sub-areas and redistribution as the means of meeting that need.
- 9.11 The Panel also believes that failure by the Planning Inspectorate and the Secretary of State to place increasing weight on the emerging plan, as proposed for modification, would not reflect the Government's own national planning policy advice and not accord with informal advice offered to the SWCs by the previous planning minister.
- 9.12 The recommendation set out in Paragraph 9.8 (iii) above is based upon the view of the Panel that the planning minister should be advised that the South Worcestershire Councils have taken major steps to remove any perceived uncertainty around the content of the SWDP and the OAHN and how it will be addressed. Furthermore, placing increasing weight on the emerging plan accords with the Government's own policy advice and failure to place weight on the emerging strategy and policies would undermine delivery of the strategy and local public confidence in the merits and advantages of a plan led system.

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9.13 Council will note that the recommendations set out in Paragraphs 9.8 (iv) and (v) are addressed under separate reports on this agenda.

10. Corporate Considerations

<p>What <u>will this cost?</u> (Identify Financial, Legal, Property and Personnel issues)</p>	<p>Each of the Worcestershire Councils has made provision within its own budgets to meet their equal contributions towards the production of the SWDP. Collaboration on a single Local Plan has enabled savings at key steps in the plan production process, where duplication can be removed.</p> <p>Progressing a single Local Plan for South Worcestershire represents a major logistical task. It has benefited from combining and sharing the skills within each of the authorities involved, although it has been necessary to reduce capacity and commitments in other areas of work.</p> <p>The SWDP programme has had to accommodate several additional stages in its preparation which were not envisaged in the original project timetable. This has included an additional Preferred Options stage, suggested changes consultation and more recently the preparation of recommended proposed modifications during the Examination process. This has required significant elements of the SWDP evidence base to be updated. The costs associated with this work are currently being absorbed within the overall project budget across the three SWCs. Further, examination of project costs arising from the extended timetable set out in the updated LDS will be needed and requires close monitoring.</p> <p>In the event of a decision of one or more of the SWCs were to bring about the production of separate Local Plans for the districts across South Worcestershire this would result in very significant resource implications for each authority in terms of direct costs, delay and access to adequate officer support and expertise. It would also significant increase the resource and risk demands associated with not having an up to date Local Plan in place for</p>
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	<p>each of the authorities. Failure to progress on a joint plan basis would be likely to require the individual authorities to take several steps backwards in the plan making process and come forward individual documents, undertake separate consultation programmes, separate examinations (at which all three councils would need to be represented) and receive three separate inspector's reports.</p>
<p>How <u>does this meet our</u> priorities (Show how this proposal meets one of the Council's priorities and explain how it also meets its underpinning principles of "Enterprise" and "Partnership")</p>	<p>The emerging SWDP provides a comprehensive basis for reviewing existing land use, transportation, social, economic and environmental policy covering the district.</p> <p>In accordance with national planning policy the SWDP seeks to deliver sustainable development having regard to social, economic and environmental objectives.</p> <p>The strategy provides a strong economic development Vision for the area which has shaped the policies of the plan.</p> <p>The strategic nature of the document establishes the Councils land use priorities.</p>
<p>Have you consulted? (What public or other consultation has been undertaken in relation to this matter?)</p>	<p>Relevant stakeholders and consultees have been consulted over the formulation of the recommended proposed modifications.</p> <p>Formal public consultation as set out in Appendix 3 to this report will be carried out into the recommended Proposed Modifications in accordance with Development Plan Regulations.</p>
<p>Is there an Equalities impact Has an Equality Impact Assessment Screening Report been completed Yes/No? If</p>	<p>The South Worcestershire Development Plan addresses a wide range of social, environmental and economic issues which include identifying groups within the community whose needs can be addressed through the plan making process. The provision of strategic infrastructure, affordable</p>

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<p>not, this report cannot be taken to Committee unless justified?</p>	<p>housing, improved accessibility and access to employment are covered by the joint plan, as are the needs of the aging population across South Worcestershire. The submitted version of the SWDP and the recommended proposed modifications are subject to a comprehensive Integrated Assessment which includes equalities impact. The adequacy of the Integrated Assessment will be examined as part of the plan making process.</p>
<p>Has a Full Equalities Impact Assessment been completed Yes/No? If not, why not?</p>	<p>See above.</p>

11. Risk Management

- 11.1 Any slippage in the current plan timetable (as set out in the revised Local Development Scheme) would make it extremely difficult to meet key milestones. In the short term this could result in the Local Plan Inspector advising the SWCs that he is unable to programme Stage 2 of the Examination and can not keep the Examination 'open' indefinitely. This could lead to a request that the plan is withdrawn.
- 11.2 Slippage in the plan timetable will further extend the period to when the plan can be adopted and full weight placed on it for development management purposes. Any considerable delay or reversion to an earlier stage would result in an extended period of risk associated with planning by appeal, which may fail to deliver the full range of supporting infrastructure. Council may wish to note that putting in place a full 5 year supply of deliverable sites without progressing the SWDP would still result in existing adopted Local Plan policies which manage the release of housing continuing to be deemed out of date in accordance with NPPF requirements.
- 11.3 Given the plan making and associated development management risks, further delay with progressing the SWDP should avoided, particularly given the progress made with formulation of the OAHN through the Stage 1 Examination process.
- 11.4 The SWDP Project Manager is responsible for updating the Soundness and Legal Compliance tool kits at each stage in the Development Plan

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process as recommended by the Planning Inspectorate. An updated tool kit response will be provided for the Stage 2 Examination.

Risk Identified	Inherent Risk Evaluation		Proposed measures	Residual Risk Evaluation	
<ul style="list-style-type: none"> ▪ Failure to strategically and comprehensively address the needs of South Worcestershire and specifically the cross boundary implications of growth associated with the City of Worcester could lead to inappropriate and incremental development which does not maximise community benefits and incurs adverse environmental consequences. 	Risk Score	8	<ul style="list-style-type: none"> ▪ Progress the development of the South Worcestershire Local Plan as a basis for developing and implementing common policies and addressing specific sub-regional issues by the publication of the Preferred Options Paper, as recommended by the Joint Advisory Panel 	Risk Score	5
<ul style="list-style-type: none"> ▪ Failure of the three Councils to agree the content of a Joint Development Plan and adhere to the LDS timetable could lead to delays and even possible failure of the tests for soundness. This could further lead to increased costs and leave South Worcestershire without an appropriate and up to date spatial strategy with the associated risk of inappropriate development. 	Risk Score	8	<ul style="list-style-type: none"> ▪ Update and approve a Revised LDS ▪ South Worcestershire Joint Advisory Panel and District Councils to receive regular progress reports with respect to LDS commitments / milestones and undertake corrective action whenever necessary. ▪ Briefings provided to SWJAP and all Council members 	Risk Score	5

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<ul style="list-style-type: none"> ▪ Note: Assessed as High Impact due to Financial Risk to combined LPA resources dedicated to Local Plan production and the potential effects of having to revert to individual Local Plan production or a Joint Local Plan being found to be unsound. ▪ Loss of key staff or insufficient resource to ensure that development of the SWLP is not delayed. 			<p>in all 3 Councils at relevant stages of the Plan regarding key policy development issues/ decisions.</p> <ul style="list-style-type: none"> ▪ Regular monitoring and management of the SWDP costs and identification of potential overspend at an early stage in order for appropriate action to be taken by the 3 partner councils ▪ Ensure that all documentation and evidence for the Plan is accessible and a handover period is built into any key member of staff leaving. ▪ Regular meetings with Team Leaders to monitor workloads and address capacity issues. 		
<ul style="list-style-type: none"> ▪ Failure to prepare sound proposed modifications to the submitted SWDP in timely fashion to enable SWDP (stage 2) to be re-opened. 	Risk Score	8	<ul style="list-style-type: none"> ▪ Advise SWDP programme officer / Local Plan Inspector of SWCs timetable for addressing the Inspector's recommended uplift in the OAHN for South Worcestershire and any essential 	Risk Score	5

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		<p>adjustments.</p> <ul style="list-style-type: none"> ▪ Update evidence base / key reports required to the development of proposed modifications – using external resources where necessary. ▪ Reporting of recommended Proposed Modifications to the SWCs at the earliest possible opportunity. ▪ Undertake informal consultation regarding formulation of proposed modifications. Undertake formal modifications consultation into proposed modifications. ▪ Submit consultation responses to the Local Plan Inspector in accordance with agreed timetable.
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NB: Risk Score derived from level of Impact and Likelihood, calculated from the [Guide to Report Writing](#)

12. Conclusions

12.1 In order to progress the South Worcestershire Development further it is essential that the South Worcestershire Councils respond positively and quickly to the Local Plan Inspector’s recommended changes to the

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emerging plan. Otherwise the Local Plan Inspector has already indicated that he would find that the Plan is unsound. This is because he does not consider that the submitted SWDP addressed the full OAHN for South Worcestershire up to the year 2030 and therefore the proposed housing supply is insufficient to address housing need.

- 12.2 The recommended response set out in Appendix 1 to this report has been tested against, and is consistent with, the Vision, objectives and spatial strategy underpinning the submitted plan and can be reasonably presented to the Examination as main modifications to the submitted Plan and not a departure from these key elements of the SWDP.
- 12.3 The sites recommended for allocation for housing are drawn from a comprehensive search for potential sites, which has included a 'call for sites' exercise in line with NPPG guidelines. Sites recommended for allocation or amendment, have been appropriately assessed for their suitability and associated infrastructure requirements and viability. Their recommendation for allocation is supported by the updated SWDP evidence base. The package of recommended proposed modifications has been satisfactorily assessed against the Sustainability Appraisal supporting the SWDP.
- 12.4 Failure to respond to the Inspector's recommended changes to the emerging SWDP in a positive manner or to respond with proposed modifications that are not consistent with the submitted Plan's Vision, objectives and spatial strategy is likely to result in the Local Plan Inspector inviting the SWCs to withdraw the SWDP or the Inspector finding it unsound. This would result in significant delay in the plan making process with major risks for all three authorities from a development management perspective due to the absence of up to date development plan coverage.

Gary Williams

Head of Planning, Economy and Housing

Appendices:	Appendix 1: First Schedule of Proposed Modifications (October 2014) Appendix 2: Sites details re sites not carried forward as Proposed Modifications. Appendix 3: Proposed Consultation Programme.
Background Papers:	Inspector's Further Interim Conclusions on the Outstanding Matters considered at the Reconvened Stage 1 Hearings – 31 st March 2014 Inspector's Interim Conclusions on the Stage 1

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	Matters – 30 th October 2014
Related Information:	<p>The following SWDP evidence documents can be viewed on the SWDP website www.swdevelopmentplan.org</p> <p>Amion Report (January 2014)</p> <p>Integrated Assessment (SA / HRA / SEA) 2014 update</p> <p>Viability Assessment (2014)</p> <p>Water Cycle Study (2014)</p> <p>Worcestershire GTAA (Executive Summary) (2014)</p> <p>South Worcestershire Infrastructure Delivery Plan update (2014)</p> <p>Portfolio of Maps of new sites or those with amended boundaries – as set out in the Post Submission Proposed Main Modifications (September 2014)</p>
References: (To or from other Committees)	<p>This matter is also being reported to Wychavon District and Worcester City Council on 30th September 2014. The report and recommendations presented to the South Worcestershire Councils shares the same content and recommendations.</p> <p>Council reports dated 10th December 2012 (Special Councils) addressed approval of the submission version of the SWDP. The decisions of the three South Worcestershire Councils at that time put in place various delegations and approvals which continue in operation whilst the SWDP remains at Examination (minute 60 refers).</p>
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