

## Background and Context

**2.1** South Worcestershire is the area covered by the districts of Malvern Hills and Wychavon together with Worcester city. It is not a formal sub-region or administrative area but the three Councils consider that whilst each area has a distinct character there are strong functional, economic, infrastructure, policy and cross boundary relationships which means working together on development plan preparation makes good economic and planning sense.

## Changes to the Planning System

**2.2** The Decentralisation and Localism Bill is currently being debated within the House of Lords and is expected to receive Royal Assent at the end of the year. This clearly indicates the Government's intention to abolish Regional Spatial Strategies, including the one for the West Midlands. Therefore by the time the South Worcestershire Development Plan is submitted to the Secretary of State in 2012, the West Midlands Regional Spatial Strategy will no longer be a consideration. The Decentralisation and Localism Bill strongly advocates a greater emphasis on bottom up planning. The feedback we received from local communities on the South Worcestershire Joint Core Strategy clearly indicated dissatisfaction with the levels of housing growth that were set out in the emerging West Midlands Regional Spatial Strategy Phase 2 Partial Review.

**2.3** The Government's proposed changes to the planning system has provided the opportunity for the three Councils to closely re-examine the local evidence base and establish their own local development requirements for employment, housing and other land uses through the plan making process. The principal concerns expressed by the South Worcestershire authorities in the West Midlands Regional Spatial Strategy Examination in Public 2009 were:

- The total amount of housing proposed and specifically the level of migration directed to South Worcestershire.

**Bluebells flowering along woodland path, Malvern Hills**



## 2 Background and Context

- The uncertainty that development will be accompanied by funded and deliverable infrastructure.
- The impact of discounting windfall allowances from the housing land supply (first 10 years) and the implications for compensatory allocations.

**2.4** The Court of Appeal has recently provided important clarification regarding the Government's intention to revoke Regional Strategies. In the latest in a series of legal judgements arising from R (CALA Homes South Limited) v Secretary of State for Communities and Local Government, the Court of Appeal has concluded that the Government's intention to abolish Regional Strategies through primary legislation could be a material consideration in making development control decisions, but not in plan-making decisions. This clarifies that the intention to abolish Regional Strategies is not a material consideration at all in plan making. Clearly the national position post the CALA Homes decision is fast moving and likely to develop over time. However, the South Worcestershire Councils consider that it is appropriate to proceed with publication of this Preferred Options Paper based upon the following:

- For the purposes of Development Plan preparation the West Midlands Regional Spatial Strategy remains part of the Local Development Framework and should be taken into account.
- The emerging West Midlands Regional Spatial Strategy Phase 2 Partial Review reached examination stage but no further. The Panel's recommendations were not formally considered by the Secretary of State and there was therefore no opportunity for the South Worcestershire Councils to object to the proposed levels of growth. At a practical level there is no reasonable prospect of the Phase 2 Partial Review being progressed any further during the period in which the South Worcestershire Development Plan is being prepared. Therefore, it can be given no particular weight.
- Regard is given to the evidence used to underpin the emerging West Midlands Regional Spatial Strategy Phase 2 Partial Review in so far as it is relevant to the preparation of the South Worcestershire Development Plan and where it has not been superseded by more recent evidence.
- With respect to future housing requirements, Policy CF3 of the adopted West Midlands Regional Spatial Strategy (2004) only addresses housing requirements up to 2021 and with a very specific phasing arrangement for Worcestershire between 2011 and 2021. It is therefore appropriate for the South Worcestershire Development Plan to reconsider these requirements, whilst having regard to the available evidence base, in order to establish appropriate housing requirements up to 2030.

### **The Benefits of a Joint Development Plan**

**2.5** Working together will enable the South Worcestershire authorities to jointly tackle complex issues and will give us a stronger voice both within the region and nationally. Extensive consultation with both stakeholders and the general public coupled with a comprehensive review of the local evidence base have identified a number of critical cross boundary issues which together provide a very strong case for a South Worcestershire-wide Development Plan. These are:

- The Local Enterprise Partnership (Worcestershire Works) has prioritised the over-riding need to identify a strategic portfolio of employment sites. Decisions regarding investment usually take place at a more strategic level rather than individual local authority areas.
- Economic Prosperity: South Worcestershire needs to maximise its potential to improve economic prosperity through high technology and high value industries, particularly at Worcester, Malvern and Droitwich Spa.
- Jobs: The demand and supply for/of jobs generates significantly high commuting flows between Worcester, Malvern and Droitwich Spa (See context map). Important elements of the road and rail network cross internal district boundaries and intersect at Worcester and have a very important bearing on the area's competitiveness and attractiveness. This needs to be fully considered within a strategic planning context to maximise future provision and enhancement of the area's transport network.
- The South Worcestershire Technology Investment Priority Area: this was an economic development policy set out in the West Midlands Regional Spatial Strategy. The evidence which underpinned it remains valid and it is recognised that South Worcestershire as a whole needs to maximise its potential.
- Infrastructure: Major infrastructure planning and investment decisions can be made on a strategic and comprehensive basis at the sub-regional level. This is particularly relevant to road and rail infrastructure. Growth across South Worcestershire as a whole will place demands upon facilities which serve a wide catchment area, such as the Worcestershire Royal Hospital and secondary/higher and further education institutions. In terms of leisure, sport and cultural venues the following venues serve the wider community, Sixways (Worcester Warriors Rugby Football Ground), New Road (Worcestershire County Cricket Club), Worcester Race Course, The Swan Theatre, University of Worcester, Worcester College of Technology, various Sixth Form Colleges and the public schools in Malvern and Worcester as well as the Malvern Theatres and Three Counties Showground
- Housing: Housing Market Areas cross administrative boundaries within South Worcestershire. The Worcester Housing Market Area covers large parts of Malvern Hills and Wychavon districts. Worcester cannot meet its long term employment and housing needs within the city boundary. The South Worcestershire authorities have agreed to work together to determine the most appropriate way to deliver the city's future development needs.
- Shopping: Worcester is a sub-regional retail centre and serves a significant proportion of Malvern Hills/Wychavon residents' shopping, in particular non-food needs. Our other towns have an influence on the surrounding rural areas and are similarly influenced by retail locations outside of South Worcestershire.
- Flood Risk: There are a number of significant watercourses within the area including the River Severn, River Avon, River Teme, River Salwarpe and Barbourne Brook. Some of these flow between the three authority areas. In order to avoid increasing peak flood levels downstream and compromising areas

of land most vulnerable to flooding, development shall be planned across the whole area

- **Landscape and Green Infrastructure:** The character of the natural landscape of South Worcestershire as a whole is to be protected and enhanced. However, important features such as the Malvern Hills and Cotswolds Areas of Outstanding Natural Beauty, the Rivers Severn, Teme, Avon and the Worcester to Birmingham and Droitwich Spa Canals have important cross boundary influences and are major components of the area's tourist attraction.

### Characteristics of South Worcestershire

**2.6** South Worcestershire covers approximately 1,300 square kilometres (500 square miles) of the County and forms the southern limit of the West Midlands. It comprises the largely rural districts of Malvern Hills and Wychavon along with the city of Worcester which is the largest urban area. Beyond the city there are the three main towns of Droitwich Spa, Evesham and Malvern and the towns of Pershore, Tenbury Wells and Upton upon Severn. In addition there are over 200 villages of varying size, character and level of service provision. The total population of South Worcestershire is approximately 286,400 (2009 Mid-Term Population Estimates).

#### A Gatekeeper Butterfly on a Daisy in Broadwas



**2.7** The landscape is of high quality, the countryside is distinguished by the upland areas of the Cotswolds (including Bredon Hill) and Malvern Hills Areas of Outstanding Natural Beauty and by the river valleys of the Avon, Severn and Teme. Human influence on the landscape can be traced to the prehistoric times and is reflected in a large range of prominent features most notably Listed Buildings (5,600); Scheduled Ancient Monuments (150); Historic Parks (13) and Conservation Areas (105) and numerous protected trees and woodlands. All these environmental attributes, mean that South Worcestershire attracts a significant number of tourists/visitors which account for approximately 11% of local expenditure.

**2.8** South Worcestershire is easily accessible, by rail and road, from the West Midlands conurbation and to a lesser extent from London. However, the capacity of key elements of the communications network to deal with current demands and future requirements is a concern. Similarly rural accessibility is an important issue as

reductions in public transport and increases in transportation costs will increase demand for flexible transport and safer routes for pedestrians and cyclists where possible to support rural communities and the rural economy.

**2.9** Good accessibility and the high quality built and natural environment has led to the area being subject to relatively high levels of inward migration which has helped to keep market housing prices relatively high. Housing affordability within both the urban and rural areas is a major issue and is likely to remain so through the plan period.

**2.10** The West Midlands Green Belt has been an effective planning tool in ensuring that the main settlements, in particular Droitwich Spa and Worcester remain clearly separated and distinctive.

**2.11** South Worcestershire provides some 127,000 employee jobs, 65% of which are at Worcester and the main towns. Unemployment is nearly half that for the West Midlands and the last decade has seen employment growth trends higher than the regional average. Average wages are lower than those in the West Midlands/England whereas average incomes are higher reflecting the relatively high proportion of retired people with investments. Commuting beyond South Worcestershire is a necessity for those residents wishing to access higher salaries particularly in London and the M42 corridor. Most commuting however takes place within South Worcestershire with the strongest commuting flows between Malvern/Droitwich Spa and Worcester.

**2.12** The context map (Figure 1) sets out the main features of the South Worcestershire area including transport (main routes and other infrastructure), neighbouring Local Planning Authorities, Areas of Outstanding Natural Beauty, Green Belt and the more sustainable settlements.

**2.13** More information about the main characteristics of the area can be found in Appendix 1.

### **Priory at Little Malvern**



## 2.2 Key Issues and Challenges

### Key Issues and Challenges

**2.14** The table below sets out those key messages that have been identified through assessment of the technical evidence base that has been developed to inform the Development Plan.

**Table 1 Key issues affecting land use in South Worcestershire**

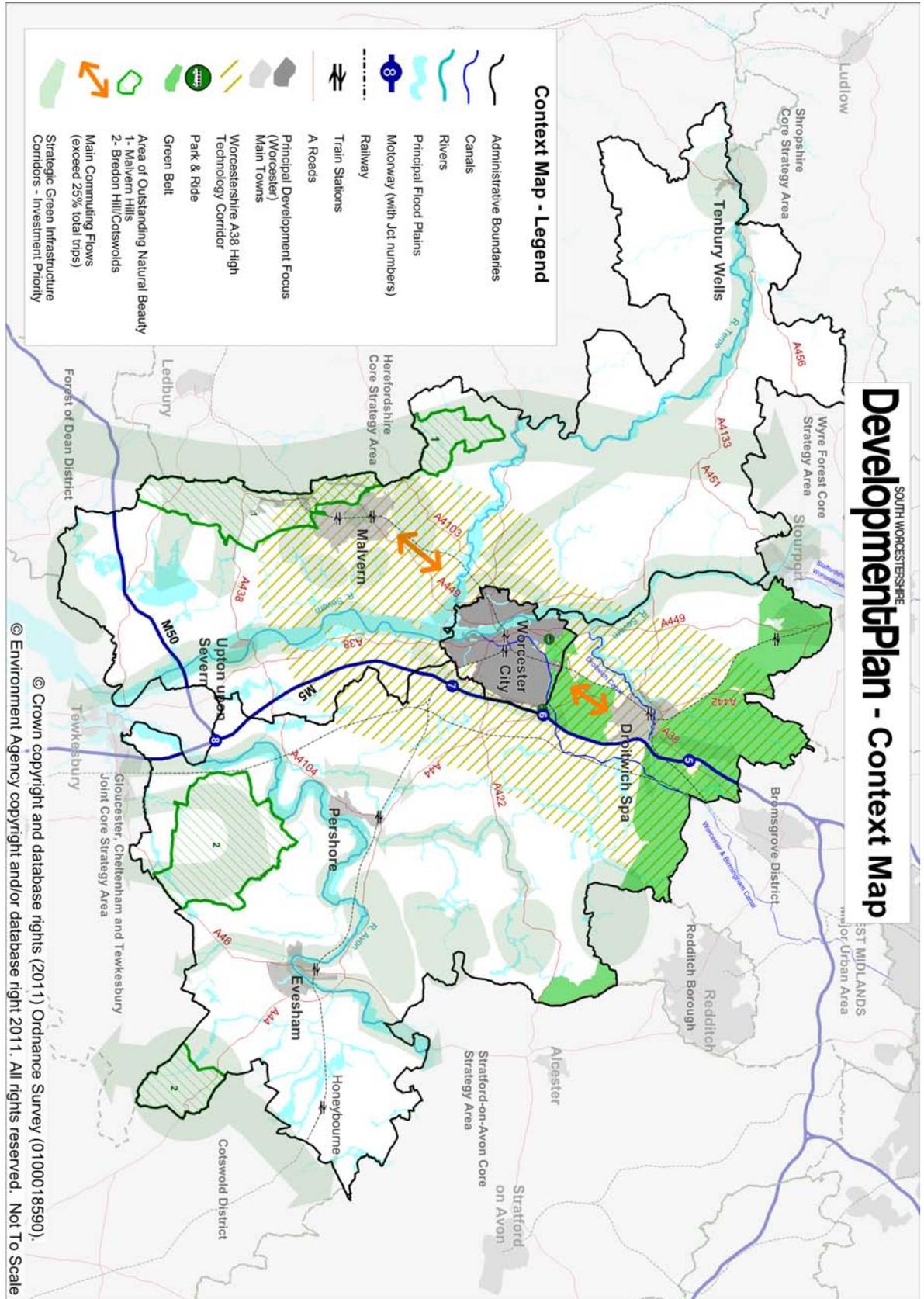
Key Issues	Requirements Identified by the Evidence
<p><b>Population and Housing</b></p>	<p>Several evidence bases <sup>(1)</sup> have been used to assess future South Worcestershire population and housing requirements.</p> <p>The Worcestershire Demographic Report 2011 indicates that latest Department of Communities and Local Government evidence predicts South Worcestershire will need an estimated 21,600 new households over the period 2008 to 2030. This is an increase of almost 18% on current households <sup>(2)</sup>.</p> <p>The majority of the household increase will be due to the increase in one-person households, which are projected to rise by 15,600, representing over 70% of the total projected household increase. The largest proportion is amongst persons aged 75-plus, which has a projected increase of 9,600, representing over 60% of the rise in total one-person households.</p> <p>The South Housing Market Area report Update (2009/2010) predicts an annual requirement for subsidised affordable housing across South Worcestershire of 846 dwellings per annum.</p>
<p><b>Employment &amp; Jobs</b></p>	<p>The Employment Land Review concludes that despite the apparent current need for new land being low, there remains market demand to provide new land. From a market perspective there is demand to provide more land than the West Midlands Regional Spatial Strategy put forward. This type of demand is largely footloose and attracted to areas</p>

1 Worcestershire Demographic Report 2011, Strategic Housing Market Assessment, Local Housing Needs Report for South Worcestershire, Affordable Housing Development Viability Study, Strategic Housing Land Availability Assessment, Focused Sub-Regional Review of RSS Evidence Base Demographics and Housing Need/Demand and the South Housing Market Area Monitoring report 2009/10.

2 This compares against previous household projections of 28,000 (CLG, 2004), 26,000 (CLG, 2006), 25,600 (2006, CCHPR) and 27,600 (2008, NHPAU) from 2006 to 2026.

### 2.1 Figure 1 - Context Map

Figure 1 - Context Map



Key Issues	Requirements Identified by the Evidence
	<p>where sites and land are made available for development. A wide portfolio of land and buildings is therefore required to attract such investment to support the growth in jobs.</p> <p>There are no specific employment land or job targets in the Employment Land Review however previous targets in the West Midlands Regional Spatial Strategy were largely based on a pre-recession period of high past take-up of land and a degree of public funding support. For this reason protecting existing businesses and their sites is now even more important given that attracting new businesses to South Worcestershire, with public sector support is no longer a viable model;</p> <p>The Worcestershire Local Enterprise Partnership is promoting a particular, but not exclusive, focus on high technology, knowledge based research and development business. For example, the early delivery of the Worcester Technology Park, phase 1 potentially to be occupied by Worcester Bosch, and building on the existing companies (for example QinetiQ in Malvern).</p>
<b>Retail</b>	<p>The differences between the 2007 South Worcestershire Retail Study and the 2010 Update relating to the need for additional convenience goods floorspace are relatively small. It will still be possible to accommodate the increases indicated without a need for specific allocated provision in the development plan.</p> <p>The need for additional comparison (non-food) floorspace over the plan period has reduced significantly in all towns. This is a direct consequence of the reduction in forecast expenditure growth brought about by a lower estimated population.</p> <p>Although the figures now suggest that there is no need for substantial retail development in Worcester, the Retail Study indicates there is still a need to identify a suitable site for a major town centre expansion so that the city centre is in a position to benefit from economic recovery, and remain competitive.</p>

Key Issues	Requirements Identified by the Evidence
	<p>Qualitative improvements in both the retail offer and the environment of all South Worcestershire retail centres will be important in enabling the centres to keep up with residents' expectations and help retain their market share.</p>
<b>Tourism</b>	<p>The South Worcestershire Hotel Study highlights there is an under-supply of hotel accommodation in South Worcestershire – primarily focused on Worcester itself, with some lesser demand in other key towns within the sub-region.</p> <p>Worcester City: The study identifies a lack of branded hotel stock in Worcester City and it highlights a need and demand for new hotel development opportunities in Worcester. The study indicates there is an immediate market opportunity and need for approximately 80 additional branded budget hotel rooms, rising to 230 by 2026. Post 2013 the study forecasts there will be market opportunity and need for a modern, full service, branded, upper three-star hotel (100+ bedrooms) to serve the city.</p> <p>Malvern Hills: In the immediate to medium term the study identifies an opportunity for 40-80 new branded budget/limited service hotel rooms. The study did not identify any market potential for new full-service hotel investment.</p> <p>Wychavon: The study highlights there is an immediate/short-term requirement for about 36 additional branded budget/limited service bedrooms, with a further 25 by 2019 and a further 30 bedrooms in Evesham by 2026. There is insufficient forecast demand to support a new a full-service hotel. In contrast Droitwich Spa is over-bedded and is unlikely to support additional hotel stock, certainly in the short to medium term.</p>
<b>Green Space &amp; Sport Facilities</b>	<p>This has land-use implications since additional public open space would be needed for an increasing population.</p> <p>The South Worcestershire Interim Green Infrastructure Study highlights the environmental constraints to development in some areas, but also the opportunities to improve Green infrastructure provision through growth opportunities. The report shows how Green Infrastructure is an integral part of the consideration of development growth and location in the</p>

Key Issues	Requirements Identified by the Evidence
	<p>plan area, covering aspects such as the historic environment and archaeology, landscape, open space and biodiversity issues.</p> <p>Open Space standards are informed by earlier <u>Planning Policy Guidance 17</u> audits of existing open space and future requirements in each district.</p>

**2.15** This Plan has had regard to a wide range of related aims, objectives and policies developed both nationally and locally. These are identified and explained more fully throughout the Plan and Background Documents. However, the South Worcestershire authorities are committed to achieving the following as priority outcomes:

- Economic Prosperity across South Worcestershire through the creation of jobs, improving the competitiveness of the sub-region and our main urban centres and ensuring a balanced portfolio of available land for employment development and employment generating uses. This also includes retaining and enhancing business and other commercial uses in the more rural areas.
- Delivering housing which first supports economic prosperity, reflects local housing aspirations and addresses pressing local affordable housing needs.
- Development accompanied by essential physical and community infrastructure
- Sustainable development which respects the environmental qualities and capacity of South Worcestershire.

### Influences on the Plan

**2.16** The South Worcestershire Development Plan Preferred Options has taken into account Government planning policy set out in Planning Policy Statements and Planning Policy Guidance; 'Saved Policies' of the Worcestershire County Structure Plan and Local Plans; and the various themes and priority outcomes of the Sustainable Community Strategy<sup>(3)</sup> covering South Worcestershire.

**2.17** The strategy and policies also been based on technical evidence including feedback from infrastructure/service providers and specific technical reports (listed at Appendix 2) including the required Sustainability Appraisal. A Sustainability

<sup>3</sup> The Countywide Local Strategic Partnership are in the process of consulting on a consolidated Sustainable Community Strategy bringing together the multiple strategies that have covered the area to date.

Appraisal is an independent report that assesses the social, environmental and economic effects of a development plan throughout its preparation. The outcomes of the Appraisal have directly influenced the policies and proposals in this document.

**2.18** An important consideration of the proposed strategy is the substantial feedback we received from the various public consultation events associated with the former South Worcestershire Joint Core Strategy including Issues and Options (November 2007), Preferred Options (September 2008), potential Strategic Sites consultation (January – March 2009), informal consultation on the former Site Allocations and Policies Development Plan Document (October 2009 - April 2010) and Parish and Town Council Visioning workshops (October 2010).

**2.19** The Preferred Options has had regard to policies and relationships beyond the combined administrative areas. This includes existing and emerging policies related to Worcestershire as a whole together with consultation and co-ordination with neighbouring Local Authority areas within the West Midlands and South West Regions. There is no strategic case for development allocations to meet needs arising beyond the administrative boundaries of South Worcestershire.

### **The Decentralisation and Localism Bill**

**2.20** This clearly indicates that the West Midlands Regional Spatial Strategy will no longer be part of the Development Plan by the time the South Worcestershire Development Plan is published adopted. The Decentralisation and Localism Bill also strongly advocates a greater emphasis on 'bottom-up' planning and the feedback from local communities clearly indicates significant dissatisfaction with the levels of housing growth which were set out in the emerging West Midlands Regional Spatial Strategy.

### **Demographics**

**2.21** The levels of development set out in the West Midlands Regional Spatial Strategy were partly based upon the 2006 Department for Communities and Local Government Household Projections. Since then, the 2008 Household Projections show over a 20% drop in household demand with the ongoing economic downturn being the main factor behind the change.

### **Worcestershire Local Enterprise Partnership**

**2.22** The Worcestershire Local Enterprise Partnership is drafting its priorities. Its overriding aim is to secure sustainable economic growth with investment in infrastructure and skills being the essential delivery mechanism.

### **Infrastructure Delivery**

**2.23** Due to the downturn in the economy there is less private and public funding to deliver infrastructure. A potentially significant funding gap (£43m approx) was highlighted by the three South Worcestershire Councils and Worcestershire County Council at the West Midlands Regional Spatial Strategy Examination in Public in

2009 and updating of this work is ongoing. The first Worcestershire Local Investment Plan has been submitted to the Homes and Communities Agency and provides the framework for investment in affordable housing for Worcestershire. However, it does not at this time address all longer term infrastructure requirements in any detail or provide any clear indications of likely funding opportunities to support strategic infrastructure provision. The public provision of funding has reduced resulting in an increased reliance on the private sector and other available funding systems.

### Train at Malvern Link Train Station



**2.24** The South Worcestershire Development Plan Development Strategy will be delivered principally through the following strategic policies:

- SWDP 1 Development Strategy and Settlement Hierarchy;
- SWDP 2 Employment, Housing and Retail Supply;
- SWDP 3 Overarching Sustainable Development Requirements;
- SWDP 4 Moving Around South Worcestershire;
- SWDP 5 Strategic Green Infrastructure;

**2.25** The key elements of the Development Strategy are shown on the Key Diagram (Figure 3).

2.3 Figure 2 - Process of review of evidence

Figure 2 - Process of review of evidence

