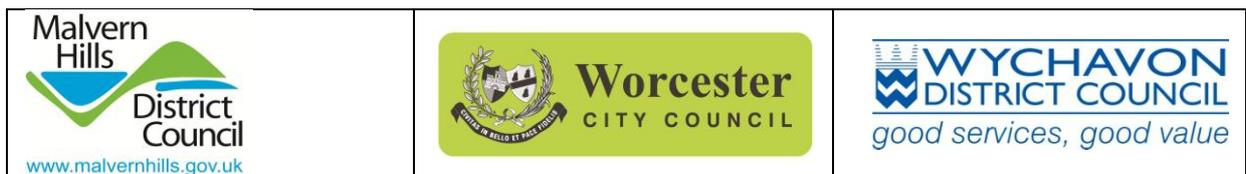


South Worcestershire Development Plan
Housing Background Paper (Provision and Supply)
Addendum October 2014

South Worcestershire Councils



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CONTENTS

1. Introduction : the purpose of this document and the policies it supports
 2. Context
 3. Evidence : Objective Assessment of Housing Need (OAHN)
 4. SWC Response to the Further Interim Conclusions
 5. Policy On – Converting district need evidence to Sub Area housing provision targets
 6. Duty to Cooperate: cross boundary issues and external unmet need
 7. Addressing the uplift in the OAHN: Housing supply - Evidence
 8. Addressing the uplift in the OAHN: Distribution of housing need
 - Outcome
 - Method of distribution
 - Revised SWDP 3 Sub Area housing provision targets
 - Distribution calculations
 - Sustainability of the distribution of need
 9. Policy development : Revised SWDP 3 -Housing supply
 - 10.A Housing Implementation Strategy for South Worcestershire
 - Housing Trajectories – Plan, Monitor, Manage
 - Policy-on Rolling 5 year housing land supply
 - Static, current 'snapshot' 5 year housing land supply
 11. Affordable Housing – provision target and supply
 12. Sustainability Appraisal of revised Policy SWDP3
 13. Tests of Soundness – Summary
- Appendix 1 – Revised housing trajectories – illustrative graphs
- Appendix 2 Revised Affordable Housing Need and Forecast Supply

1 Introduction : the purpose of this document & policies it supports

- 1.1 This Addendum replaces analysis in the Housing Background Paper November 2012 [CD 084] relating to the objective assessment of housing need (OAHN). It concentrates on the uplift in the OAHN recommended by the South Worcestershire Development Plan (SWDP) Examination Inspector¹ and the response to that uplift in terms of the 2014 Proposed Modifications to the SWDP policies and proposals, and their justification.
- 1.2 The South Worcestershire Development Plan^{2, 3} is the Local Plan for the future development of the Plan area, drawn up by the local planning authorities (LPAs) for Malvern Hills District, Worcester City and Wychavon District, in consultation with the community. It establishes the strategic priorities for the plan area, determining the scale of growth to plan for in South Worcestershire to 2030. This includes strategic policies to deliver homes needed in the area. The SWDP was submitted to the Secretary of State in May 2013 for examination.
- 1.3 The three local planning authorities, collectively referred to as the South Worcestershire Councils (SWC), have prepared Proposed Modifications⁴ to the submitted SWDP. These were approved by their Councils on 30 September 2014 for consultation before progressing to Stage 2 of the SWDP examination hearings. Those Proposed Modifications include amendments to SWDP policies for housing provision and supply as well as changes to the site allocations including new ones. They can be viewed on the SWDP website⁵
- 1.4 This Addendum focuses on the approach taken through the Proposed Modifications:
 - a) To boost significantly the supply of housing
 - b) To meet the full OAHN and affordable housing in the housing market area, subject to the caveats set out in the National Planning Policy Framework
 - c) To work collaboratively with others to meet development requirements that cannot be wholly met within their own areas, where it is reasonable to do so and consistent with achieving sustainable development.
- 1.5 The Housing Background Paper provided the audit trail on how the SWC reached the submitted SWDP strategy and policy for housing provision and supply by considering the guidance to be followed, evidence collected,

¹ SWDP Further Interim Conclusions [EX/505]

² References use the SWDP Pre-Submission Plan [CD 001] policy numbers

³ The South Worcestershire Development Plan is a Development Plan Document

⁴ These can be viewed online at - http://www.swdevelopmentplan.org/?page_id=8494

⁵ http://www.swdevelopmentplan.org/?page_id=8758

assessment of all reasonable options, and the sustainability appraisal of the policy.

- 1.6 The Addendum updates the audit trail of evidence which brings together evidence for the following:
- The SWC response to the Inspector’s Interim Conclusions (EX/401] published on 28 October 2013 regarding the OAHN and evidence.
 - The SWC response to the Inspector’s recommended uplift in the OAHN recommended by the Inspector in the Further Interim Conclusions (EX/505] published on 31 March 2014 after the reconvened Stage 1 hearings.
- 1.7 That evidence informed the Councils’ decisions (30 September 2014) on the content of the Proposed Modifications. The Addendum focuses on the strategy towards housing provision and housing supply contained in Policy SWDP 3, as proposed to be modified. It demonstrates how Policy SWDP 3 as modified meets the tests of soundness set out in NPPF paragraph 182 (see section 13 of the Addendum) so that the plan is:
- Positively prepared
 - Justified
 - Effective
 - Consistent with national policy.
- 1.8 The SWDP contains the Housing Implementation Strategy, developed from the Stronger Community Objectives in SWDP. The components of the Housing Implementation Strategy are identified in the Housing Background Paper Section 2, with more details set out in Section 9.
- 1.9 This Addendum updates information about the Housing Implementation Strategy. In particular it focuses on the changes to supply and the relationship between supply and the revised housing provision targets. Through SWDP site allocation policies, the plan identifies sufficient housing sites, including strategic urban extensions, to deliver a significant boost to the supply of housing as required by the National Planning Policy Framework. The sites listed in the SWDP : Pre-Submission Document are shown on the submission policy maps, with amendments and additional sites relating to the Proposed Modifications 2014 shown on the maps available online via the SWDP website⁶. When the Local Plan is adopted, the housing allocations will be shown on the Policies Map⁷.

⁶ The maps can be viewed online at

http://www.swdevelopmentplan.org/wp-content/uploads/2014/10/Map_List_Oct2014.pdf

The maps ONLY include those sites that are either newly identified or are existing allocations that have been subject to a physical boundary change or are to be deleted – allocated sites where housing numbers have increased without incurring boundary changes have not been included.

⁷ The Local Planning regulations 2012 replaced the requirement for a ‘Proposals Map’ with a ‘Policies Map’

- 1.10 It should be noted that modifications to the SWDP fall into two broad categories these are Main and Minor Modifications. The Inspector will wish to be advised of both types of modifications and schedules of intended modifications and a track change version of the SWDP has 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 proposals or their interpretation which are required to be subject to formal public consultation before they can be incorporated into the plan as submitted. All references to Proposed Modifications throughout this Addendum should be treated as reference to Post Submission Proposed Main Modifications. As approved by the Councils on 30 September 2014 for consultation purposes and submission to the SWDP Examination, they will have the effect of replacing the content of the submitted SWDP.

Document status

- 1.11 This technical paper is part of the Local Plan evidence base. It aims to help readers understand the SWDP as it progresses towards adoption. This includes the stages of consultation on the Proposed Modifications 2014 and the Stage 2 examination hearings.
- 1.12 This addendum identifies several documents using their examination references - as Core Documents [CD xyz], Examination Documents [EX/abc] and Reconvened Matter 1 [RM1]. These documents can be viewed on the SWDP Examination website via the following web link which provides the link to the latest list of examination documents
http://www.swdevelopmentplan.org/?page_id=5393
- 1.13 There are also evidence documents and papers relating to the Proposed Modifications which can be viewed on the SWDP website via the following web link http://www.swdevelopmentplan.org/?page_id=8494

2 Context

- 2.1 The SWC formally submitted the SWDP to the Secretary of State for the purposes of examination in accordance with Regulation 22 on 28th May 2013 [CD 001]. 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.
- 2.2 The Inspector indicated to the SWC 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.
- 2.3 The Inspector subsequently wrote to the SWC on 28th October 2013 [EX/400] setting out his Interim Conclusions in respect to Stage 1 [EX/401]. He 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 the OAHN for 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.

3. Evidence : Objective Assessment of Housing Need

- 3.1 In November 2013, the SWC agreed a timetable with the Inspector for the recommended additional work around the OAHN 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.
- 3.2 Technical evidence including an updated OAHN was submitted to the Examination on 31st January 2014.⁸ In the light of this technical work the SWC suggested in evidence to the Examination that the overall housing need for south Worcestershire should be between 26,700 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).
- 3.3 A re-convened session of Stage 1 of the Examination was held between 13th and 14th March 2014. The SWC response to the Inspector's Matters, Issues and Questions for the Reconvened Stage 1 Hearings: Matter 1 - The Housing Requirement was set out in their Hearing Statement [RM1/1b]. Further oral evidence was given by the SWC at the hearing.
- 3.4 In terms of housing need, the Inspector subsequently recommended taking a mid point between two Sensitivity Tests based on jobs led scenario 'average' case forecasts within the submitted SWC evidence. (Inspector's letter of 31st March 2014 [EX/504] and his Further Interim Conclusions [EX/505] refers.) In Paragraph 57 of his Further Interim Conclusions he concluded that it would be reasonable to take this midpoint as "representing the full, objectively assessed level of need (OAHN) over the plan period. This gives the following projected dwelling requirement figures for 2006-2030:" (reproduced below in Table 1).

Table 1

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

- 3.5 In his Further Interim Conclusions Paragraph 61 the Inspector states that "I therefore recommend that the Councils adopt the figures in paragraph 57 above as representing the full, objectively-assessed need for housing over the Plan period, and as the basis for making provision for housing in the Plan in accordance with national planning policy and guidance."

⁸ South Worcestershire Development Plan – Objective Assessment of Housing Need January 2014 (Amion Consulting Ltd/Edge Analytics Ltd [EX/415])

4. SWC Response to the Further Interim Conclusions

- 4.1 The SWC 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.
- 4.2 The work included a 'call for sites', to identify additional potential housing supply, in March and early April 2014.
- 4.3 The high volume of responses to the 'call for sites' and the scale of the work required to bring forward robust Proposed Modifications to the three Councils lead to the timetable whereby the Councils considered the Proposed Modifications on 30th September for consultation in October and November 2014.
- 4.4 The task of addressing the OAHN uplift requires the SWC 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 recommendation- see paragraph 7.2 of this Addendum*) and the increased requirement of 28,370 dwellings (2006-2030).
- 4.5 That task was undertaken in the context of the submitted SWDP which is based upon a vision and approach for the area that 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 (SWIDP), 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(T) at Evesham.
 - Based upon thorough review of the Integrated Assessment which includes the Sustainability Appraisal.
- 4.6 The response to the uplift in the OAHN has been brought forward in a way which is consistent with and supports the vision, objectives and spatial

strategy underpinning the submitted SWDP. This means the bulk of the proposed changes to the SWDP 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;
- 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); and
- Amending or introducing the SWDP policies required to guide the implementation of recommended housing allocations.

4.7 This approach was accepted by the Inspector as an appropriate way forward, enabling 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 supply are subject to consultation, and testing on the same basis as the submitted SWDP.

4.8 Approving the Proposed Modifications for consultation, including the housing provision targets, and progress to Stage 2 hearings, is based on the three Councils accepting the OAHN recommended in the Inspector's Further Interim Conclusions as:

- a) replacing relevant parts of the 2012 SHMA as the latest assessment of the full, objectively assessed housing needs of the SWDP area; and
- b) providing robust, credible evidence on which to base the planned scale of growth in south Worcestershire.

4.9 The 28,370 dwellings aggregated housing need in south Worcestershire is the basis for the revised housing target 2006 to 2030 for the plan area. Rounded up to 28,400, this is the revised total housing provision target in SWDP 3 considered by the Councils on 30th September.

4.10 By approving Proposed Modifications for consultation and progress to Stage 2 hearings the SWC have responded positively to the uplift in the OAHN. That response recognises and accepts the latest evidence of need recommended by the Inspector as the basis on which to make provision for housing. It enabled the SWC to proceed and continue to progress towards the objective of delivering and adopting a SWDP that is sound. If the recommended uplift in the OAHN requirement was not addressed, given the Inspector's comments about the unsoundness of the submitted housing requirement, the SWC concluded that it would be extremely likely that the Inspector would raise concerns about continuing the Examination. The SWC were mindful that there would be a high risk that the SWC would be then invited by the Inspector to withdraw the submitted plan.

5. Policy On – Converting district need evidence to Sub Area housing provision targets

- 5.1 The Inspector's recommendation in his Further Interim Conclusions paragraph 57 not only relates to the OAHN in South Worcestershire for the plan period, but also for each district. These assessments of the scale of need are 'policy-off' in that local spatial planning policy has not been applied to that evidence of need.
- 5.2 The SWC has undertaken the task to convert that evidence of need into revised 'policy-on' housing provision targets in the SWDP, and to justify the Proposed Modifications to the Policy SWDP 3 housing provision targets.

Context

- 5.3 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 to SWDP 7 and those policies and in particular SWDP 2 (Development Strategy and Settlement Hierarchy) were the main drivers of the allocation of sites in the submitted SWDP. They also provide the framework for the task of converting need into targets.
- 5.4 The Inspector, in his Interim Conclusions (October 2013 [EX/401]), made some important statements about the meeting of housing need. These are relevant when converting need into targets. 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.
 - Para 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.
 - Para 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 Further Interim Conclusions [EX/505].)

- 5.5 The Proposed Modifications address the housing uplift in accordance with the vision, objectives and strategy of the SWDP. The SWC consider 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.
- 5.6 The approach to addressing the housing uplift is consistent 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; and
 - Making the most effective use of available or readily provided infrastructure.

Principles applied

- 5.7 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 is supported by guidance in the NPPF and it is set out in Policy SWDP 2 A v). Furthermore, the submitted SWDP is supported by a comprehensive Green Belt Study (2010) which concluded that the existing South Worcestershire Green Belt continues to serve nationally identified Green Belt purposes. The SWC were also concerned that the allocation of Green Belt for development could be only done after a further Green Belt Study which would trigger a fundamental review of the SWDP which could lead to the withdrawal of the SWDP. The SHLAA and the “call for sites” exercise shows that there is sufficient suitable and available 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; and
- f) Development should be of an appropriate scale and type. As stated in Policy SWDP 2F (as proposed to be modified by PM5) “with regard to development proposals, the scale must be proportionate to the 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 2G also provides guidance: “Within development boundaries, preference is given to the redevelopment of brownfield sites before bringing forward greenfield land. Beyond development boundaries the preference will also be to redevelop brownfield sites in the first instance although their biodiversity interest, the availability of infrastructure and accessibility to local services will be material considerations...”⁹

Method

- 5.8 Sections 7 and 8 of this Addendum set out the method and related justification for converting District housing need into Sub Area housing provision targets. They supersede the analysis in Section 6 of the Housing Background Paper November 2012.
- 5.9 The method is iterative. It uses evidence about the capacity to deliver housing based on the forecast of housing supply to justify converting need in to housing provision policy targets. The additional supply identified by the SWC to meet need draws on the latest 2014 housing monitoring and from new sources identified from the recent call for sites. The summary assessments of sites applied sieves and tests relating to strategy and policy to the additional allocation sites and intensification or extension of submitted SWDP site allocations. The assessment results of sites which passed the sieves and tests and are included as Proposed Modifications are set out in supporting documentation ‘Proposed Modifications to Housing Allocations–Site Assessments (September 2014)’¹⁰.

⁹ It should be noted that the illustrative Track Changes Version of the Proposed Submission Document CD002 includes potential suggested changes to this part of SWDP 2.

¹⁰ http://www.swdevelopmentplan.org/?page_id=8494 – CD 254 (and CD 254a to CD 254d)

6. Duty to Cooperate: cross boundary issues and external unmet need

- 6.1 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.
- 6.2 As set out in the Interim Conclusions [EX/401] 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. The SWC recognise that duty is on-going and therefore they have not simply rested on the Inspector's Conclusions at Stage 1.
- 6.3 The production of additional evidence regarding OAHN also involved the participation of the north Worcestershire districts in recognition that the Worcestershire SHMA 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 SWC. 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. Duty to Cooperate activity will continue after the Council decisions on 30th September 2014.
- 6.4 The housing provision targets in the Proposed Modification to SWDP Table 4b (PM9) relate to south Worcestershire needs. Those needs include substantial net in-migration forecast to 2030, including in-migration to achieve the necessary uplift in labour force in the plan area, related to the revised OAHN recommended by the Inspector.
- 6.5 The PM9 targets do not make further provision for external need over and above the forecast migration taken into account in the population forecasts underpinning the OAHN. It has not been clearly established through any other LPA's Local Plan process to date that external unmet needs from outside South Worcestershire must be met through provision in the SWDP area. The SWC therefore had no evidence of additional unmet housing need from outside this plan area that must be met in the SWDP area. The mechanism in SWDP 2 footnote 8 has not been triggered. Thus, no external need is added to the OAHN for South Worcestershire. The overall south Worcestershire housing provision target is therefore 28,400 dwellings for the plan period.

7. Addressing the uplift in the OAHN: Housing supply - Evidence

- 7.1 The primary focus of the SWC work has been to identify sufficient land for housing to address the 5,200 uplift in housing need arising from the Inspector's recommended objective assessment of housing need (OAHN).
- 7.2 It has also been necessary to address the Inspector's Interim Conclusions (October 2013 – [EX/401]) at Stage 1 of the Examination with respect to the proposed housing supply. In those Conclusions the Inspector made recommendations which would reduce the housing supply in the submitted plan by around 1,200 dwellings. They would exclude supply from bringing long term empty homes back into use and the release of C3 housing arising from the occupation of extra care-high care accommodation; as well as amending the forecasts of small site (non-garden land) windfalls.
- 7.3 The SWC undertook this work in 2014 to identify a supply of additional dwellings to address both the uplift in need and that reduction in supply. The detailed, replacement housing trajectories for Worcester City, Wider Worcester Area, Malvern Hills (Ex WWA) Sub Area, and Wychavon (Ex WWA) Sub Area¹¹ provide evidence of the results of that work. The audit trail of the evidence leading to the supply recorded in the revised housing trajectories is set out below. The evidence is the basis for the Proposed Modifications to SWDP 3 Table 4e Housing Supply (PM12).
- 7.4 The principal sources of the identified forecast changes to supply are:
1. evidence about development - drawn from 2014 monitoring
 2. evidence about site availability and delivery – call for sites
 3. evidence about site suitability - site assessments
1. 2014 housing monitoring
- 7.5 The supply analysis draws on 2014 housing monitoring evidence of development from completions 2006 to 2014, commitments at 2014, and recent appeal decisions. The updated detailed housing trajectories add in completions in the years 2012/13 and 2013/14 ('Actual'). Small and large site commitments (excluding completions) included in the trajectories are as at 1 April 2014 but sites allowed on appeal between April and August 2014 are also included. Total commitments and completions are set out in the amended SWDP 3 Table 4e (PM12).
- 7.6 Some completions and commitments are on submitted SWDP site allocations. Some commitments are on site allocations in the Proposed Modifications. The summary table in each detailed trajectory provides totals for dwellings built 2006 to 2014, commitments ('permitted'), allocations and windfalls, avoiding double counting. Those summaries are reproduced in Tables 2 to 5 in this Addendum.

¹¹ Available on the SWDP website at http://www.swdevelopmentplan.org/?page_id=8494. These supersede the trajectories submitted to the examination in Core Documents CD 085, CD 086, CD 087 and CD 088

Table 2 WIDER WORCESTER AREA – FORECAST HOUSING SUPPLY

(INCLUDES WORCESTER CITY & WORCESTER URBAN EXTENSIONS)

Sources	Planning Status				
	built	Permitted not built)	Approved subject to S106	not yet committed*	SUB AREA TOTAL
Submission SWDP allocations (city)	24	533	529	741	1,827
new allocations (city)	0	166	29	587	782
urban extension (part) (city)	0	0	0	80	80
new urban extension (outside the city)	0	0	0	300	300
urban extensions (outside city)	0	501	0	4,670	5,171
ALLOCATION SUB TOTAL	24	1,200	558	6,378	8,160
small sites (non-allocations)	550	143	0	0	693
large sites (non-allocations)	2,013	672	0	0	2,685
Small site (non garden land) Windfalls	0	0	0	717	717
SUPPLY TOTAL - all sources	2,587	2,015	558	7,095	12,255

Note * excluding dwellings that were approved subject to S106 Agreement, permitted, or built

Table 3 WORCESTER CITY – FORECAST HOUSING SUPPLY

Allocations	Built	Permitted (not built)	Approved subject to S106	Not yet committed*	CITY TOTAL
Submission SWDP allocations (city)	24	533	529	741	1,827
new allocations (city)	0	166	29	587	782
urban extension (part) (city)	0	0	0	80	80
ALLOCATION SUB TOTAL	24	699	558	1,408	2,689
small sites (non-allocations)	550	143	0	0	693
large sites (non-allocations)	2,070	672	0	0	2,685
Small site (non garden land) Windfalls	0	0	0	717	717
SUPPLY TOTAL - all sources	2,587	1,514	558	2,125	6,784

Note * excluding dwellings that were approved subject to S106 Agreement, permitted, or built
The Worcester City supply of 6,784 dwellings is part of the WWA supply of 12,255 dwellings

Table 4 MALVERN HILLS (Ex WWA) SUB AREA FORECAST HOUSING SUPPLY

MALVERN HILLS (Ex WWA) SUBAREA SUPPLY CATEGORY	Built	Permitted (not built)	Approved subject to S106	Not yet committed*	SUB AREA TOTAL
Submission SWDP Malvern Urban Capacity allocations	0	0	5	435	440
new Malvern Urban Capacity Allocations	0	0	106	260	366
Submission SWDP Urban Extension allocations	0	0	0	800	800
Submission Tenbury Wells allocations	0	45	0	40	85
new Tenbury Wells allocations	0	44	0	35	79
Submission Upton upon Severn allocations	0	70	25	0	95
new Upton upon Severn allocations	0	0	43	0	43
Submission SWDP Village allocations	14	92	240	210	556
new Village Allocations	0	275	275	103	653
ALLOCATIONS SUBTOTAL	14	526	694	1,883	3,117
small sites (non-allocations)	673	189	0	0	862
large sites (non-allocations)	999	229	0	0	1,228
Small site (non garden land) Windfalls	0	0	0	419	419
SUPPLY TOTAL - all sources	1,686	944	694	2,302	5,626

Note * excluding dwellings that were approved subject to S106 Agreement, permitted, or built

Table 5 WYCHAVON (Ex WWA) SUB AREA FORECAST HOUSING SUPPLY

Wychavon (Ex WWA) Sub Area	Built	Permitted (not built)	Approved subject to S106	Not yet committed*	SUB AREA TOTAL
Submission SWDP Urban Capacity allocations	29	55	0	630	714
new Urban Capacity Allocations	0	0	81	0	81
Submission SWDP Urban Extension allocations	0	1,401	0	835	2,236
new SWDP Urban Extension allocations	0	765	0	0	765
Submission SWDP Village allocations	88	570	59	536	1,253
new Village Allocations	0	89	53	0	142
ALLOCATIONS SUBTOTAL	117	2,880	193	2,001	5,191
small sites (non-allocations)	947	431	0	0	1,378
large sites (non-allocations)	1,685	1,556	0	0	3,241
Small site (non garden land) Windfalls	0	0	0	958	958
SUPPLY TOTAL - all sources	2,749	4,867	193	2,959	10,768

Note * excluding dwellings that were approved subject to S106 Agreement, permitted, or built

Supply Sources and planning status

- 7.7 The supply sources in Tables 2 to 5 are as follows:
- Site allocations (urban capacity; urban extensions, village)
 - SWDP Submission allocations – the site capacity includes intensification and/or extensions (Proposed Modifications). They exclude submitted SWDP sites proposed to be deleted
 - New sites for allocation (Proposed Modifications).
 - Small and large sites (non SWDP allocations) – these have been built or committed (excluding S106 agreements)
 - Forecast of small non-garden land windfalls
- 7.8 The supply sources in Tables 2 to 5 exclude those sites where there are current planning applications which have been approved since April 2014 subject to completion of S106 agreements but are not allocated, and do not include sites not yet determined.
- 7.9 The categories of planning status listed in Tables 2 to 5 are as follows:
- Built – 1 April 2006 to 31 March 2014 (evidence drawn from 2014 housing monitoring)
 - Permitted (granted planning permission or allowed on appeal) as at 1 April 2014, plus appeals granted 1 April 2014 to August 2014
 - Subject to S106 – approved but awaiting completion of legal agreement (this category applies to site allocations)
 - Not yet committed (this category applies to the forecast of future windfalls and to site allocations not yet built, permitted or subject to S106 agreement).

Discount applied to commitments

- 7.10 In taking account of commitments, the SWC have applied a 5% discount to commitments (excluding those under construction). This is in response to the Inspector's recommendation in paragraph 80 of the Interim Conclusions on the Stage 1 Matters [EX/401] and in line with Proposed Modification PM13 (amendment of the discount of planning permissions not yet implemented to 5%).

Windfalls

- 7.11 The detailed trajectories also include the forecasts of future supply from small, non-garden land windfalls (as defined in the Housing Background Paper 2012 – paragraph 9.26). The annual rates of delivery for each trajectory are based on evidence submitted to the examination¹². The change to the rates is in response to the recommendation in paragraph 63 of the Further Interim Conclusions (amendments to the windfall allowance for small site [non-garden land]). The detailed trajectories count windfall allowance from 2017/18 to 2029/30 inclusive to avoid double counting

¹² [EX/211 a-c]; [EX/212 a-b]; [EX/213 a-b]; [EX/404]

with the windfalls delivered in the existing commitments as at April 2014. The annual rates are listed in the trajectory column for each year. The revised forecast of total supply from small windfalls is included in the amended SWDP 3 Table 4e (PM12), for each Sub Area.

SWDP site allocations

- 7.12 The other source of supply of additional housing comes from the intensification and/or extension of sites allocated in the Submission SWDP, and from new sites to be allocated. The Schedule of Proposed Modifications 2014 identifies the proposed changes to the SWDP submission allocations and proposed new allocations.
- 7.13 Those sites have gone through a site identification process consistent with the CLG guidance in the National Planning Practice Guidance. The process is as set out below.

2. Call for Sites

- 7.14 In order to propose an increased housing supply the SWC have had regard to the following potential sources:
1. Extension and / or intensification of existing SWDP allocation sites;
 2. Omission sites put forward by developers but not currently allocated in the SWDP;
 3. Current planning housing applications and paid pre-application advice sites (including sites approved but subject to completion of s.106 agreements);
 4. Planning permissions on sites post submission of the SWDP, including those allowed on appeal;
 5. Sites submitted to the Strategic Housing Land Availability Assessment (SHLAA) for evaluation since its last publication (December 2012);
 6. Other sites identified recently by the three SWC, including surplus public sector sites, vacant and derelict land and buildings and local authority property; and
 7. Sites submitted under the Call for Sites carried out after the Stage 1 Examination hearings (March / April 2014).
- 7.15 The SWC considered that data already held in relation to the above points one to six 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.

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

3. Site Assessments

7.17 A SHLAA based approach assessed sites for absolute (level one) constraints such as severe flood risk¹³, designated national/international ecological sites and significant contamination of land. Sites were excluded where those risks could not be avoided. For a few sites, amended boundaries and /or site allocation policy criteria enabled such risks to be avoided or addressed.

7.18 An initial screening of possible additional sites was then 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 forward as potential allocations, after applying published criteria set out in the Strategic Housing Land Availability Assessment, have been subject to more detailed assessment and consultation, including transportation modelling and Sustainability Appraisal.

7.19 The results of those sites which passed the sieves and tests and are included as Proposed Modifications are set out in Site Assessments 2014¹⁴. Those sites now recommended for inclusion in the SWDP housing supply are identified the Schedule of Proposed Modifications.

7.20 Those sites which have not been carried forward from the 'Call for Sites' exercise are listed in document Appendix 2 to the cover report to the Councils on 30 September 2014¹⁵. This provides a high level statement setting out succinct reasons for rejection. The reasons stated do not necessarily reflect all site-specific constraints that may exist.

7.21 It was necessary to ensure that potential allocations were assessed on a detailed basis and a level comparable with those sites allocated under the submitted SWDP. The submission of the high number of sites under the 'Call for Sites' exercise impacted on the timetable for approving and consulting on Proposed Modifications and steps to adoption¹⁶. 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) [CD 259] and the Sustainability Appraisal [CD 217a to Cd 217j].

¹³ CD 256 Strategic Flood Risk Assessment Level 2 Update (September 2014)

¹⁴ http://www.swdevelopmentplan.org/?page_id=8494 – CD 254 (and CD 254a to CD 254d)

¹⁵ "Appendix 2 :Sites not carried forward as Proposed Modifications . Available online at http://www.swdevelopmentplan.org/?page_id=8494

¹⁶ Each of the three south Worcestershire Councils also approved the revised Local Development Scheme for their administrative areas on 30 September 2014 .

These can be viewed online at - http://www.swdevelopmentplan.org/?page_id=8494

- 7.22 Whilst there was a strong response to the call for sites, for Wychavon and Malvern Hills the impact of sites consented since the plan was submitted means that it has not been necessary for the SWC to draw heavily upon those potential sources. In the case of Wychavon, using the additional potential capacity to allocate new sites was not necessary over and above those sites now committed or approved subject to S106 agreements.
- 7.23 The supply identified to address the OAHN uplift includes all sites granted consent, either directly by the local planning authority or on appeal, including sites where S.106 agreements are still to be signed and issued. It is accepted that some of these sites are outwith the 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. To do so would require the SWDP to allocate more sites than currently set out in the Proposed Modifications and for the SWDP to exceed the OAHN.
- 7.24 New sites proposed to be allocated through the Proposed Modifications include sites which have been permitted but not started by August 2014.

New supply total

- 7.25 The housing supply for South Worcestershire is 28,649, with the Sub Area totals as follows
- Malvern Hills (Ex WWA) Sub Area 5,626
 - Wider Worcester Area 12,255 (6,784 of which are in Worcester City)
 - Wychavon (Ex WWA) Sub Area 10,768
- 7.26 Tables 2 to 5 in this Addendum summarise the forecast housing supply for the plan period, by supply category and by planning status¹⁷.
- 7.27 These tables are the evidence for the supply forecasts inserted into the revised Policy SWDP 3 Table 4e, in Proposed Modification PM12. It should be noted that the totals for completions and commitments set out in revised Table 4e include dwellings on sites allocated (by the submission SWDP or sites identified in the Proposed Modifications). To avoid double-counting the totals in revised Table 4e for allocations therefore exclude those dwellings on allocation sites which have been completed or committed. However, to make clear how many dwellings would be delivered by the SWDP allocations, the row totals in Tables 2 to 5 for rows relating to site allocations include all dwellings for all planning status. The column total for Allocations in Table 6b is also for all planning status.
- 7.28 Comparing the total potential supply of 28,649 with the SWDP target of 28,400 (*which rounds upwards the 28,370 dwellings recommended by the*

¹⁷ The table rows for Submission SWDP allocations include supply from dwellings related to the Proposed Modifications associated with the intensification or reduction in site capacity, site extension of the proposed deletion of a submitted SWDP allocation.

Inspector), indicated that the 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 SWC contend that 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.

7.29 Table 6a aggregates the Sub Area information into south Worcestershire totals, by planning status.

7.30 Table 6b aggregates the Sub Area information into south Worcestershire totals, by supply source.

Table 6a: SWDP housing trajectory totals- summarised by planning status

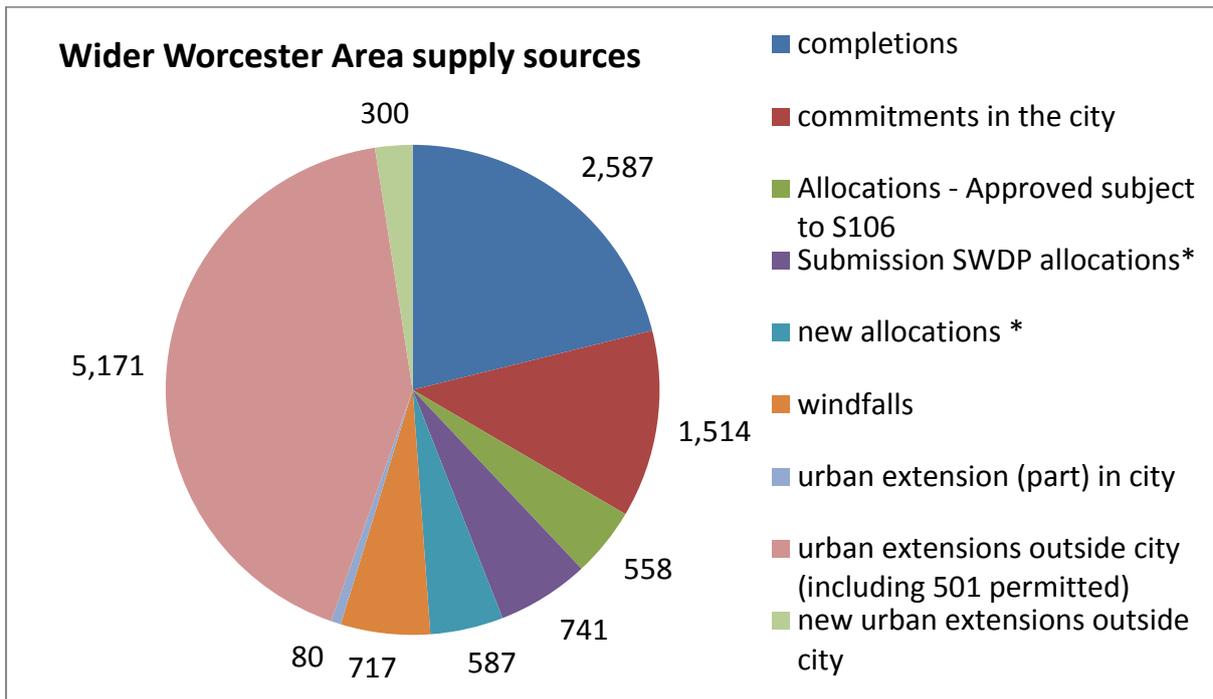
Table 6 a	Completions	Permitted Commitments (not built/UC)	Sites Approved subject to S106	Sites that are not yet commitments	TOTALS
Malvern Hills	1,686	944	694	2,302	5,626
Wider Worcester Area (Worcester City and the Worcester Urban Extensions)	2,587	2,015	558	7,095	12,255
Wychavon	2,749	4,867	193	2,959	10,768
TOTALS	7,022	7,826	1,445	12,356	28,649

Completions and Commitments are as at 1st April 2014 (plus appeals allowed to August 2014)

Table 6b: SWDP housing trajectory totals – summarised by supply sources

Table 6 b	SWDP Allocations	Small and Large sites (not SWDP allocations)	Forecast Small non-garden land Windfalls	TOTALS
Malvern Hills	3,117	2,090	419	5,626
Wider Worcester Area (Worcester City and the Worcester Urban Extensions)	8,160	3,378	717	12,255
Wychavon	5,191	4,619	958	10,768
TOTALS	16,468	10,087	2,094	28,649

Diagram 1 – Wider Worcester Area – forecast housing supply



Note: in city – within administrative boundary of Worcester City;
outside city - within Malvern Hills and Wychavon districts

Diagram 2 Worcester City – forecast housing supply (within administrative boundary of the City)

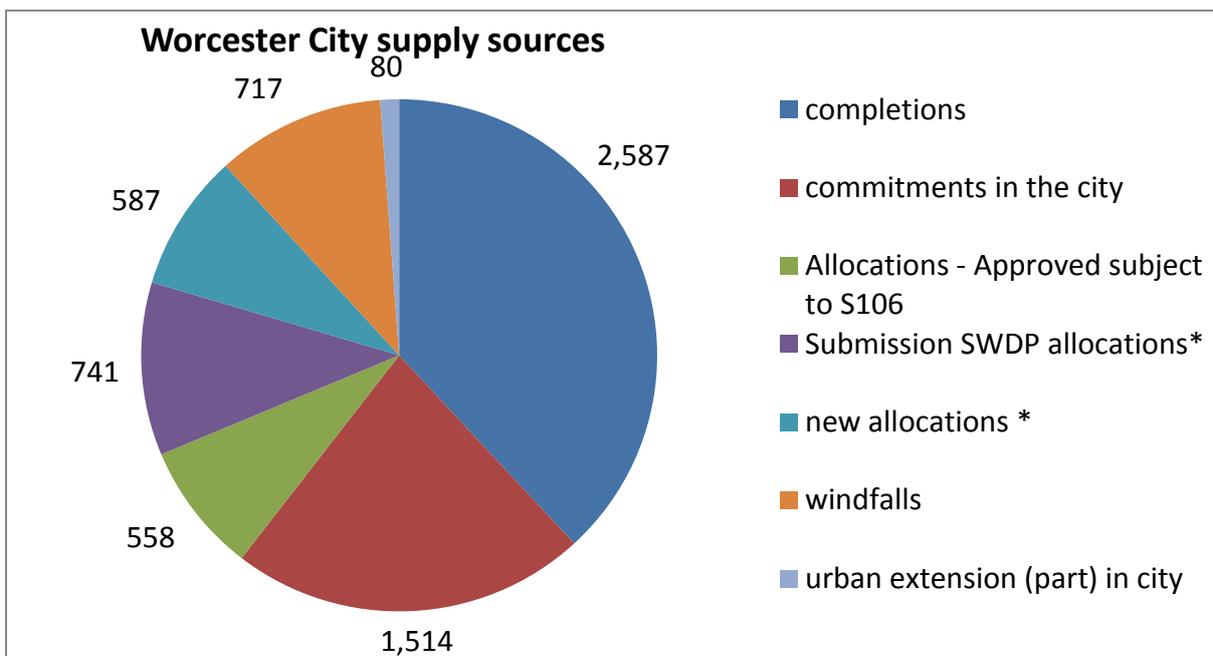


Diagram 3 Malvern Hills (Ex WWA) Sub Area – forecast housing supply

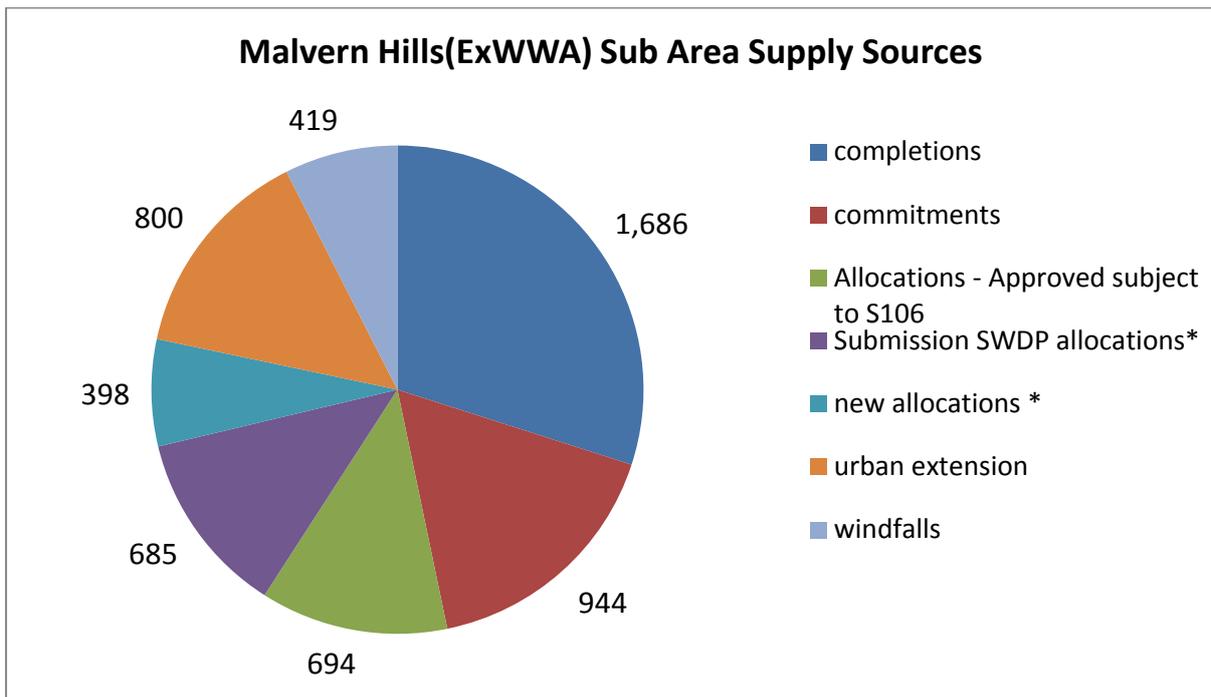
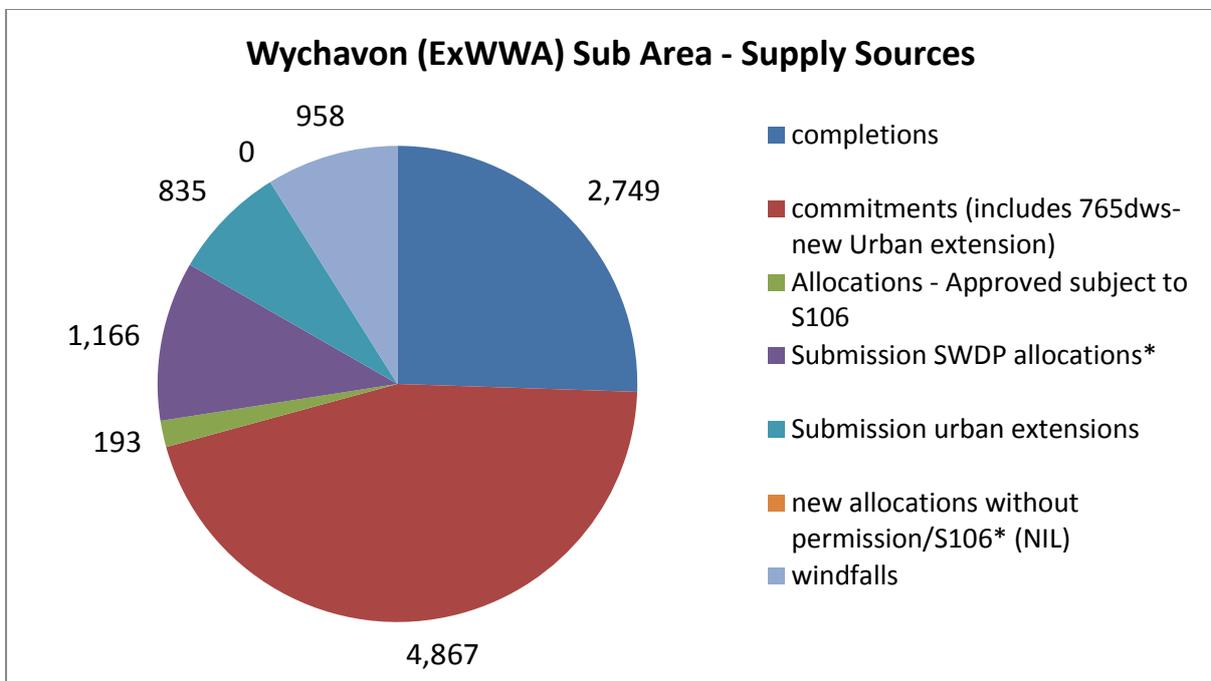


Diagram 4 Wychavon (Ex WWA) Sub Area – forecast Housing Supply



7.31 The pie charts in Diagrams 1 to 4 also illustrate the pattern of supply for the Sub Areas and for Worcester City, showing the relative share of the supply in each area by the supply category. All Sub Areas have significant proportions of their targets met by completions and commitments,

particularly in Wychavon, where completions and commitments include sites recently allowed on appeal. In these diagrams, completions and commitments include dwellings on site allocations which are built or have been committed. The 'New Allocations*' and 'Submission SWDP allocations*' segments represent those allocations where the dwellings are not built or not committed. Tables 2 to 5, and 6b summarise the total number of dwellings on allocated sites.

8. Addressing the uplift in the OAHN: Distribution of housing need

- 8.1 The SWDP seeks to address the OAHN across South Worcestershire. Section 5 of this Addendum sets out the context and principles for distributing the increased scale of housing need in line with the SWDP strategy.
- 8.2 The proposed distribution of housing need set out in the Proposed Modification to Policy SWDP 3 (PM9) reflects the available and deliverable capacity in each of the three administrative areas 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 sufficient capacity within Worcester City and the Malvern Hills (Ex WWA) Sub Area 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 appropriate way across South Worcestershire.
- 8.3 The SWDP establishes the strategy of achieving urban concentration at Worcester. This objective is delivered through SWDP policy in the form of the Wider Worcester Area¹⁸ (WWA) described in SWDP 3 para 29, and as articulated in the Proposed Modification to SWDP 2 (PM6) and the Proposed Modification to the reasoned justification to SWDP 2 (PM7).
- 8.4 Paragraph 85 of the Inspector's Interim Conclusions [EX/401] makes clear that the SWDP's arrangements for
- a) a share of Worcester's housing need being met on sites just outside and abutting its boundary, in both Malvern Hills and Wychavon; and
 - b) a part of Malvern Hills housing need being met in the WWA and part in Wychavon
- "...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".
- 8.5 It has been necessary to revisit the overall extent of the WWA as a means of addressing the uplift in the OAHN but the SWC consider that the objective of achieving urban concentration in the WWA set out in SWDP3 paragraph 29 is robust and continues to be deliverable in line with the original principles set out in plan submitted to the Secretary of State in May 2013. Through the Proposed Modifications the SWC determine the revised scale of housing provision at the Wider Worcester Area, and the distribution of need to the WWA. This is part of the policy response to the uplift in the OAHN for Worcester City and Malvern Hills..

¹⁸ 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.

8.6 The method of distribution to convert need into targets is set out in paragraph 8.12 and the calculations are in paragraph 8.30. Comparisons between the amended and submitted housing provision targets are set out in paragraph 8.17 to 8.21.

Outcome

8.7 Proposed Modification PM21 articulates 'larger than local' cross-boundary issues. It makes clear that through joint working and co-operation the Plan has redirected unmet need within the parts of the plan area.

8.8 This includes redirecting Worcester City need for about 3,100 dwellings to the Worcester urban extension. In the light of the additional housing supply capacity identified in the review, the Worcester City's revised OAHN could be met within the Wider Worcester Area, including the need directed to the Worcester urban extensions. See paragraph 8.18, and 8.22 to 8.26 of this Addendum for the relevant analysis and justification of 'policy on' housing provision targets.

8.9 Malvern Hills' need that cannot be met in its towns and villages should be directed in the first instance to the WWA at the urban extensions and only need that cannot be met there should then be directed to the Wychavon (Ex WWA) Sub-Area. Currently available evidence in the Sub Area housing trajectories¹⁹ suggests around 2,390 dwellings from Malvern Hills revised OAHN can be accommodated within the Urban Extensions in the WWA. PM22 articulates the approach for redirecting about 3,000 dwellings Malvern Hills need, in the first instance to the WWA urban extensions but about 620 of this 3,000 are directed to Wychavon (Ex WWA) Sub Area.

8.10 Proposed Modification PM36 amends the reasoned justification to SWDP3 – paragraph 29 to take account of the new land supply which has been identified in the WWA. The urban extensions provide enhanced capacity to deliver urban concentration and meet the additional housing needs of Malvern Hills and Worcester City. PM36 recognises that the scale of housing in the Wider Worcester Area policy Sub Area supports delivery of strategic objectives in the SWDP. Notably, by delivering sufficient new homes to support economic growth, regeneration, allocating development in locations with good access to local services, maximising transport choice and maximising opportunities to deliver affordable housing.

8.11 PM36 also makes clear that if future monitoring indicates a significant change in circumstances then this would require a review of how the objective of meeting Worcester's needs and unmet needs from Malvern Hills in the Wider Worcester Area would be implemented in detail. This would relate to circumstances impacting on Worcester or Malvern Hills needs or in delivering housing supply to meet needs.

¹⁹ Available online at http://www.swdevelopmentplan.org/?page_id=8494

Method of distribution – converting need into targets

8.12 An iterative method has been used to derive the revised Area housing requirement targets included in revised policy SWDP 3. This approach:

- starts with the analysis of potential supply that passes the sites assessment sieves and tests, in Malvern Hills and Worcester City (excluding the Worcester Urban Extensions other than the indicative 80 dwellings supply at SWDP 45/1 Worcester South that is within the City boundary). This takes account of constraints on the supply capacity for Worcester City and Malvern Hills' settlements to accommodate the uplift in housing need and the need for strategic compliance with the Submitted SWDP. The supply capacity for each of these two areas form the revised SWDP3 Table 4b housing provision policy targets for those two areas (rounded down to the nearest 50 dwellings); then
- assesses the capacity for Worcester urban extensions that pass the sites assessment sieves and the tests for strategic compliance (excluding the indicative 80 dwellings supply at SWDP 45/1 Worcester South that is within the City boundary). That capacity forms the revised SWDP3 Table 4b housing provision policy target for WWA (Malvern Hills and Wychavon) ; then
- calculates the following:
 - a) the difference between the amount of Worcester City housing need and the forecast housing supply in the plan period within the administrative boundary of the City. (ie excluding supply from WWA urban extensions) and
 - b) the difference between the amount of district housing need for Malvern Hills and the forecast housing supply in the plan period within the Malvern Hills (Ex WWA) Sub Area (ie excluding supply from WWA urban extensions); then
- redirects the City housing need not met within the administrative boundary to the WWA urban extensions; then
- having taken account of the scale of the City housing need redirected to the Worcester urban extensions:
 - a) calculates the remaining available supply capacity of the WWA urban extensions
 - b) redirects the remaining Malvern Hills housing need in the first instance to the WWA urban extensions as the most sustainable option for accommodating this need; then
 - c) compares the amount of Malvern Hills housing need being redirected with the remaining available supply capacity of the Worcester urban extensions, and calculates the amount of Malvern Hills need that cannot be met at the WWA urban extensions; then

- redirects that remaining Malvern Hills need to Wychavon (Ex WWA) Sub Area; then
- adds the scale of that redirected need to the Wychavon District housing need to calculate the total scale of housing need to accommodate in the Wychavon (Ex WWA) Sub Area. This forms the revised SWDP 3 Table 4b housing provision policy target for that Sub Area; and
- compares the revised housing provision policy target for the Wychavon (Ex WWA) Sub Area with the scale of capacity on sites that have been permitted or allowed on appeal, or that pass the sites assessment sieves and the tests eg for strategic compliance; Potential new allocation sites that passed the sieves and tests but are not yet permitted or allowed within the Wychavon (Ex WWA) Sub Area are not allocated where the capacity from commitments (including sites allowed on appeal), completions, future windfalls and submission plan allocations (including intensification) exceed the calculated total need.

Conversion to targets

Table 7: supply as the basis revise the SWDP3 target

Location	SWDP Inspector's recommended OAHN (districts)	Supply	SUBAREA/ Area	SWDP 3 Target (PM9)
Malvern Hills	8,590	5,626	Malvern Hills (Ex WWA) Sub Area	5,600
Worcester (Supply includes 80 dws at Worcester South SUE)	9,830	6,784	WWA (Worcester City)	6,750
Worcester urban extensions (supply excludes 80 dws in Worcester)	N/A	5,471	WWA (Malvern Hills and Wychavon)	5,450
Wychavon	9,950	10,768	Wychavon (Ex WWA) Sub Area	10,600
TOTAL	28,370	28,649	South Worcs	28,400

8.13 As recommended in paragraph 61 of the Further Interim Conclusions, SWDP 3 Table 4b has been revised such that the housing provision targets are based on the projected dwelling requirement figures for 2006-30 set at paragraph 57 of the Further Interim Conclusions.

8.14 Table 7 provides a summary of the distribution of the OAHN and the consequential housing requirements for the policy sub-areas in Policy SWDP 3 (as incorporated into SWDP 3 Table 4b by the Proposed Modifications PM9). The revised detailed housing trajectories [CD 229a to CD 229d] provide the evidence of supply summarised in this table.

Revised SWDP 3 Sub Area housing provision targets

8.15 The revised housing targets set out in PM9 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 housing growth within the SWDP (as proposed to be modified) 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.

8.16 Table 8 provides the comparable figures for the submitted version of the SWDP.

Table 8 Policy SWDP 3 as set out in Submitted SWDP

	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

8.17 By comparing Table 7 (and the revised SWDP 3 Table 4b) with the submitted plan targets reproduced in Table 7, it can be seen that as well as the total 5,200 net increase, all Area totals have increased.

- 8.18 The largest increase is in the Wider Worcester Area where at 12,200 the combined total of the two policy area targets under PM9 is 2,800 above that of the 9,400 target in the submitted SWDP. This is a significant increase in the level of growth proposed in the WWA, both within the City and at the urban extensions, compared to the target in the submitted SWDP. This 30% uplift reinforces the sub-regional focus of Worcester for strategic employment, housing and retail development. It is consistent with the Plan's policy towards urban concentration at Worcester. The SWC contend that 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. The extension of the SWDP45/2 Temple Laugherne (Worcester West urban extension) located within Malvern Hills district accounts for 42% of that proposed increase.
- 8.19 The target for Malvern Hills (Ex WWA) Sub Area has increased by 700 dwellings, a rise of 14%.
- 8.20 The target for Wychavon (Ex WWA) Sub Area has increased by 1,700, a rise of 19%.
- 8.21 SWDP 3 Table 4b with the housing provision requirement as amended by Proposed Modification PM9 is set out below in Table 9, showing the Area Subtotal housing provision targets. The structure of Table 4b has been revised in response to paragraph 86 of the Interim Conclusions on the Stage 1 Matters.

TABLE 9 - revised Housing Provision targets (PM9)

delete Table 4b and replace with the following

SWDP 3 Table 4b: HOUSING PROVISION 2006-2030				
SUB AREA	AREA	AREA SUBTOTAL	Market Housing	Affordable Housing¹²
Wider Worcester Area (WWA)	Wider Worcester Area (Worcester City*)	6,750	5,100	1,650
	Wider Worcester Area (Malvern Hills and Wychavon*#)	5,450	3,250	2,200
Malvern Hills (excluding WWA)	Malvern Hills (excluding WWA)	5,600	3,900	1,700
Wychavon (excluding WWA)	Wychavon (excluding WWA)	10,600	7,300	3,300
	South Worcestershire Total	28,400	19,550	8,850

Note * Located within the district of
For monitoring purposes the target (market housing and affordable housing) for that part of WWA within Malvern Hills District is 4,550 and the target for that part of WWA within Wychavon District is 900

8.22 The Wider Worcester Area is a Sub Area. In the submitted SWDP there was a policy housing provision target for the whole Wider Worcester Area, but there was also a separate policy target for Worcester City. The latter is necessary for the LPA to meet the requirements of Framework paragraph 47. However, to provide certainty about the scale of the housing provision target relating only to that part of WWA outwith the City administrative boundary, it is necessary for SWDP 3 Table 4b to specify the scale of the housing provision target for the WWA (Malvern Hills and Wychavon). So for the purposes of the housing provision policy, this Sub Area is divided into two Areas:

- WWA (Worcester City)
- WWA (Malvern Hills and Wychavon)

8.23 Within the WWA there are therefore two separate Area targets set out in revised SWDP 3 Table 4b (see PM9). They reflect the scale of forecast potential supply in the plan period within Worcester City and the scale of the supply in the Worcester Urban Extensions outside Worcester City, rounded down to the nearest 50. These Area targets are as follows:

1. WWA (Worcester City) 6,750
2. WWA (Malvern Hills and Wychavon) 5,450

8.24 These two Area targets are specified in order to provide certainty about the scale of housing requirement within the City and the scale of requirement in the remainder of the Wider Worcester Area. The detailed housing trajectory for Worcester City uses the revised policy target for the City of 6,750. The annualised average for the plan period for the City is therefore 281pa. Based on a target of 5,450 the annualised average for WWA (Malvern Hills and Wychavon) is 227 pa.

8.25 Added together, the aggregated total provision requirement is 12,200 dwellings. That summed total is used in the housing trajectory for the Wider Worcester Area to illustrate the combined effect of targets and delivery of housing supply for the overall WWA. The summed total targets plus the summed supply are also used in the illustrative graph for WWA in Appendix 1 of this Addendum (and PM240 - revision to SWDP Annex E).

8.26 However, it is emphasised that revised policy SWDP 3 does not specify an overall policy target for the Wider Worcester Area because it would make Policy SWDP3 ambiguous. A target for the Wider Worcester Area in addition to the two Area targets could cause misunderstanding about the status of those two Area targets. The two targets might not be considered to be "separate and non-transferable". This would undermine the strategy

for accommodating strategic growth of Worcester in sustainable urban extensions, by implying that more of the planned scale of growth should be accommodated in the City or more might be added to the urban extensions, contrary to the evidence and to the policy.

Monitoring

- 8.27 The revision to the structure of Table 4b is the part of the SWC response to paragraph 86 of the Interim Conclusions on the Stage 1 Matters. The Inspector concluded that “by **making it clear in the Plan that, for the purposes of monitoring their five-year housing land supply, Malvern Hills and Wychavon will make separate calculations for those parts of their administrative areas within and outside the WWA**, in accordance with policy SWDP3 D and Table 4b. (The issue does not arise for Worcester City because its administrative area apportionment is already set out in the Plan.) This would be in addition to the sub-area-based monitoring described in paragraph 33 of the reasoned justification to policy SWDP3.
- 8.28 Consequently, there is now a footnote to revised SWDP 3 Table 4 b (see PM9) as follows:
- # For monitoring purposes the target (market housing and affordable housing) for that part of WWA within Malvern Hills District is 4,550 and the target for that part of WWA within Wychavon District is 900.*
- 8.29 These amendments enable each LPA to demonstrate a five-year housing land supply in its own area. The monitoring figures for that part of WWA within Malvern Hills District and that part within Wychavon District are based on Policy SWDP 45 and the scale of planned housing growth in the urban extensions within each of those two districts.

Distribution Calculations

- 8.30 The calculation for the distribution and accommodation of need from Malvern Hills district to be redirected to Wychavon (Ex WWA) Sub Area and thereby identify the policy target for the Wychavon (Ex WWA) Sub Area is as follows:
1. The Malvern Hills supply (excluding supply in the WWA urban extensions) is forecast to be 5,626. Rounded down to the nearest 50 this forms the scale of the Malvern Hills (ex WWA) Sub Area target (5,600)
 2. Deducting the Malvern Hills (Ex WWA) Sub Area target of 5,600 from the Malvern Hills OAHN (8,590) results in needing to redirect 2,990 dwellings.
 3. The Worcester supply (excluding supply in the WWA urban extensions) is forecast to be 6,784. Rounded down to the nearest 50 this forms the scale of the Worcester City target (6,750).

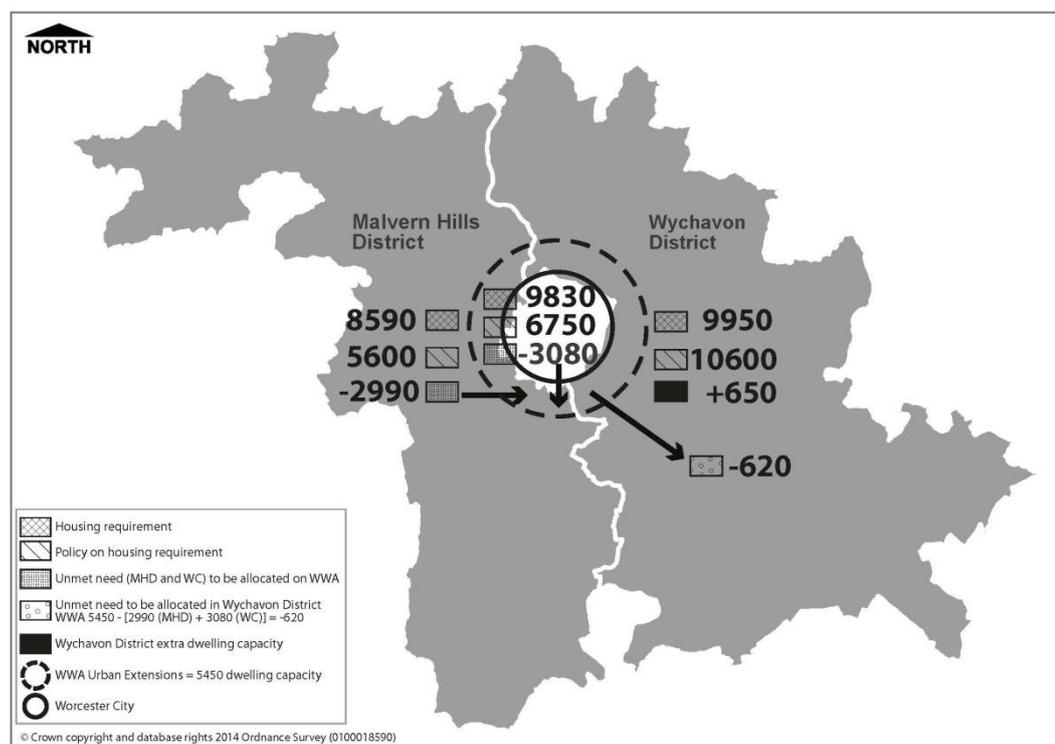
4. Deducting the WWA (Worcester City) target of 6,750 dwellings from the overall Worcester need 9,830 leaves a residue of 3,080 unmet need.
5. Deducting that residue from the WWA (Malvern Hills and Wychavon target) of 5,450 leaves a residue of urban extension capacity of 2,370.
6. Deducting that residue of capacity from the 2,990 Malvern Hills (Ex WWA) Sub Area target, results in 620 dwellings unmet Malvern Hills need being redirected to Wychavon (Ex WWA) Sub Area.
7. Adding the 30 dwellings 'rounding up' of the total OAHN for south Worcestershire (from 28,370 to a target of 28,400) to the 620 redirected need, leads to 650 dwellings being added to the 9,950 dwellings Wychavon OAHN.
8. This results in the Wychavon (Ex WWA) Sub Area "policy on" target of 10,600 dwellings. The latter equates to an annualised average housing provision of 429 pa.

Sustainability of the distribution of need

- 8.31 Accommodating the need directed from Worcester City at the urban extensions immediately adjoining the City remains the most sustainable option, and fully accords with the development strategy.
- 8.32 In setting and justifying the housing provision targets, the displaced housing need from the Malvern Hills (Ex WWA) Sub Area has been redirected in the first instance to the Wider Worcester Area (Malvern Hills), as the most sustainable option. The remaining 620 dwellings of unmet need are redirected to Wychavon (Ex WWA) Sub Area where the most sustainable option is provided by the housing supply capacity in locations with the strongest existing economic linkages to Malvern Hills (see paragraph 8.35 to 8.39 of this Addendum). This approach enables the Malvern Hills housing need to be met within the plan area.
- 8.33 The scale of extra supply identified in PM12 in Worcester City, Malvern Hills (Ex WWA) Sub Area and at the Worcester urban extensions has resulted in a reduction of 55% in the scale of need redirected from Malvern Hills to Wychavon (Ex WWA) Sub Area compared to the submitted SWDP. The scale of redirection is down from 1,350 to 620 dwellings. This is a significant improvement, reducing the associated likely increase in the need to travel between these two Sub Areas resulting from the Wychavon Sub Area accommodating the scale of redirected need. It provides a closer fit with the strategy than earlier iterations of the plan, and represents a major benefit of the uplift in housing need and the housing supply response to that uplift.

8.34 Diagram 5 below shows the flows of housing growth within the SWDP sub-areas under SWDP Policy 3. It illustrates the redistribution of housing need from Districts to Sub Areas.

Diagram 5: Housing flows across the SWDP as recommended under Proposed Modification to SWDP Policy 3.



8.35 The scale of redistribution from Malvern Hills to Wychavon is compatible an economic prosperity led planning strategy. The SWC have assumed that about 600 dwellings of the redistribution relates to the accommodation of in-migrants providing labour force for Malvern Hills jobs. Assuming one worker per dwelling would result in 600 additional commuters from Wychavon to Malvern Hills by the end of the plan period. The scale of increase is credible when compared to the latest travel to work information from the 2011 census. (see Table 10)

Travel to Work from Wychavon to Malvern Hills

8.36 The SWC do not forecast precisely where the redirected housing need would be accommodated within Wychavon (Ex WWA) Sub Area, but the strategy for urban focus and the avoidance of a widespread rural dispersal facilitates the approach to redirecting need towards the most sustainable locations.

8.37 Latest 2011 census information about travel to work from Wychavon district to Malvern Hills district provides evidence to support the approach

to redistribution of the residue of about 600 dwellings of unmet Malvern Hills housing need to the Wychavon sub area. (see Table 9).

Table 10 Travel to Work between Malvern Hills and Wychavon

WU02UK - Location of usual residence and place of work by age			
ONS Crown Copyright Reserved [from Nomis on 18 September 2014]			
population	All usual residents aged 16 and over in employment the week before the census		
units	Persons		
date	2011		
age	Aged 16 and over		
	place of work		
usual residence : 2011 census merged local authority district	Malvern Hills	Wychavon	
Malvern Hills	11,231	1,599	
Wychavon	1,265	20,677	
In order to protect against disclosure of personal information, records have been swapped between different geographic areas. Some counts will be affected, particularly small counts at the lowest geographies.			

8.38 Table 10 provides that evidence that there are already flows of commuters from Wychavon to Malvern Hills. Even assuming that each dwelling accommodating need redirected from Malvern Hills to Wychavon is occupied by a commuter who lives in Wychavon and works in Malvern Hills then it could result in an uplift to 1,865 commuters compared to the 2011 total of 1,265 living in Wychavon and working in Malvern Hills. That is a rise of 47%. The rise could be less if more of the Malvern Hills labour force reside in the district and/or more redirected need is for reasons other than for housing commuters to Malvern Hills.

8.39 The scale of increase in commuting from Wychavon to Malvern Hills is credible because:

- There is 2011 census evidence of existing commuting flows between the two districts
- The potential scale of the rise in commuting flows is credible. For example it doesn't represent eg a doubling or trebling of the commuting numbers
- The uplift in the overall housing supply in Wychavon can accommodate this increase related to redirection and the uplift in housing supply in Wychavon. This uplift has been tested by the transport modelling assessment, where the overall impact, measures and costs have been

identified. It is unlikely that all of the redirected need would result in commuting flows focused on a single town or a single point on the road network.

- 600 workers would equate to 20% of the increase in jobs growth in Malvern Hills (2012-2030). Although only a part of the labour supply to fill jobs in Malvern Hills, it is important that the opportunities to house those commuters are provided at sustainable locations in Wychavon with good transport links to Malvern Hills. The focus on urban growth in Wychavon is consistent with that approach.

9. Policy development : Revised SWDP 3 -Housing supply

9.1 The evidence on supply set out in the housing trajectories and summarised in Table 2 to 5 are the basis for the Proposed Modification PM 12 to SWDP table 4e on housing supply (reproduced below). It supersedes the equivalent analysis set out in Section 9 of the Housing Background Paper 2012.

TABLE 4e TOTAL OVERALL PROVISION 2006-2030	Employment ha	Homes ^M	Retail (sq. m)	
SUPPLY COMPONENTS				
Wider Worcester Area			Food	Non-Food
Completions ^A	9	2,184 2,587	2,600 5,111	10,085
Commitments ^B	35.4	940 2,015	40,000 1,273	6,000 8,197
Empty Homes in Use	N/A	150	N/A	N/A
Extra care housing release	N/A	100	N/A	N/A
Windfall Allowance ^C	N/A	847 717	N/A	N/A
Urban Capacity Allocations ^D (SWDP 43, 44)	32	4,455 1,886	0	40,000 22,000
Urban Extensions ^{E, F}	41	3,925	2000 1,500	500
Urban Extensions (Worcester City) ^{E, F}		80		
Urban Extensions (Malvern Hills District) ^{E, F}		4,585		
Urban Extensions (Wychavon District) ^{E, F}		385		
SUPPLY Subtotal	117.4	9,615 12,255	30,600 7,884	40,782
Malvern Hills (excluding WWA)				
Completions ^A	10.84	1,326 1,686	1,248 0	536 0
Commitments ^B	10.76	709 944	400 880	0 88
Empty Homes in Use	N/A	150	N/A	N/A
Extra care housing release	N/A	200	N/A	N/A
Windfall Allowance ^C	N/A	562 419	N/A	N/A
Urban Capacity Allocations	9	397 806	1,011	3,724
Urban Extensions	10	700 800	0	0
Village Allocations ^H	0	554 827	0	0
Tenbury Wells Allocations	0	70 75	48 (0)	302 0
Upton-upon-Severn Allocations	0	400 68	17 0	214 0

TABLE 4e TOTAL OVERALL PROVISION 2006-2030	Employment ha	Homes ^M	Retail (sq. m)	
SUPPLY Subtotal	40.6	4,768 5,626	7,470 1,891	3,812
Wychavon (excluding WWA)				
Completions^A	32.38	1,399 2,749	0 2,616	7,142 4,212
Commitments^{B, G, H, I, J}	52.88	2,136 4,867	0 2,468	4,200 3,338
Empty Homes in Use	N/A	250	N/A	N/A
Extra care housing release	N/A	200	N/A	N/A
Windfall Allowance^C	N/A	963 958	N/A	N/A
Urban Capacity Allocations	0	784 711	500	750
Urban Extensions	33.5	2,140 835	0	0
Village Allocations^F	0	1,173 648	0	0
Major Rural Employment Allocations (Throckmorton Airfield²⁰ and Interbrook, Pinvin²¹)	14.45	N/A	N/A	N/A
Major Development Area intensification (land equivalent)	6	N/A	N/A	N/A
SUPPLY Subtotal	139.21	9,042 10,768	12,592 5,584	8,300
South Worcestershire TOTAL SUPPLY	297.21	23,425 28,649	50,662 15,359	52,894

Changes in forecast housing supply

- 9.2 Comparing the new supply within SWDP 3 Table 4e as amended by Proposed Modification PM 12, it can be seen that the total supply of 28,649 is about 250 dwellings above the new overall target of 28,400 in revised SWDP 3 Table 4b.
- 9.3 The supply categories of bringing long term empty homes back into use and the release of C3 housing arising from the development of extra care

²⁰ _____ Proposals map reference SWDP3/1.

²¹ _____ Proposals map reference SWDP3/2.

high care accommodation have been deleted in response to paragraphs 71 and 77 of the Inspector's Interim Conclusions on the Stage 1 Matters.

- 9.4 PM35 amends SWDP 3 -paragraphs 24 as follows: 'The Framework makes clear that local planning authorities should identify and bring back into residential use empty housing and buildings, in line with local housing and empty homes strategies. No specific allowance for net additional housing supply from bringing empty homes back into use is made for this in SWDP 3. Any future empty homes strategy and evidence relating to the means to support delivery may enable a future SWDP review to take this potential supply source into account in line with national guidance.'
- 9.5 The SWC have accepted the Inspector's recommendation regarding empty properties and C3 housing release for the purposes of taking the plan forward but continue to believe that additional supply could be generated this way and may consider undertaking further research to see how these supplies could be enabled and what they might contribute to the housing supply in the longer term.
- 9.6 For the purposes of SWDP Table 4e- Housing Supply, the SWC consider that extra care housing that accommodates households and are self-contained (eg apartments and bungalows) can be included in the supply assessment. However, care homes which provide communal/institutional accommodation that is not self-contained are excluded. The SWC contend that it is the ability of extra care housing to accommodate a household, not its liability to contribute towards affordable housing, which is the principal reason to include this type of extra care housing within SWDP 3 housing supply. This is relevant because the uplift in housing need (OAHN) and therefore the uplift in SWDP 3 Table 4b housing targets, relates directly to the underlying evidence forecasting the uplift in the number of households in the plan area.

Wider Worcester Area/Worcester City Supply

- 9.7 The forecast overall supply total for WWA has increased by 2,640 to 12,255. The supply within the Worcester urban extensions has increased by 1,625 from 3,925 to about 5,550 (including 80 within Worcester City). Separate totals for those parts of the urban extensions within each of the three districts are shown in the revised SWDP 3 Table 4e (PM12) to facilitate monitoring. The main source of this increase is the extension to the SWDP 45/2 Temple Laugherne (Worcester West) urban extension, increasing its capacity from 975 to around 2,150 dwellings (PM100). Worcester South has increased by about 150 dwellings (including an indicative 80 dwellings within the City boundary) – PM93. Supply is added to by the new urban extension allocation proposed land at Swinesherd Way, east of the A4440 (PM116).

- 9.8 The forecast supply in Worcester City has increased by nearly 1,100 from 5,690 to 6,784, including supply from 29 additional sites identified in the Proposed Modifications.
- 9.9 The scale of supply identified within the City (about 6,780 dwellings) comes from completions, commitments, future small windfalls (ie less than 10 dwellings (net)) windfalls and allocations, Identification of the latter took account of site availability, the viability of delivering affordable housing and infrastructure, and material considerations such as the Green Belt, flood risk, heritage assets, the Local Green Network, and the need for employment land. The share of Worcester's need for housing that is unmet in the City (about 3,100 dwellings) and part of the need for employment land (about 25ha) is redirected to the Worcester urban extensions so that need is met in the WWA on sites just outside the administrative boundary, in both Malvern Hills and Wychavon (policy SWDP 3H).

Malvern Hills (Excluding WWA) Sub Area Supply

- 9.10 Forecast supply in Malvern Hills (Ex WWA) Sub Area has increased by about 860 from 4,768 to 5,626 dwellings. This increase has been achieved through a mixture of supply from planning permissions and sites allowed on appeal (on five-year housing land supply grounds), intensification of submitted SWDP sites, and eight additional sites allocated through the Proposed Modifications (six in the towns and two in the villages).
- 9.11 The Malvern Hills (Excluding WWA) Sub Area target has been based on supply consistent with a scale of growth in the Sub Area which reflects the need to respect key natural and environmental assets. This also avoided generating a level of rural dispersal that would be at odds with the SWDP strategy. Other material considerations were taken into account, such as site availability and the viability of delivering affordable housing and infrastructure. About 65% of Malvern Hills district need is forecast to be met within the Malvern Hills (Ex WWA) Sub Area. This leaves approximately 35% of the OAHN need to be met outside the Sub Area. (See paragraphs 8.30 of this Addendum.) Redirection of approximately 3,000 dwellings of Malvern Hills need was necessary because of limited opportunities for urban growth in Malvern Hills District. This is due to constraints on the development of Malvern resulting from proximity to the Malvern Hills AONB and the need to protect the AONB from adverse environmental impacts of extensive, concentrated urban development nearby.

Wychavon (Excluding WWA) Sub Area Supply

- 9.12 Forecast supply in Wychavon (Ex WWA) Sub Area has increased by about 1,700 from 9,042 to 10,768 dwellings. This has been achieved through the supply from new proposed allocations all of which have the benefit of planning permission or at least a resolution to grant planning permission subject to a S.106 legal agreement and which are supportive of the proposed SWDP development strategy; sites allowed on appeal some of which are not supportive of the Plan' development strategy but are nonetheless a new commitment; plus intensification on submitted SWDP allocations.
- 9.13 No new sites which do not have planning permission, nor a resolution to grant one, have been put forward as allocations in this Sub Area as the "policy on" housing requirement has already been exceeded by the supply from other sources.
- 9.14 Overall the majority of the development in Wychavon 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). Compared with the submitted SWDP, the balance of rural development versus urban development has moved slightly in favour of the former but that has been driven by the planning applications approved including appeal sites, and not plan led.

10. A Housing Implementation Strategy for South Worcestershire

Housing Trajectories - Plan, Monitor, Manage

- 10.1 The evidence set out in this section supersedes the equivalent evidence in Section 9 the Housing Background Paper 2012.
- 10.2 The evidence base provides housing trajectories, in line with the Framework paragraph 47 which states that *“To boost significantly the supply of housing. local planning authorities should:*
- *for market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period*
- 10.3 There are updated detailed housing trajectories for each housing Sub Area plus Worcester City. These provide the following:
- They show the number of dwellings built or forecast to be built for each year in the plan period, for
 - each large site
 - the aggregated total for small sites built and permitted
 - the aggregated total for forecast small site (non-garden land) windfalls.
 - The trajectory tables are accompanied by
 - summations of completions by supply category and planning status
 - pie charts illustrating the forecast completions for the plan period by supply categories
 - the forecast total affordable housing supply on the large sites, and overall supply totals
 - counts of dwellings on Greenfield and Brownfield sites
- 10.4 The approach to the production of housing trajectories relating to the response to the uplift in the OAHN is the same as described in the Housing Background Paper 2012 (section 9 and Appendix 13), except for the following:
- They are based on end March 2014 monitoring of development, plus recent appeals (see Section 7 of this Addendum) – which is reflected in Proposed Modification PM12
 - They reflect Proposed Modification PM13 to apply a 5% discount to current commitments on sites not allocated which are not completed or under construction
 - They use the latest information from the Call for Sites 2014 about the anticipated time period when the sites will be deliverable or developable (consistent with the Framework and the latest National Planning Practice Guidance)

- They reflect Proposed Modification PM12 - the trajectories do not include forecast of supply from bringing empty homes back into use
- They reflect Proposed Modification PM12 - the trajectories do not include forecast of supply from the release of C3 housing arising from the occupation of extra care-high care package accommodation
- They reflect Proposed Modification PM12 the forecast of windfalls is based on the latest evidence and is counted from year 4 onwards ie from 2018/19 (see Section 7 of this Addendum)

10.5 The detailed housing trajectories have been updated with the latest evidence about housing supply (see Section 7 of this Addendum) and reflecting the Proposed Modifications revising the housing provision targets (PM9) and the housing supply (PM12 and the changes to the policies allocating sites).

10.6 The graphs illustrating the trajectories published in Annex E of the submitted SWDP have been also been updated (see proposed modification PM240). They illustrate the Proposed Modifications revising the housing provision targets (PM9) and the housing supply (PM12) and the changes to the policies allocating sites (see Appendix 1 of this Addendum).

'Policy-on' Rolling 5 year housing land supply

10.7 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 to assess the housing land supply. Proposed Modifications including PM9 and PM12 depends on that evidence, and the Councils' approval of those Proposed Modifications for consultation has therefore endorsed the use of that evidence.

10.8 The SWDP seeks to establish the 'policy on' Sub Areas/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/Area.

10.9 The Inspector concluded in Interim Conclusions paragraph 98 [EX/401]:
 "It follows from this that a 5% buffer should be used when calculating whether or not the Plan's housing delivery trajectories will deliver a five-year housing land supply in accordance with NPPF paragraph 47. It would nonetheless be prudent also to calculate the five-year supply using a 20% buffer, in order to test the robustness of the trajectories."

- 10.10 The graphs in Appendix 1 of this Addendum²² illustrate the rolling 5 year housing land supply over the plan period for each sub area and for Worcester city (up to the year when the target is forecast to be achieved). They test both the 5% and 20% buffers.
- 10.11 The Inspector also drew conclusions about evidence regarding the issue of “persistent under-delivery”(which could trigger the use of the ‘Sedgefield approach’ to making good a shortfall through delivery in the first 5 years), concluding in paragraph 97:
“But taking into account that the Panel’s recommended figures have never had formal development plan status, I consider that under-delivery against those figures, when balanced against a record of successful provision in the preceding 10 years, should not be regarded as persistent under-delivery for the purposes of this examination.”
- 10.12 The method for calculating the rolling 5 year housing land supply over the plan period for this analysis is the same as employed in the calculations for the Submitted plan, and set out in the Housing Background Paper 2012, except for the following:
- The rolling 5 year analyses use the revised targets set out under Proposed Modification PM9
 - The ‘Sedgefield’ approach is applied to the analysis for Malvern Hills (Ex WWA) Sub Area and for Wychavon (Ex WWA) Sub Area, from 2014/15 to 2016/17 (inclusive) for testing purposes at which point any past shortfall is forecast to have been met by the forecast supply. This does not imply that the Councils consider that there is evidence of persistent under-delivery, but it is used to demonstrate that the supply is capable of meeting a Sedgefield approach.
- 10.13 The residual method (the ‘Liverpool’ approach) is applied to Worcester City because there is no evidence of persistent past under-delivery against the revised target set out under Proposed Modification PM9. This is demonstrated by the evidence in the ‘monitor’ graph where the monitor line is always above the x-axis of the graph.
- 10.14 The residual method is also applied to the WWA. The residual method is appropriate due to the site specific phasing of Worcester urban extensions. It is unreasonable to apply the Sedgefield approach, because:
- no further sites have passed the site assessment sieves or other tests that could deliver the additional housing by 2019
 - sites that failed to pass the tests would either lead to a departure from strategy eg leading to dispersal, or change the strategy which would undermine the plan

²² These graphs reproduce the graphs accompanying the detailed housing trajectories [CD 229a to CD 229d]

- 10.15 That evidence demonstrates how the plan can maintain a 'rolling' five-year supply with either a 5% or 20% buffer brought forward from the end of the plan period, taking into account the site allocations and other supply components in SWDP 3 Table 4e.
- 10.16 Even after applying the 'Sedgefield' approach to the Malvern Hills (Ex WWA) and to the Wychavon (Ex WWA) Sub Area, the evidence on the graphs in Appendix 1 demonstrates how a 'rolling' five-year supply with a 20% buffer can be maintained to the mid 2020s and later.
- 10.17 The forward looking 5 year supply position declines at the end of the plan period but this is because the Framework does not require the SWDP to provide a land bank at the end of 2030. The plan review is the correct mechanism for identifying supply after 2030.

Static, current 'snapshot' 5 year housing land supply

- 10.18 Analysis in this Addendum assesses a rolling 5 year housing land supply, to demonstrate the ability to maintain housing supply in the 'policy-on' context of the SWDP, as amended by the Proposed Modifications.
- 10.19 The SWC distinguish between the SWDP's rolling 5 year land supply trajectories and the static calculation of a 'snapshot' analysis which looks only at the next 5 years. The latter is used for development management purposes when assessing the current position of the 5 year housing land supply as required by Framework paragraph 47, and to determine whether a plan is up to date. Framework paragraph 49 states that
- 'Housing applications should be considered in the context of the presumption in favour of sustainable development. Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.'
- 10.20 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.
- 10.21 The calculations in a static 'snapshot' of the 5 year housing land supply at any one point in time are dependent on detailed information at the time of calculation and judgment over the weight afforded elements of the plan as it progresses through the plan making process.

10.22 The OAHN would, in the SWC's opinion, be the starting point for static calculations but the Sub Areas should become the basis for calculating supply on a non transferable basis. It will be for each individual authority to prepare its own static calculations.

10.23 The need for each LPA to monitor development within its administrative area, within and outside the WWA, was stated in the Inspector's Interim Conclusions paragraph 86 (EX/401). However, without the 'policy on' approach set out in the 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' basis at a district by district level. There are considerable differences between 'policy off' and 'policy on' targets, particularly for Worcester City and Malvern Hills.

Wider Worcester Area - implementation

10.24 Proposed Modifications PM12, PM9 and those related to the consequential changes to the Reasoned Justification to SWDP 3 amend the SWDP to take account of the new land supply which has been identified in this area and its enhanced capacity to deliver urban concentration and meet additional housing needs of Malvern Hills and Worcester City. PM36 provides additional text setting out how this approach supports a number of strategic objectives within the SWDP. If monitoring identifies a significant change in circumstances then the SWC would need to review how the objective of meeting Worcester's needs and unmet needs from Malvern Hills in the WWA would be implemented in detail.

11. Affordable Housing – provision target and supply

- 11.1 Section 11 of this Addendum supersedes the equivalent analysis in Section 9 and appendix 6 of the Housing Background Paper 2012.
- 11.2 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 Interim Conclusions [EX/401 paragraphs 52 to 53] 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. In paragraph 54 he commented on the potential for other sources outside the development process to contribute to affordable housing supply
- 11.3 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 that 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 Proposed Modification PM42 to SWDP Policy 15: (Meeting Affordable Housing Needs) which proposes a reduced contribution towards affordable housing on brownfield sites within Worcester City on viability grounds.
- 11.4 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.
- 11.5 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 SWDP's overall viability.
- 11.6 The updated SWDP Viability Assessment 2014²³ has 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

²³ The Viability Study 2014 [CD 255] can be viewed at - http://www.swdevelopmentplan.org/?page_id=8494

consideration is given to a reduction in the affordable housing requirement in Worcester on brownfield sites and that further detailed assessment is undertaken regarding the viability of the proposed Major Urban Extensions of the city.

- 11.7 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.
- 11.8 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.
- 11.9 The updated affordable housing need total is 8,140 affordable dwellings. The current forecast is that even with the Proposed Modification to SWDP Policy 15 a total of 8,882 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. [See Appendix 2 to this Addendum]. However, this will be subject to on-going assessment of viability and specifically viability and deliverability for major sites.
- 11.10 Whilst the projected supply of 8,882 affordable dwellings suggests a modest surplus of affordable housing against need, this masks 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 640 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 Proposed Modifications.
- 11.11 The plan area target of 8,850 affordable dwellings (PM9) could accommodate the forecast total level of potential need, and is a realistic target for delivering affordable housing via the uplift in development value. The potential shortfall forecast in the WWA is expected to be

reduced through other, non-development sources of supply as well as the joint allocations policy approach. These include:

- a. Changes in tenure within the existing stock, or from sources external to south Worcestershire, which will not require the construction of additional dwellings, including;.....
 - i. Change in stock in Worcester from market housing to private sector rent that is affordable (the potential for delivering 285 units through the Local Lettings Agency during the plan period is additional to the 3,868 supply on which the combined WWA targets in SWDP 3 for 3,850 units are based .

11.12 Whilst not falling within the Framework's definition of 'affordable housing', housing delivered with the support of the Local Lettings Agency provides a potential source of inexpensive accommodation for households who would otherwise need affordable housing.

11.13 Appendix 2 of this Addendum provides the evidence to justify the revised targets for affordable housing. Deducting those targets from the Sub Area/Area totals in revised SWDP 3 Table 4b gives the targets for market housing, as set out in Proposed Modification PM9. (reproduced in Table 9 in this Addendum).

11.14 Notwithstanding the change to the SWDP 15 target percentage of affordable housing applied to brownfield sites in Worcester City, the same sliding scale approach has been applied to the uplift supply as was used for submission supply, applied to each of the large sites without planning permission (set out in the detailed housing trajectories). Table 4b brings the two together.

12. Sustainability Appraisal of revised Policy SWDP3

- 12.1 Section 12 of this Housing Background Paper Addendum updates the analysis relating to the consideration of the Sustainability Appraisal of the SWDP as set out in Section 10 of the Housing Background Paper November 2012.
- 12.2 Section 1.6 of the Sustainability Appraisal (SA) (Integrated Appraisal) Addendum Report (August 2014)²⁴ makes clear that further SA was undertaken to inform the preparation of the package of sites arising from consideration of the Examination Inspector's recommended substantive increase to the housing requirement for the SWDP identified through the Stage 1 Examination.
- 12.3 The SA Addendum report 2014, paragraph 2.2, states that the earlier SA Addendum Report (July 2013) [CD217] that accompanied the proposed Submission SWDP sets out in one document how the scope of the SA had been identified and kept updated (paragraphs 2.2 – 2.13), and how the SA Framework of objectives for sustainable development was used to assess emerging aspects of the Plan (section 3 and Appendix C). This includes explanation of how an integrated approach has been taken to sites assessment and SA for the urban capacity and rural allocation (previously known as non-strategic) housing sites. The details of the sites assessment method and its correlation with the SA Framework of objectives are provided in Appendix B.
- 12.4 The SA Addendum report 2014 makes clear that the same approach was taken to the SA of options for the emerging proposed sites. Due to their relative large size options for Urban Extensions were subject to detailed SA and recorded in separate matrices (Appendix D). The options for Urban Capacity and Rural Allocation sites were re-appraised according to settlement areas – in the same way as had been undertaken previously during 2011-13.
- 12.5 In consideration of the significant increase to the housing requirement for the SWDP identified through the Stage 1 Examination, further sustainability appraisal work was undertaken to inform the preparation of the package of sites. This is set out in SA Addendum Report. The purpose of this further SA Addendum Report is to explain the need for additional SA, set out the methods used, and report the findings of the SA and how these influenced the further development of the Plan with regard to housing sites.
- 12.6 Section 4 of the SA Addendum Report summarises the SA work undertaken in June-August 2014 as a result of the revised housing requirements and how this has helped inform the further preparation of the SWDP.

²⁴ http://www.swdevelopmentplan.org/?page_id=8494

- 4.1 “At the Examination into the submitted SWDP, the Inspector recommended that the Councils adopt an uplift in housing to a new total of 28,370 dwellings. This is an increase of 5,170 dwellings above the figure of 23,200 presented in the Plan. The Councils made a call for sites and undertook an assessment process in order to identify a package of additional sites able to satisfy the revised housing requirement. The emerging options for these sites were subject to SA using the same approach and methods as previously used and detailed in published SA Reports.
- 4.2 The revised SAs found that overall the Main Modifications to the SWDP as a result of the uplift in housing numbers will continue to have major positive effects in the longer term for housing. Overall, there will be additional pressures on communities and the environment but there are strong Development Management Policies within the SWDP. If these are implemented positively, negative effects should be mitigated. The proposed additional development has been distributed proportionately through the urban and rural areas in order to minimise negative effects.
- 4.3 Minor negative effects are uncertain in some areas as their significance is dependent upon lower level planning and other studies for the form and layout of proposed development, for example, details of local biodiversity and heritage. The development management policies will help ensure that appropriate mitigation is made. Residual cumulative negative effects are indicated in the longer-term for accessibility and travel/transport with longer journey times throughout the SWDP area and routes in/out of Worcester City.
- 4.4 The SA has been used in an iterative way to inform the development of the Main Modifications. The additional housing proposed will continue to have major positive effects with support and enhancement for established urban centres and the smaller market towns. The increase in transport will continue to be a challenge but SWDP4 Moving Around South Worcestershire, together with SWDP5 Green Infrastructure, will help to promote more sustainable transport modes. “
- 12.7 The proposed Main Modifications to Policy SWDP3 to reflect the Examination Inspector’s recommendation to increase the housing requirement and the amended distribution of housing across the plan area categorised into market and affordable housing, was subject to a fresh Sustainability Appraisal. The method and findings on the change to SWDP 3 from the Proposed Modifications, were published in SA Addendum report 2014. They are reproduced below.

SWDP3: Employment, Housing and Retail Provision Requirement and Delivery

- 3.68 The Main Modifications proposed to Policy SWDP3 reflect the overall uplift in housing and the SA of this amended policy reflects the overall cumulative effect of the SAs of each individual amended policy addressing the changes, deletions and additions of potential site

allocations. Overall, the SA found that the housing uplift would still have major positive effects for housing, employment and retail allocations. There will be support and enhancement for established urban centres and smaller market towns through the proportionate distribution of the proposed additional development.

- 3.69 Potential minor short-term negative effects on existing communities are indicated from the increased housing. This is likely to be particularly associated with accessibility and travel/transport with longer term residual effects for journey times throughout the SWDP area and routes in/out of Worcester City.

13. Tests of Soundness - Summary

13.1 The Addendum provides the audit trail of evidence demonstrating how Policy SWDP 3 as proposed to be modified meets the tests of soundness set out in NPPF paragraph 182, so that the plan is:

- **Positively prepared** – the plan is based on a strategy of meeting objectively assessed housing needs; in particular the evidence about the distribution of objectively assessed housing need and the justification of the SWDP 3 Table 4 b housing provision targets for Sub Areas, to plan for housing need for the plan period to be met in the plan area.
- **Justified** - the plan as proposed to be modified is the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence. That evidence relates to the housing trajectories and the additional housing supply identified, the site assessments/and use of SHLAA criteria; the sustainability appraisal/SEA/ and Habitats Regulations Assessment.
- **Effective** – evidence that the plan is deliverable over the plan period. This evidence relates to the following:
 - implementation of policy - including the housing trajectories, the rolling 5 year housing land supply assessments, and the forecast of affordable housing delivery taking account of the viability evidence
 - the identification of additional housing supply through intensification, extension and new site allocations as well as commitments and completions and small windfalls to enable need to be met; with supply summarised in SWDP 3 Table 4e as proposed to be modified
 - Effective joint working on cross-boundary strategic priorities is amply demonstrated by :
 - The joint work on evidence gathering including:
 - a. the January 2014 Objective Assessment of Housing Need,
 - b. the call for sites and shared methodology for site assessment
 - c. the joint commissioning of updated evidence e.g. Strategic Flood Risk Assessment, Water Cycle Study, and the Sustainability Assessment Addendum
 - the agreement between the three Councils on the distribution of housing need and the resultant Sub Area/Area housing provision targets in SWDP 3 as proposed to be modified.
 - The Proposed Modification for the deletion of the phasing policy in SWDP 3 Table 4c
 - The Proposed Modification to SWDP 15, reducing the contribution for affordable housing that should be provided on brownfield sites in Worcester City on sites of 15 or more dwellings, subject to negotiation and viability.

- **Consistent with national policy** – in particular Framework paragraphs 14 (presumption in favour of sustainable development) and 47 (boosting significantly the supply of housing) regarding the following:
 - the use of evidence about the full, objectively assessed housing need, as recommended by the Inspector in the Further Interim Conclusions, as the basis for the proposed modifications to housing provision targets in policy SWDP 3 Table 4b
 - the use of evidence - including the call for sites, site assessments /SHLAA criteria- to inform proposed modifications relating to SWDP site allocations (sites in the submitted plan and new allocations) and to inform proposed modifications to housing supply policy SWDP 3 Table 4e, consistent with boosting housing supply
 - the use of evidence to demonstrate the ability to maintain a rolling 5 year housing land supply over the plan period, taking account of the relevant 'buffer', making good previous persistent under delivery in the first five years, where evidenced, consistent with the SWDP strategy
 - the use of supply evidence to inform the Proposed Modification to Policy SWDP 3 table 4b for LPAs' monitoring housing development within districts.

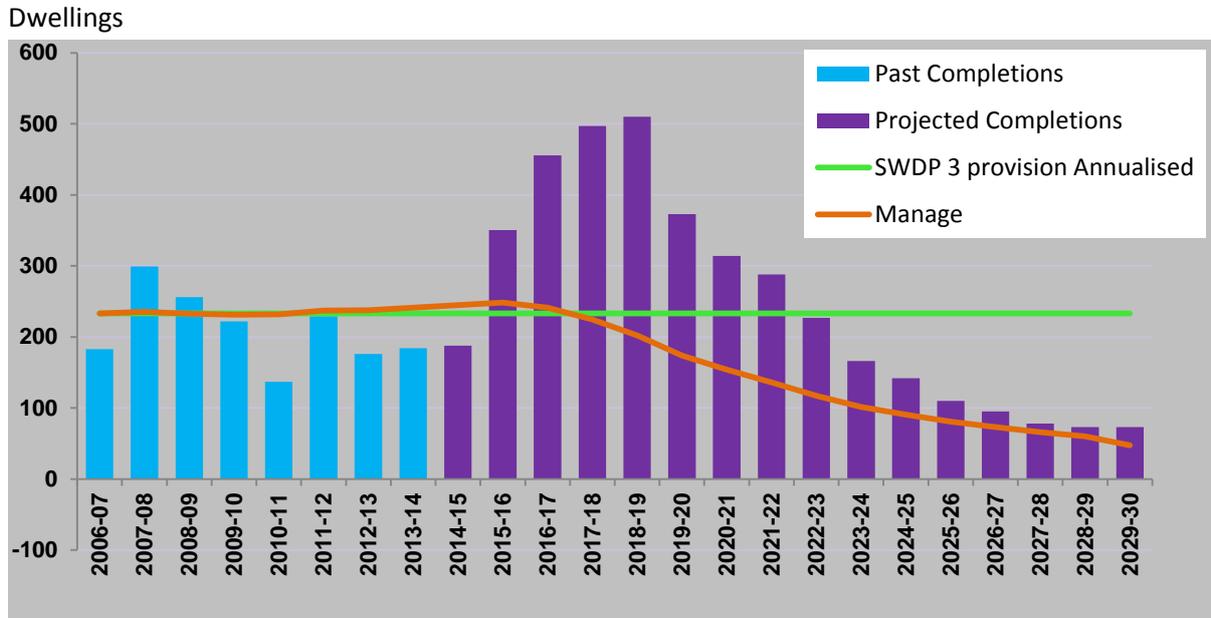
Revised Housing Trajectories ILLUSTRATIVE GRAPHS

- Plan, Monitor and Manage housing land supply graphs illustrating the Sub Areas and Worcester City housing trajectories (these will replace the graphs in SWDP Annex E)
- Graphs illustrating the rolling 5 year housing land supply

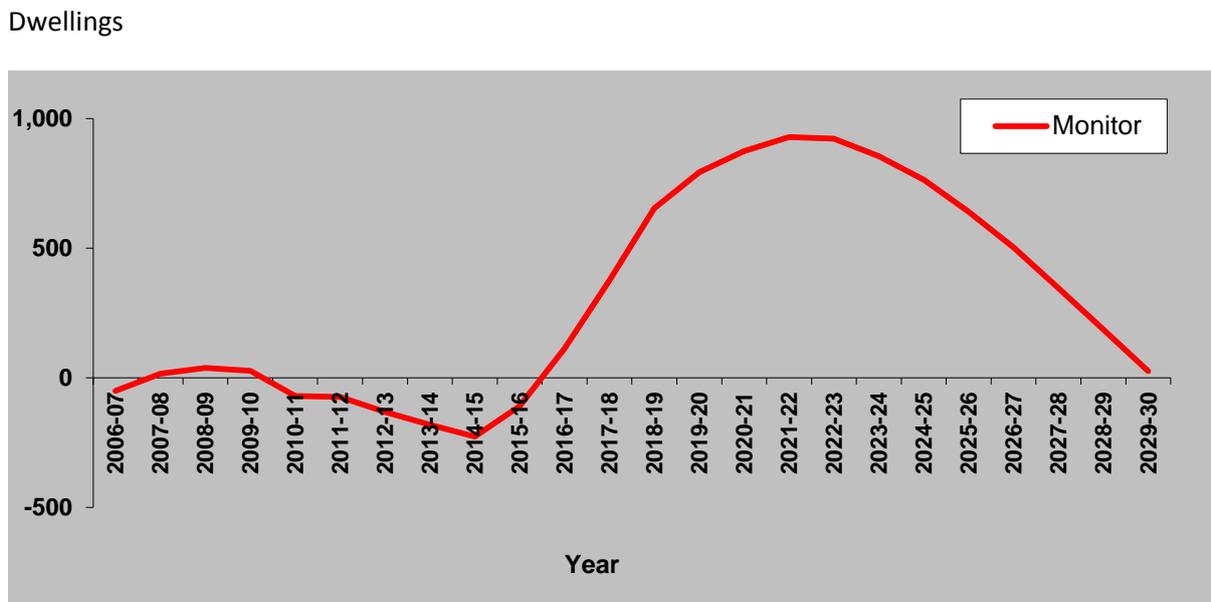
Malvern Hills (excluding WWA) Sub Area

Sub Area SWDP 3 Housing Provision Target is 5,600 dwellings
 Plan, Monitor and Manage housing land supply – Housing Trajectory illustrated
 by graphs 1.1a and 1.1b

Graph 1.1a Malvern Hills (excluding WWA) Sub Area - Plan/Manage



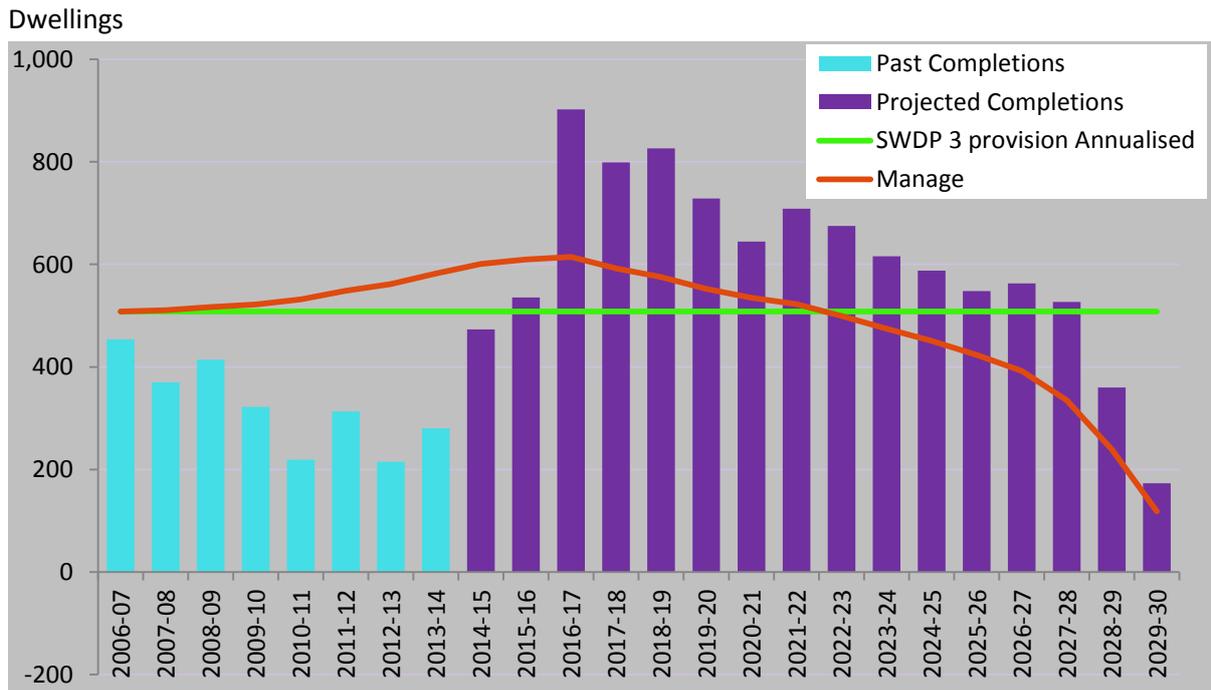
Graph 1.1b Malvern Hills (excluding WWA) Sub Area - Monitor



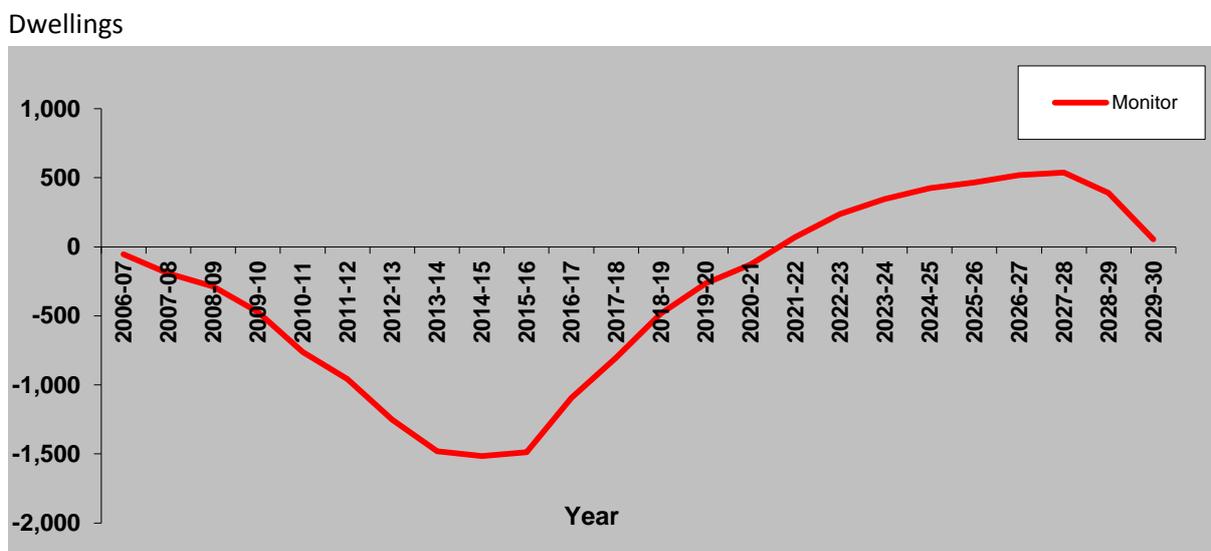
Wider Worcester Area - Sub Area Total

The analysis for the Wider Worcester Area is illustrative. It demonstrates the consequences of combining the supply and the Sub Area SWDP 3 Housing Provision targets for the two policy areas in the Wider Worcester Area (6,750 for Worcester City, plus 5,450 for WWA (Malvern Hills and Wychavon)) which aggregate to 12,200 dwellings. The Plan, Monitor and Manage housing land supply – Housing Trajectory is illustrated by graphs 1.2a and 1.2b.

Graph 1.2a Wider Worcester Area Sub Area - Plan/Manage



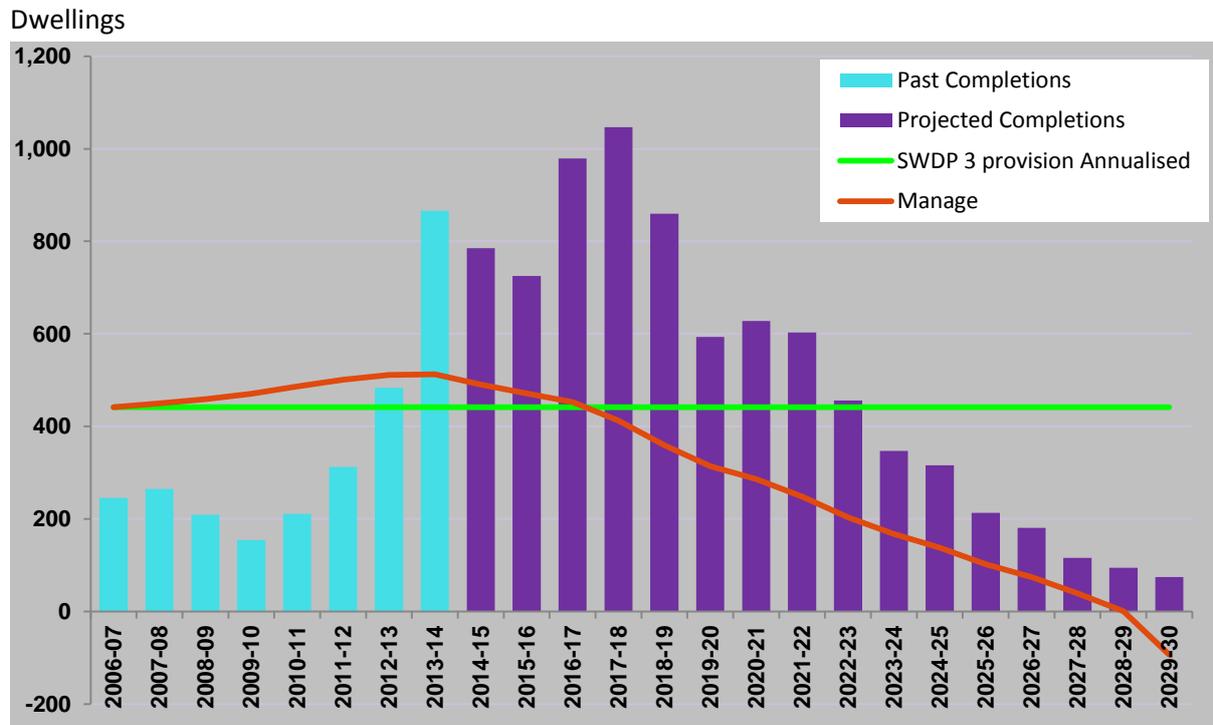
Graph 1.2b Wider Worcester Area - Monitor



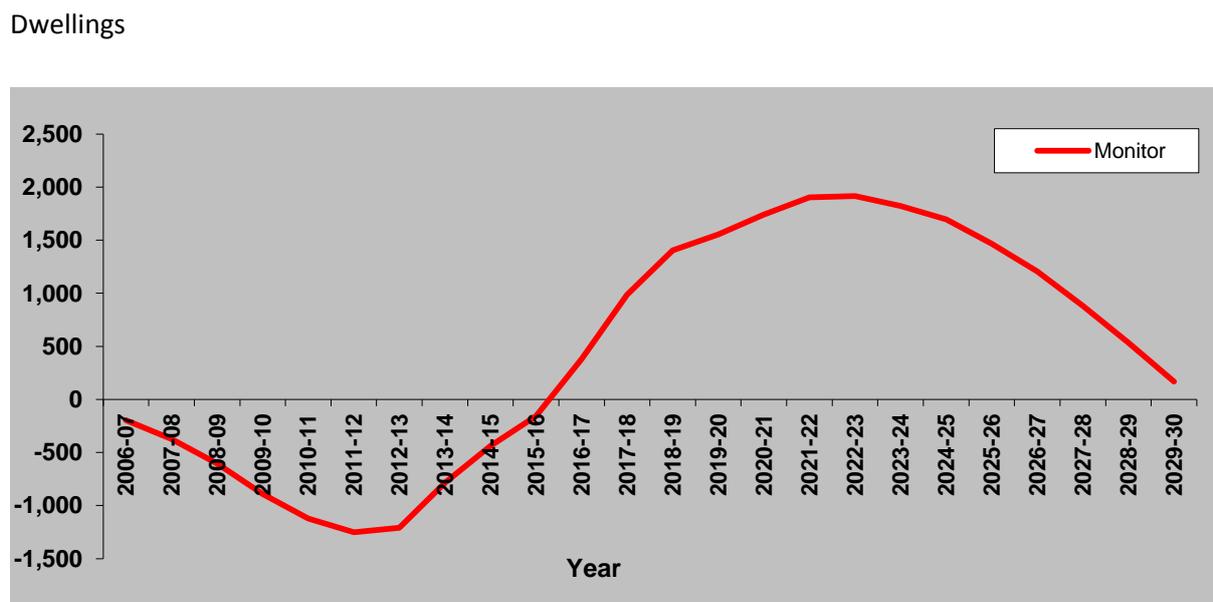
Wychavon (excluding WWA) Sub Area

Sub Area SWDP 3 Housing Provision Target is 10,600 dwellings
Plan, Monitor and Manage housing land supply – Housing Trajectory illustrated by graphs 1.3a and 1.3b

Graph 1.3a Wychavon (excluding WWA) Sub Area - Plan/Manage



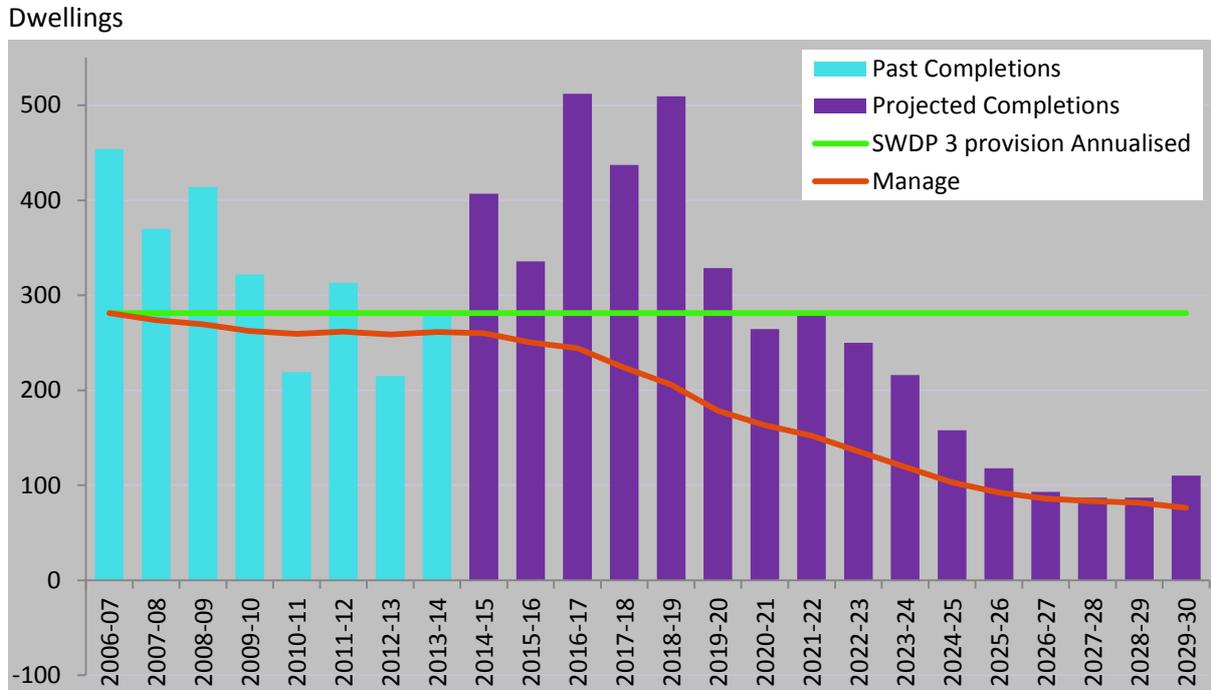
Graph 1.3b Wychavon (excluding WWA) Sub Area - Monitor



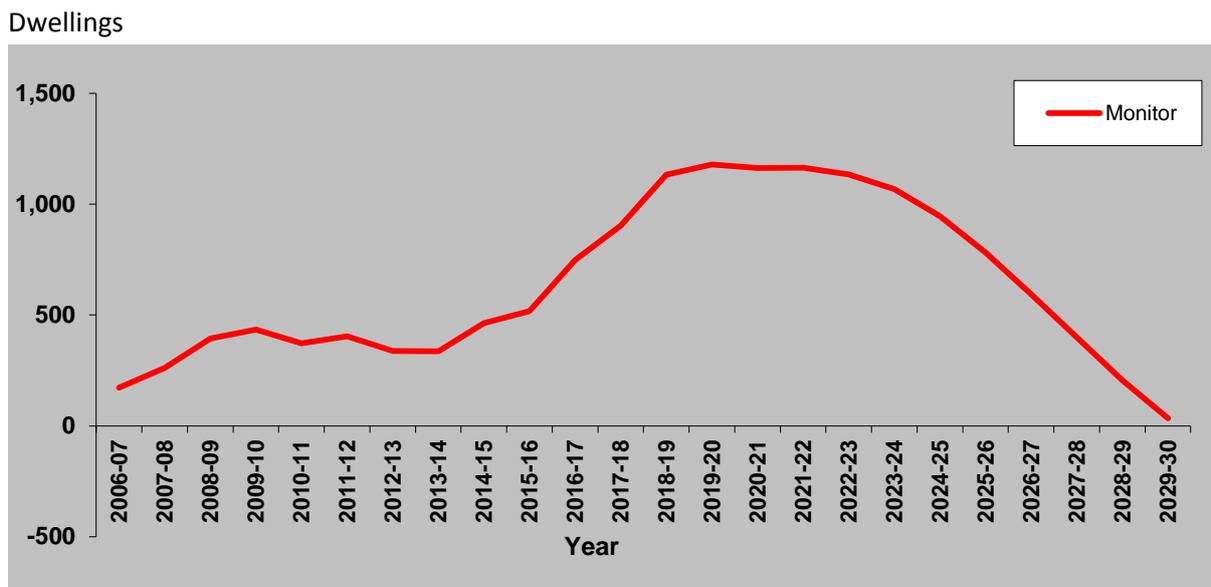
WWA (Worcester City)

City SWDP 3 Housing Provision Target is 6,750 dwellings
 Plan, Monitor and Manage housing land supply – Housing Trajectory illustrated
 by graphs 1.4a and 1.4b

Graph 1.4a WWA (Worcester City) - Plan/Manage



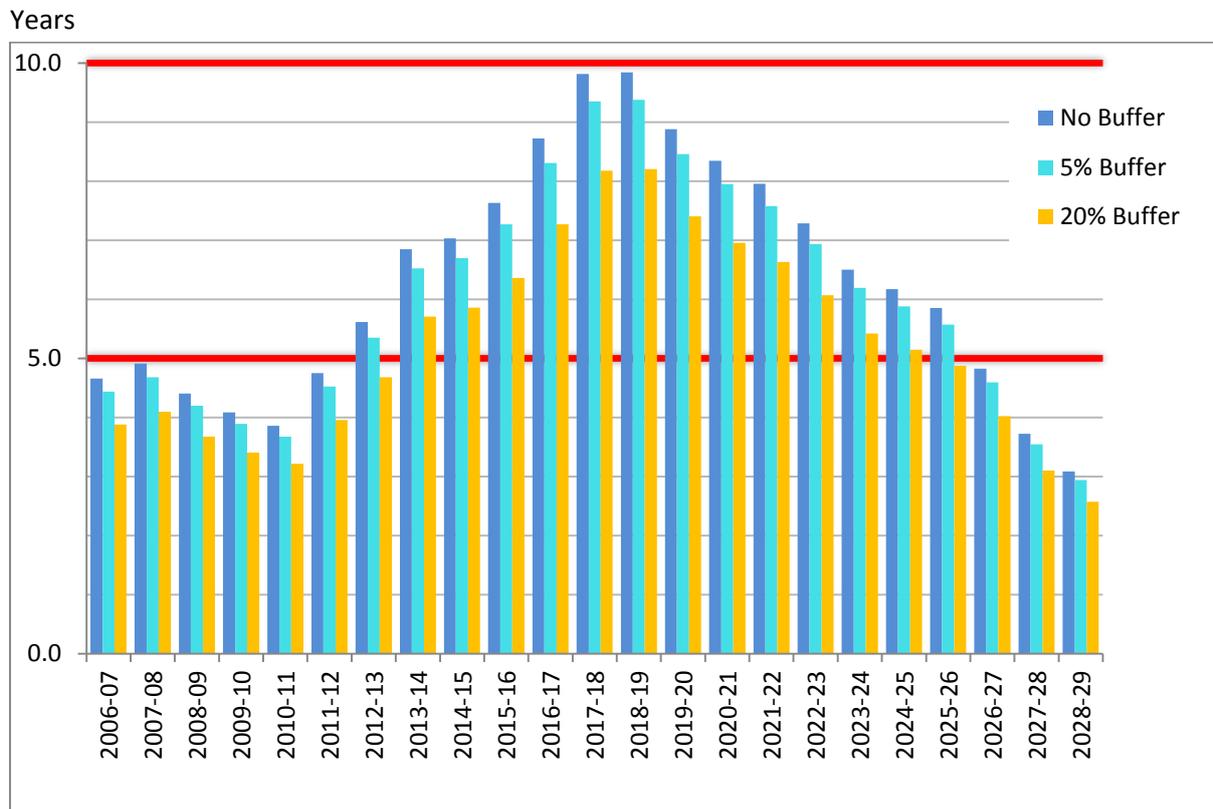
Graph 1.4b WWA (Worcester City) - Monitor



WWA (Worcester City) is part of the Wider Worcester Area

Graph 2.1 Malvern Hills (excluding WWA) Sub Area rolling 5 year housing land supply

Sub Area SWDP 3 Housing Provision Target is 5,600 dwellings



Note: Sedgefield approach is applied between 2014/15 and 2016/17.
The undersupply prior to 2014 is forecast to be met by March 2017.

Graph 2.2 Wider Worcester Area rolling 5 year housing land supply

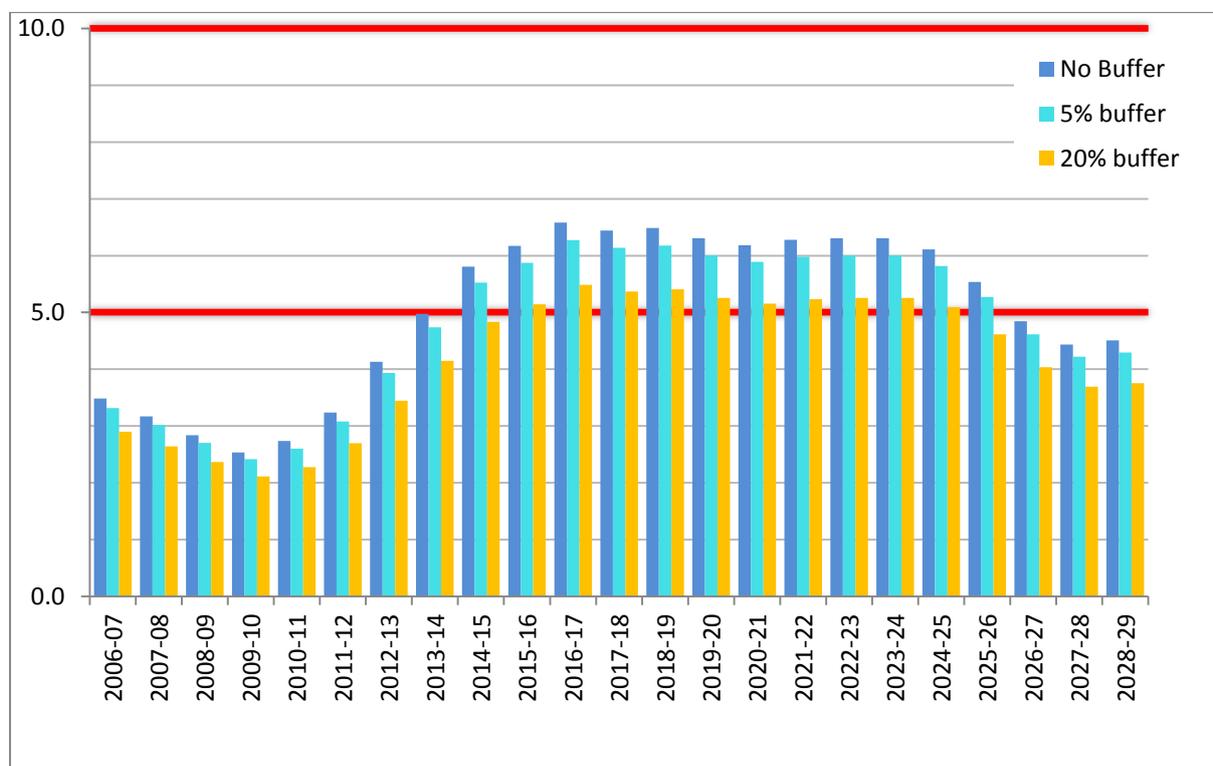
Sub Area SWDP 3 Housing Provision Target is

This illustrates the combination of WWA (Worcester) and WWA(Malvern Hills and Wychavon) supply and their SWDP 3 policy targets (combined 12,200 dwellings)

It should be noted the Proposed Modification PM9 does not provide a policy target for the Wider Worcester Area. Instead there are two policy targets for

- a) WWA (Worcester City)
- b) WWA (Malvern Hills and Wychavon)

Years



Notes:

The site-specific phasing of the Worcester urban extensions starts with the phase 1 (2013 to 2019) and therefore there can be no undersupply on the urban extensions before 2013.

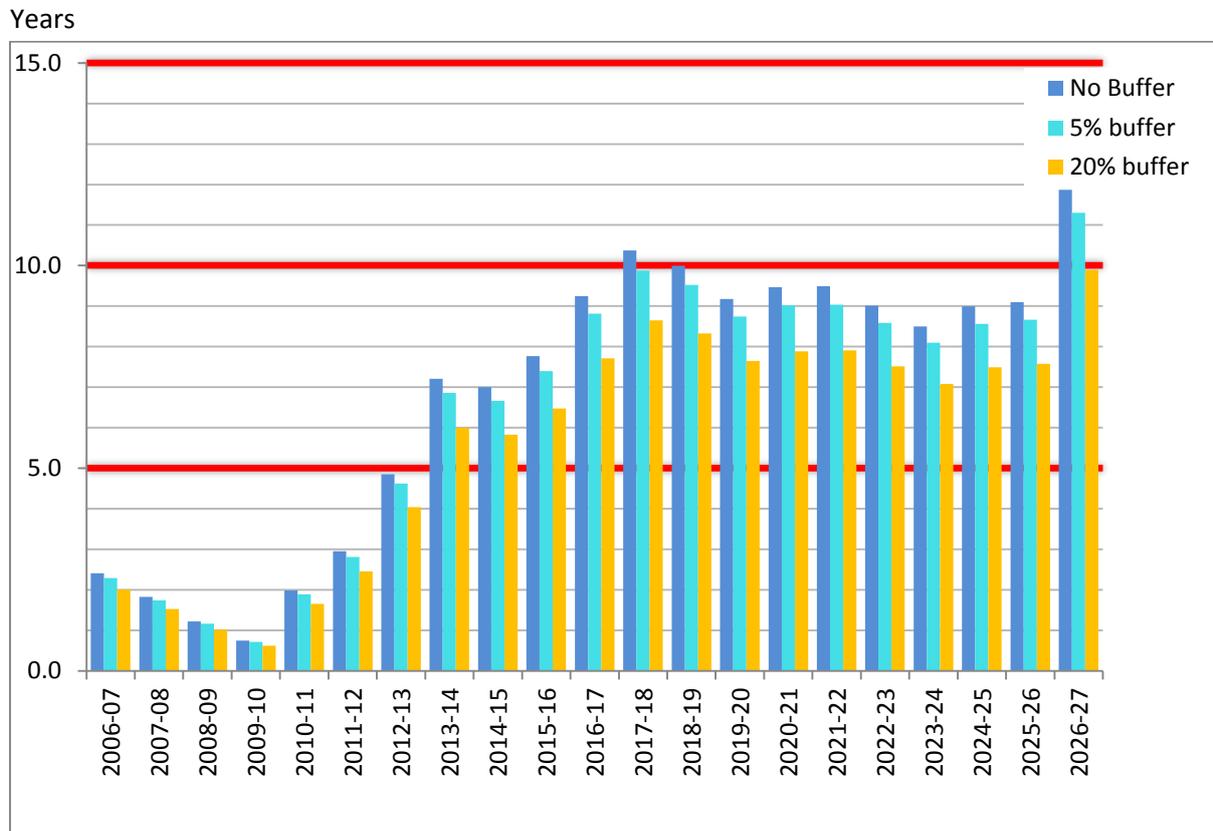
There is no evidence of persistent previous undersupply in Worcester City. (See the graph for WWA(Worcester City).)

Therefore there is no shortfall to be made good and no need to apply the Sedgefield approach in the Wider Worcester Area.

The detailed housing trajectory is set out in document EX/xxx

Graph 2.3 Wychavon (excluding WWA) Sub Area rolling 5 year housing land supply

Sub Area SWDP 3 Housing Provision Target is 10,600 dwellings



Note:

Sedgefield approach is applied between 2014/15 and 2016/17.

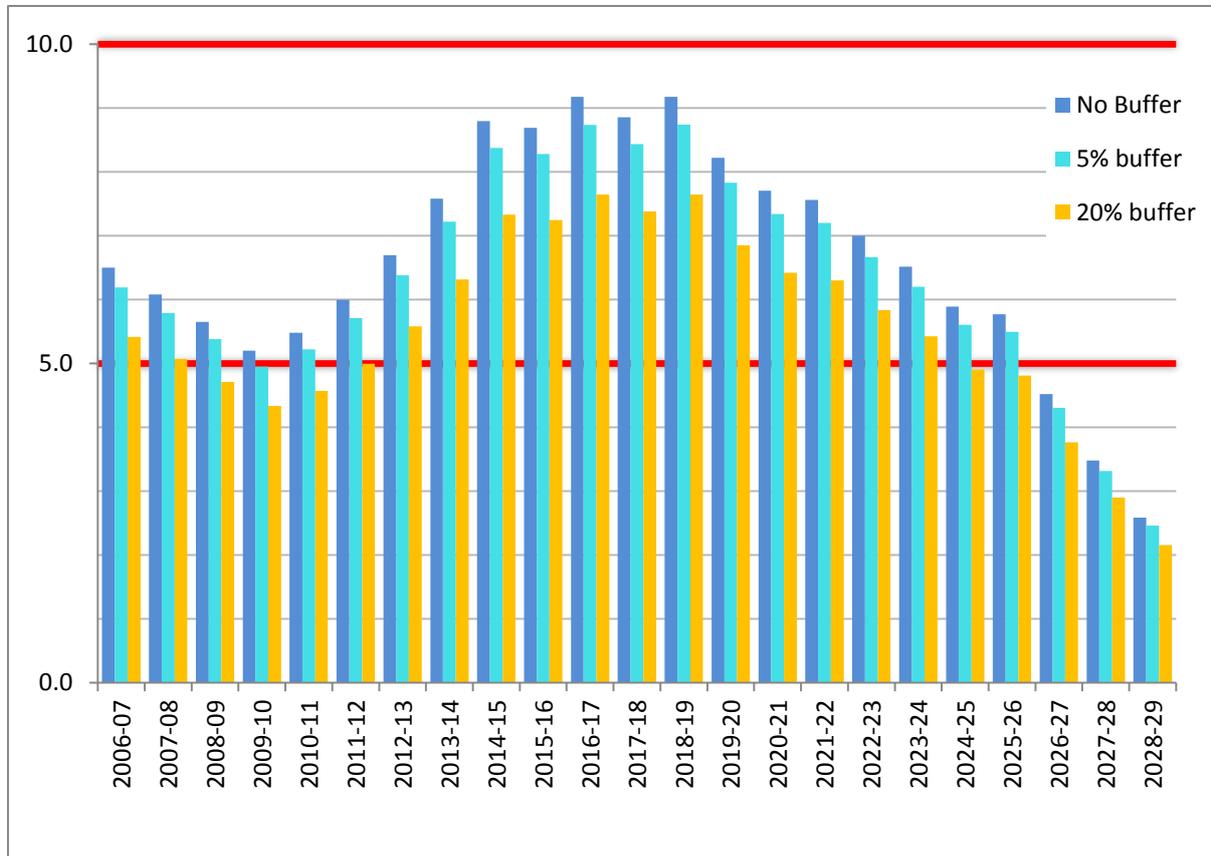
The undersupply prior to 2014 is forecast to be met by March 2017.

Due to the overall forecast housing supply in this Sub Area, which exceeds the housing target, the detailed trajectory evidence suggests that that the 10,300 dwellings target could be delivered by 2025/26. The rolling 5 year land supply analysis extends to 2030 in the detailed trajectory spreadsheet [EX/xxx], but for the purposes of illustrating this evidence, the graph illustrates the analysis to 2024/25.

Graph 2.4 Worcester City rolling 5 year housing land supply

Worcester City SWDP 3 Housing Provision Target is 6,750 dwellings

Years



Notes:

No persistent undersupply in the city prior to 2014, therefore no need to apply Sedgefield approach.

The gap in 2013/14 is due to the target phasing

APPENDIX 2

Revised Affordable Housing Need and Forecast Supply

Methodology and calculation of affordable housing need in the plan period and the potential to deliver affordable housing through the South Worcestershire Development Plan

The following tables and analysis supersede the tables and analysis in Appendix 6 of the Housing Background Paper November 2012.

Sources of need for affordable housing 2006 to 2030

Table 1 Need met 2006 to 2011, 2011 to 2016 and 2016 to 2030

DISTRICT	Affordable housing completions ie need delivered 2006-2011	Need met from commitments existing as at April 2011	Short Term 2011-2016 (net need arising + 5 year backlog)	Long Term need arising to be met 2016-2030	TOTAL NEED
Worcester	407	130	1,790	2,182	4,509
Malvern Hills	249	72	655	480	1,456
Wychavon	215	127	1,340	494	2,176
Total	871	329	3,785	3,156	8,140

Figures may not sum due to rounding

Source:

Completions 2006-2011 HSSA returns & Housing Monitoring (includes correction for Malvern Hills (Ex WWA) Sub Area completions 2006 to 2011)

Table 2 Calculation of Need arising 2016 to 2030

DISTRICT	Newly Arising need long term pa (a)	Gross resale/ relets pa (social & Intermediate Market) (b)	Net need arising to be met pa (c) (=a-b)	No of years 2016-2030)	TOTAL 2016-2030 long term need arising to be met
Worcester	626	470	156	14	2,182
Malvern Hills	344	310	34	14	480
Wychavon	503	468	35	14	494
Total	1,473	1,248	225		3,155

(figures may not sum due to rounding)

Source: Newly Arising need long term pa gross - SHMA p182 (2.4)

Gross resale/ relets pa (social & IM) SHMA P183 (3.8) applying the rates from SHMA paragraph 7.52 (ie SUM(2389/1994))

Table 3a Known sources of supply – as at April 2011

DISTRICT	Affordable housing completions delivered 2006-2011	Committed supply of affordable dwellings at April 2011	TOTAL KNOWN
Worcester	407	130	537
Malvern Hills	355	72	427
Wychavon	214	127	341
Total	976	329	1,305

Source:

Completions 2006-2011 HSSA returns & Housing Monitoring

Commitments: SHMA 2012 Fig 7.7 Step 3.3

Table 3b Known sources of affordable housing supply – 2014

	Completions delivered				Committed supply dwellings at April 2014	TOTAL KNOWN 2006-2014
	2006-2011	2011-2012	2012-2013	2013-2014		
Worcester (WWA)	407	114	66	100	564	1,251
Malvern Hills	249	155	8	51	182	645
Wychavon	215	57	162	258	1,006	1,698
Total	871	326	236	409	1,752	3,594

Source:

Completions 2006-2014 HSSA returns & Housing Monitoring

Commitments: Housing Monitoring 2014

Table 4 Remaining need to be met

	TOTAL NEED	TOTAL KNOWN	Remaining need to be met
Worcester (WWA)	4,509	1,251	3,258
Malvern Hills	1,456	645	811
Wychavon	2,176	1,698	478
Total	8,140	3,594	4,547

Source: Table 1 and Table 3 (figures may not sum due to rounding)

Table 5 Sources of supply to meet the remaining need to be metFrom the uplift in development value

SUB AREA	Potential delivery from Residue of supply * (e)	Remaining need to be met (Table 4) (g)	Need for affordable housing not met by housing supply (g) – (f) (h)
Worcester (WWA)	2,617	3,258	+641
Malvern Hills (Ex WWA) Sub Area	1,075	811	-264
Wychavon (Ex WWA) Sub Area	1,596	478	-1,118
Total	5,288	4,547	-741

Notes:

Figures may not sum due to rounding

A positive figure in column (h) indicates that the forecast need for affordable housing is not met by the scale of forecast delivery of affordable housing

A negative figure in column (h) indicates that the scale of forecast delivery of affordable housing is greater than the forecast need for affordable housing (ie a surplus).

* the residue of supply of housing not yet permitted based on the following:

a) allocations not yet permitted – applying the percentage targets in SWDP 15, as proposed to be modified by PM41 and PM42, to site allocations – for details

b) and forecast small site non garden land windfalls (assumes 30% of these sites in Worcester and Wychavon are sites of 5 to 9 dwellings, where a 20% target applies)

excludes

- non garden land windfalls sites of 4 or less dwellings
- 100% affordable housing on rural exception sites

The number of affordable dwellings for each site (actual if permitted, or forecast) is listed on the detailed Housing Trajectories for each Sub Area.

Table 6 Total forecast affordable housing supply from development

SUB AREA	TOTAL KNOWN	Potential delivery from Residue of supply (e)	TOTAL SUPPLY OF AFFORDABLE HOUSING
Worcester (WWA)	1,251	2,617	3,868
Malvern Hills (Ex WWA) Sub Area	645	1,075	1,720
Wychavon (Ex WWA) Sub Area	1,698	1,596	3,294
Total	3,594	5,288	8,882

The estimated need for affordable housing in the plan period is at least 8,140 dwellings. By creating the right conditions to create jobs and deliver the plan's economic strategy the plan can create the conditions to reduce the need for further affordable housing, including fostering household confidence to move to market housing thereby releasing affordable housing for re-lets.

The uplift in land values from development is the key opportunity in this plan period for seeking to meet the unmet need for affordable housing. The scale of housing provision between 2006 and 2030 could deliver at least 8,900 affordable dwellings, taking overall viability into account. This is a realistic target to include in the plan.

The forecast potential shortfall in the WWA of 641 dwellings is significantly lower than the forecast shortfall of about 2,000 units reported in Appendix 6 of the Housing Background Paper November 2012.

The potential shortfall is expected to be reduced as the result of the following:

- Additional affordable housing will also occur within the existing dwelling stock including: a forecast of dwellings in Worcester through change of tenure from market housing ownership to private sector rent that is affordable, via a Local Lettings Agency. A cautious estimate of 285 dwellings is taking account of the recent experience in the City of the rate at which properties come forward and are taken up. This is lower than the previous forecast of 570 in Appendix 6 of the Housing Background Paper November 2012,.
- Future windfalls from development by registered providers and through S106 agreements.

- The joint allocations policy approach within Worcestershire under Home Choice Plus means that there is potential for part of the residue of affordable housing need not met at WWA to be met through take-up of capacity within one or both of the other Sub Areas in South Worcestershire

The supply from commitments including sites allowed on appeal April-August 2014 already takes account of contemporaneous viability issues and evidence of local need. The consequence of the Government's changes to regulations allowing developers to renegotiate agreed affordable housing contributions, existing or future, has not been included in the supply forecast as it would prejudice the negotiations in advance of developers' site and time specific evidence.