

SWDP 62: Implementation

- A. Planning obligations through Section 106 agreements will continue to be sought to provide funding to mitigate negative impacts relating to specific developments. A Developer Contributions SPD will be produced to provide detailed guidance to be used in conjunction with the Community Infrastructure Levy charging schedule.**
- B. Progress on the delivery of the SWDP will be monitored annually and a partial or whole Plan review commenced if the Plan is significantly failing to meet its objectives, or if the policy context requires a review.**

Reasoned Justification

1. This policy focuses on the successful delivery of new development in the period until 2030, in line with the vision and objectives of the SWDP and co-ordinated with strategic infrastructure provision.
2. The successful implementation of the local plan will depend on the actions and contributions of a wide range of organisations and bodies including the private, public and third sectors. The partner authorities and the County Council will have an important role to play in such areas as planning applications, infrastructure and economic development, lobbying for resources, transport, education and co-ordination. However, the South Worcestershire Councils (SWC) have limited resources and the delivery of the SWDP will be largely dependent on private sector funding. It will only be through effective working with key agencies, the private sector and developers that new development and regeneration will take place. This includes all types of housing, employment, retail and many community uses, supported by infrastructure such as water and drainage, utilities, education, play areas, sports provision, highway improvements and transport and emergency services infrastructure.
3. The implementation of the plan will be monitored annually to ensure the strategy and objectives are being delivered. If at any time it is clear that the plan is significantly failing to deliver its objectives and key policies / proposals a partial or whole Plan review will be commenced. On the basis of the current available evidence, it is envisaged that a partial Plan review may need to commence by the end of 2019 if the SWC are to ensure there is an up-to-date Plan for the area throughout the 2020's and beyond. It will be an option however for the SWC to consider taking actions other than a partial or full plan review (such as the bringing forward of sustainable alternative / additional sites through the development management process) if a more rapid response is demanded / appropriate.
4. The SWC consider that any one of the following circumstances would require a review of the plan to commence or sustainable alternative / additional sites to be brought forward, as appropriate:

- a. A failure of policies SWDP 2, 3, 4, 5 and 7 when assessed against the plan objectives set out at Annex B to the Plan and in particular a failure to deliver the amount of development required by policy SWDP 3.
- b. Evidence established through another authority's Local Plan process that its unmet strategic requirements can only be accommodated within South Worcestershire.
- c. Changes in national planning policy and guidance or new planning evidence that mean one or more of the Plan's policies is not up to date.
- d. Evidence in the Authorities' Monitoring Report that one or more Plan policies are not achieving the Plan's objectives or are working contrary to the effective planning of the South Worcestershire area.

Delivery and Funding

5. The SWC, together with Worcestershire County Council, have tested the SWDP policies and proposals to ensure they will not undermine economic prosperity or development viability. The work to assess viability is discussed later in this section.
6. New development cannot be delivered without the involvement of a number of public and private bodies, from large private utility companies and public health bodies to smaller locally-based bodies such as town and parish councils and voluntary groups. The partner authorities and County Council have progressed an Infrastructure Delivery Plan, which has focused on identifying planned or required physical, green and social infrastructure at a detailed level. Through this process, gaps in expenditure or provision have been identified. This has enabled specific responsibilities and priority community infrastructure requirements to be linked to planned development in the area.
7. The SWC will engage actively and closely with the private sector and the Worcestershire Local Enterprise Partnership, to deliver the objectives of the SWDP and translate these objectives into positive outcomes for the whole community. This engagement will be achieved through strategic planning performance agreements, or other appropriate arrangements incorporating regular meetings with landowners / developers, infrastructure and service providers and other key stakeholders. Close partnership working will enable the coordinated phasing and delivery of development, associated infrastructure and funding (including developer contributions) to come forward.
8. The SWDP embraces the Development Management approach to planning from the stages of early site promotion through to practical delivery. Building a consensus between the planning authorities and site owners on development principles, through use of a planning brief and / or masterplan, will help to minimise development risk and allow sites to be developed in a more appropriate and timely manner. Developers and their agents will be encouraged to enter into pre-application discussions with the planning authorities as well as undertaking early community engagement to ensure that their proposals are supportive of the SWDP and the requirements set out in each authority's SCI are fulfilled.
9. Developers will be required to contribute towards providing and enhancing strategic infrastructure through the Community Infrastructure Levy (CIL). This is discussed in more detail in SWDP 7, but a Community Infrastructure Levy Charging Schedule is just

one potential source of funding for the range of infrastructure that will be required to deliver the SWDP.

10. CIL is being developed and consulted on in parallel with the SWDP but can only be adopted after the adoption of the Plan. CIL will be applicable to each south Worcestershire district with the aim of achieving adoption in 2016. Development of the CIL Charging Schedule has had regard to development viability and will, as a mandatory charge on all development (with a limited number of exceptions) be set at a level that does not undermine development viability. Clearly this is a challenge, particularly in the current economic climate, and the Community Infrastructure Levy guidance (as revised) requires a balance to be struck between the requirement for necessary infrastructure and the viability of development.
11. The Infrastructure Delivery Plan (SWDP 7 and Annex I) identifies physical, social and green infrastructure including those requirements that are cross-boundary, and whilst each individual district will be the charging authority for the Community Infrastructure Levy, the pooling of such resources is likely to be necessary in order to effectively deliver cross-boundary infrastructure. Infrastructure such as the Southern Link Road Improvements, will require continuing collaboration between the partner authorities and the County Council in order to ensure a planned approach to the delivery of that infrastructure.
12. The economic conditions underpinning development viability will change over the plan period and CIL is required to take a longer-term view to 2030, but will be reviewed at regular intervals throughout the plan period in order to take account of economic fluctuations.
13. Planning obligations through Section 106 agreements will continue to provide funding to mitigate negative impacts relating to a specific development such as highways, recreational facilities, education, health or affordable housing. CIL will complement and not duplicate planning obligations.
14. Other sources of public funding to support the delivery of the SWDP will include government funding such as New Homes Bonus, Regional Growth Fund, Growing Places Fund and Get Britain Building programme. This is considered in more detail in SWDP 7.

Governance

Background

15. Work on the SWDP began in 2006, when White Young Green produced a report on urban capacity in Worcester, outlining options for how the future growth requirements of the city that could not be accommodated within the administrative boundaries could be accommodated elsewhere. The SWC established formal terms of reference for a joint non-executive panel in 2007 to oversee, advise and support the SWDP process. The panel became known as the South Worcestershire Joint Advisory Panel (SWJAP).
16. Member representation from each of the partner authorities increased from three to five in 2012, together with senior representation from Worcestershire County Council, to

ensure that each of the partner authorities had access to information in relation to the SWDP process and content and could advise accordingly. The Panel is chaired on a rotating basis by each of the partner authorities.

17. SWJAP is supported by an officer group made up of officers from each district and the County Council and co-ordination is undertaken by a Project Manager.
18. Plan making is being taken forward under informal joint plan-making arrangements and decision-making is still undertaken by each of the local authorities on the basis that the SWDP can only go forward if their formal approval is given.
19. The SWC have jointly funded the SWDP work and this included paying for research, studies, consultation, advice and additional capacity.
20. The work on the SWDP feeds into and is informed by some of the key strategic partnerships in the county, including the Place Shaping Group and the Worcestershire Local Enterprise Partnership.

Progress to Date

21. The SWJAP and working relationships between the partner authorities and the County Council has provided an effective mechanism to oversee and ensure the progress of the SWDP over the past seven years. They have provided an effective mechanism for partnership working to deliver a policy and development framework for growth.
22. During that time, the partnership has worked together to address a number of challenges presented by changes to the national planning system and the updating of evidence, resulting in delays and revisions to the SWDP itself. However, despite these challenges and changes, the SWC have achieved consensus on a number of difficult decisions and have kept the SWDP on track in accordance with the approved Local Development Schemes.
23. Funding has been successfully secured to support the development of the SWDP, to project manage the SWDP and undertake studies and consultation to support the development of the SWDP and delivery of highways improvements to improve traffic flows around the A4440.

Future Arrangements for Governance in Relation to Delivery

24. The SWJAP is an informal arrangement between the SWC and the SWC recognise the need to put in place governance and delivery arrangements for the implementation of the SWDP when it achieves adoption.

Key Delivery Bodies

25. There are many agencies, private and public sector bodies who will need to be involved in supporting the delivery of the SWDP. Some of the key agencies are:

The Worcestershire Local Enterprise Partnership

26. The countywide Local Enterprise Partnership (LEP) successfully submitted its proposal to Government in December 2010. A Business Board was formed to take forward and implement the priorities of the Local Enterprise Partnership through partnership working with organisations linked to economic development and commercial activity. The Main Board oversees this activity and makes decisions on strategic direction and funding and they have secured additional government and public sector funding including Regional Growth Funding to help resource their ambitions.
27. The LEP Vision is “to create the right environment to inspire businesses, encourage investment and to create lasting and sustainable employment in Worcestershire by 2017 and beyond”.
28. The LEP is committed to raising the national profile of the area, supporting the aspirations for planning, development and infrastructure along with improving employment, skills and access to finance for business.
29. The SWC have actively engaged with the LEP to ensure that they understood the approaches to, and delivery of, economic development in the area along with offering regular updates on the progress of the SWDP. As a result, the LEP has expressed its support for the approach being taken on the economic prosperity-led south Worcestershire local plan and is committed to working with the partner authorities and the County Council to support the joint aspirations for planning, development and infrastructure.

The Worcestershire Partnership

30. The Worcestershire Partnership aims to shape Worcestershire's future by working with key stakeholders from the public, private and third sectors to unblock barriers to growth and ensure that the county realises its full economic potential. The group has been jointly set up with the Worcestershire LEP to support its focus on “opportunities” for business growth, jobs and enterprise to secure sustainable economic development for the county for the benefit of businesses and people who live and work in the county.
31. A key priority for the LEP and Worcestershire Partnership is the identification of strategically important sites across the area, including in south Worcestershire, that will unlock future development in the area.

Worcestershire Local Nature Partnership

32. The Worcestershire Local Nature Partnership sits under the Worcestershire Partnership as a relatively new strategic body set up to help manage the natural environment in such a way as to produce multiple benefits for people, the economy and the environment. The Partnership will have a role to play in ensuring that the delivery of the SWDP helps to achieve a balance between the environment and the economy.

Public Sector Bodies and Land Holdings

33. Worcestershire County Council is the major public sector land owner in south Worcestershire. The three District Councils, emergency and health services also have land holdings throughout the area and have the potential to have a direct impact upon the implementation of the SWDP through the control of land and buildings. The County Council and each of the partner authorities remain committed to ensuring that they facilitate necessary development where appropriate, whilst providing a range of community benefits and taking forward sustainability objectives as a first priority. It is recognised that the partner authorities in south Worcestershire will continue to release surplus sites and that the redevelopment of these should, where possible, contribute to the overall aims of the SWDP.

City and Town Centre Delivery Vehicles

34. Worcester City has raised significant funds through business rates to develop a Business Improvement District within its retail core; this is one of many vehicles to support the delivery of the aspirations and vision for the city centre and outlined in the City Centre Masterplan.
35. The towns throughout south Worcestershire have developed a similar approach on a smaller scale with the introduction of Town Centre Managers in towns such as Evesham, Pershore and Droitwich. The Town Centre Management Agenda is delivery-focused and underpinned by a modest budget for local projects that fit with both the joint Sustainable Community Strategy and the countywide objectives.

Working with the Community

36. Each of the partner authorities is committed to involving the public in the development of policies and guidance and in determining planning applications. The Statements of Community Involvement for the partner authorities set out this approach in more detail.
37. Moreover, once the SWDP is adopted there will be opportunities for local communities to produce their own Neighbourhood Plans that will set out a vision and objectives for their areas within the strategic framework of the SWDP.

Viability

38. An important element of the Framework guidance on plan-making is to ensure that the local plan is deliverable.
 - a. The Framework (paragraph 173) states that:

“Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-making. Plans should be deliverable. Therefore, the sites and scale of development identified in the plan should be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirement likely to be applied

to development such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taken into account of the normal cost of development and mitigation, provide competitive returns to a willing landowner and willing developer to enable the development to be deliverable”.

- b. Paragraph 174 states that:

“Local planning authorities should set out their policy on local standards in the Local Plan, including requirements for affordable housing. They should assess the likely cumulative impacts on development in their area of all existing and proposed local standards, supplementary planning documents and policies that support the Local Plan, when added to the nationally required standards. In order to be appropriate, the cumulative impact of these standards and policies should not put implementation of the plan at serious risk and should facilitate development throughout the economic cycle. Evidence supporting the assessment should be proportionate, using only appropriate, available evidence.”

39. An overall viability assessment has been undertaken for south Worcestershire to firstly assess the impact of the Plan’s policies on development viability and then to examine the cumulative impact of the policy requirements. The assessment has been developed using national guidance, best practice and evidence that has been developed through the work on the Community Infrastructure Levy Charging Schedule for Worcestershire, and this work is examined in more detail in SWDP 7.
40. The question that needs to be answered in any viability testing relates to the impact on viability of the policies being put forward, given likely land values, and whether the developer will still be in a position to make a reasonable profit.
41. Viability testing on sites has been based on a calculation of the Gross Development Value (GDV) or combined value of the complete development, less the costs of creating the asset, including a profit margin to give a Residual Value (RV) for the development. The Residual Value can be defined as the top limit of what a bidder could offer for a site whilst still making a satisfactory profit margin. Residual Value can therefore be compared with an Existing or Alternative Use Value (EUV or AUV) as follows:
- a. A viable development would be defined as a site where the Residual Value exceeds the Viability Threshold (the existing use value plus uplift).
 - b. Where the Residual Value is greater than EUV but less than the viability threshold, the site would be considered as marginal.
 - c. Where the Residual Value is less than the EUV the site would be considered unviable.
42. The viability work undertaken by SWDP has included stakeholder engagement with developers and planning consultants.
43. The main conclusion of the South Worcestershire Viability Study is that the policies of the SWDP and the proposals to introduce a Community Infrastructure Levy do not put

implementation of the plan at serious risk. Consideration does, however, need to be given to the level of CIL and to ensuring that the policies within the SWDP are flexible enough to reduce the risk of unviable development.